

Legislation Text

File #: 15-7789, Version: 1

FY 2018-II Housing Funding Support Requests

Action:

- A. Approve a waiver of the Housing Locational Policy for five multi-family housing developments:**
924 West Sugar Creek located at 924 West Sugar Creek Road,
Abbingdon on Mount Holly located at 3230 Mount Holly-Huntersville Road,
Mineral Springs Apartments located at 1734 Mineral Springs Road,
Springbrook Apartment Homes located at 2110 Alleghany Street,
Sugar Creek Greene located at 6130 Bisaner Street,
- B. Approve the Housing and Neighborhood Development Committee's recommendation of Housing Trust Fund allocations for the following multi-family developments for a total of \$ 14,365,000:**
Bingham Park, \$ 775,000,
Guardian Angel Villa, \$ 1,750,000,
Mineral Springs, \$ 1,550,000,
Nevin Road Apartments, \$ 1,150,000,
Nolley Court Seniors, \$ 2,100,000,
Northlake Seniors, \$1,500,000,
Rivergate Greene, \$1,900,000,
Sugar Creek Greene, \$1,840,000,
The Park Seniors, \$1,800,000, and
- C. Approve the Housing and Neighborhood Development Committee's recommendation of Housing Trust Fund allocations for the following 4% multi-family developments for a total of \$9,524,000:**
924 West Sugar Creek, \$5,300,000,
Brookshire Boulevard, \$4,224,000.

Staff Resource(s):

Pamela Wideman, Housing and Neighborhood Services
Miles Vaughn, Housing and Neighborhood Services

Explanation

- On October 3, 2016, City Council issued a Community Letter stating a goal of creating 5,000 affordable and workforce housing units within three years. City Council has accomplished 68 percent of this goal. Approval of this funding supports the Council's commitment to expand the supply of diverse price point housing goals.
- On November 26, 2001, City Council established the Housing Trust Fund (HTF) to provide financing for diverse price point housing in the Charlotte community.
- On May 8, 2017, City Council adopted the U.S. Department of Housing and Urban Development's Annual Action Plan (Plan). The Plan:
 - Identifies the need for affordable, safe and decent housing for low and moderate-income families, and

- Reaffirms three basic goals of the city’s Housing Policy:
 - Preserve the existing housing stock,
 - Expand the supply of affordable housing,
 - Support family self-sufficiency initiatives.
- Award of HTF allocations demonstrates local alignment with state-supported developments and allows for the local leveraging of tax credit awards.

Action A: Waiver of the Housing Locational Policy

- The Housing Locational Policy was established in the early 1990s in an attempt to deconcentrate extremely low-income housing. The latest revision to the policy was approved in 2011. Since that time, the City’s neighborhoods have grown and changed, resulting in the need for an increased supply of affordable housing in areas that currently require a waiver.
- Three of the five waiver requests are also seeking City of Charlotte HTF funding.

Action B: Approval of Housing Trust Fund (HTF) Allocations

- To aid in the production of diverse price point housing units, Housing & Neighborhood Services staff issued a second round of HTF Request for Proposals (RFP) in February 2018.
- As a result of the RFP, staff received requests for HTF funding to support 11 developments. Approval is being recommended for nine developments that requested gap financing for the nine percent low-income housing tax credits and two developments requesting a four percent low-income tax credits. These developments:
 - Include a total of 950 units
 - Meet the city’s submission requirements
 - Are recommended for funding based on the preliminary site scores issued by the North Carolina Housing Finance Agency (NCHFA), zoning and planning guidelines.
- The NCHFA is scheduled to announce tax credit awards in August 2018 for the proposed 9% tax credit developments. Due to the competitiveness and limited amount of available tax credits, and the NCHFA’s desire to disperse awards throughout the state, NCHFA will not award tax credits to all of the recommended nine percent developments. Approved HTF funding for developments that do not receive a tax credit award will be returned to the HTF for future allocations.

City Council Discussion

- Staff provided a briefing of the FY 2018-II Housing Funding Support Requests recommendations to City Council during the April 2, 2018, Strategy Session.

Charlotte Business INclusion

- All HTF funded projects and their developers are subject to MWSBE goals determined based on the amount of the HTF allocations received.

Fiscal Note

Funding: General Community Investment Plan

Attachment(s)

April 2, 2018 Strategy Session Presentation