

Legislation Text

File #: 15-10575, Version: 1

Housing Funding Support Requests

Action:

Approve \$11,844,500 in Housing Trust Fund allocations for the following multi-family developments (contingent upon their receiving nine percent tax credits from the North Carolina Housing Finance Agency):

- **Abbington Westside, \$1,575,000,**
- **Brookwood Apartments, \$1,525,000,**
- **Connelly Creek Apartments, \$1,996,500,**
- **Mayfield at Sugaree, \$1,750,000,**
- **Parkside At Hickory Grove, \$1,750,000,**
- **Rosewood Commons II, \$520,000,**
- **Sugar Creek Greene, \$1,368,000, and**
- **The Park Seniors, \$1,360,000**

Committee Chair:

LaWana Mayfield, Housing and Neighborhood Development

Staff Resource(s):

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

Explanation

- On November 26, 2001, City Council established the Housing Trust Fund (HTF) to provide financing for diverse price point housing in the Charlotte area.
- On May 14, 2018, 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, and
 - Support family self-sufficiency initiatives.
- On August 27, 2018, City Council adopted the Housing Charlotte Framework which recommends expanding the supply of high-quality rental housing. Approval of this funding supports the Council's commitment to expand the supply of diverse price point housing goals.
- Support of HTF allocations demonstrates local alignment with state-supported affordable housing developments and allows for the local leveraging of tax credit awards.
- To aid in the production of diverse price point housing units, Housing and Neighborhood Services issued a Request for Funding in January 2019.
- As a result, funding requests were received from eight developments that are seeking nine percent low-income housing tax credits from the North Carolina Housing Finance Agency (NCHFA). Approval is recommended for all proposed developments and is contingent upon their receiving the tax credit awards.
- Each of these developments received a perfect site score based on the scoring guidelines included in the NCHFA's Qualified Allocation Plan. Proposed developments site scores are based on:

- Neighborhood Characteristics,
 - Amenities, and
 - Site Suitability.
- Additionally, the NCHFA will base final awards on:
 - Market demand and local housing needs,
 - Ability to serve qualified residents for the longest affordability period,
 - Design and quality of construction, and
 - Financial structure and long-term viability.
- Seven of the proposed developments have met all land use requirements, including the required local rezoning. However, Mayfield at Sugaree’s rezoning approval is scheduled for April 15. Therefore, approval of Housing Trust Fund support for this development is contingent upon a successful rezoning approval.
- The deadline for final NCHFA applications is May 10, 2019. Therefore, City Council must make final approvals before May 10, 2019.
- The NCHFA is scheduled to announce tax credits for the nine percent tax credit developments in August 2019. Due to the competitiveness and limited amount of available tax credits, and the NCHFA’s desire to disperse awards throughout the state, the agency will not award tax credits to all eight developments. Approved HTF funding for developments not awarded a tax credit will be returned to the fund for future allocations.

Committee Discussion

- On March 25, 2019, Housing and Neighborhood Services presented the proposed the Housing Funding Support Requests to City Council.

Fiscal Note

Funding: Community Investment Plan (Housing Trust Fund)

Attachment(s)

March 25, 2019 Council Business Meeting Presentation