

Legislation Text

File #: 15-10455, Version: 1

Guidelines for Preserving Naturally Occurring Affordable Housing

Action:

Approve the Housing and Neighborhood Development Committee's recommendation to approve the Guidelines for Preserving Naturally Occurring Affordable Housing.

Committee Chair:

LaWana Mayfield, Housing and Neighborhood Development

Staff Resource(s):

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

Explanation

- Most of Charlotte's existing affordable rental options, and particularly options for low-to-moderate income households, are large-scale Naturally Occurring Affordable Housing developments (NOAH). The preservation of NOAH is noted as a national best practice for maintaining the supply of quality, diverse price point housing and is identified as a key strategy in the Housing Charlotte Framework.
- The industry standard defines NOAH developments as:
 - Multi-family rental property 15 years or older with at least 50 units,
 - In need of light to moderate rehabilitation,
 - Currently providing rents for households in area median income brackets that are at-risk relative to neighborhood dynamics, and
 - Be rehabilitated to maintain the quality of life for residents for 15 years or more.
- The goals of the guidelines for preserving NOAH include:
 - Limiting displacement of current residents by preserving existing affordability,
 - Preserving quality affordable and workforce housing by increasing the number of available deed-restricted units and the physical structure of the units,
 - Providing low-interest loans so that high performing for-profit and non-profit owner-operators can buy and/or upfit NOAH properties and preserve them as affordable,
 - Allowing existing owners to participate in return for deed restrictions and demonstrated management and maintenance history, and
 - Aligning guidelines with other City policies.
- Per the guidelines, the level of funding for NOAH investments by the City will:
 - Range between \$10,000 and \$35,000 per unit,
 - Depend on acquisition price, level of necessary rehabilitation and incomes served, and
 - Require a minimum leverage ratio of 1:3 (public/private).

Committee Discussion

- On February 20, 2019, the Housing and Neighborhood Development Committee (Committee) unanimously approved the guidelines (Driggs, Harlow, and Newton; Mayfield and Egleston were absent).

Attachment(s)

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