

Legislation Text

File #: 15-14531, Version: 1

Affordable Housing Development Support Requests

Action:

- A. Adopt a resolution authorizing the transfer of vacant parcels to subsidiaries of DreamKey Partners, Inc. (formerly the Charlotte-Mecklenburg Housing Partnership, Inc.). Seven vacant parcels of land located on or near LaSalle Street ("Phoenix Rising") will be conveyed to CMHP Phoenix Rising, LLC, and 12 vacant parcels of land, together with their allocated interest in one common area parcel located on or near LaSalle Street ("Vantage Pointe"), to CMHP Vantage Pointe, LLC, for the purpose of developing a minimum of 37 affordable, for-sale units in the two separate affordable housing developments which are located along the Beatties Ford Road Corridor,**
- B. Approve an amount up to \$1,895,000 in Federal HOME funds for the affordable housing developments ("Vantage Pointe" and "Phoenix Rising"), and**
- C. Authorize the City Manager, or his designee, to negotiate and execute all necessary documents to complete the transactions in conformity herewith.**

Staff Resource(s):

Tony Korolos, General Services
Phil Reiger, General Services
Pamela Wideman, Housing and Neighborhood Services

Explanation

- On August 27, 2018, City Council adopted the Housing Charlotte Framework (Framework), which includes three pillars as a strategy for expanding and improving the supply of affordable housing in the Charlotte community: building new affordable housing, preserving existing affordable housing, and supporting family-self-sufficiency initiatives.
- Approval of this request is consistent with the Framework and will create a minimum of 37 newly constructed affordable homeownership opportunities along the Beatties Ford Road Corridor, one of the city's Corridors of Opportunity.
- Approval of this request supports the city's Corridors of Opportunity work and will assist in mitigating gentrification along the Beatties Ford Corridor by providing new homeownership opportunities for low- and moderate-income homebuyers.
- Federal HOME funds in the amount of approximately \$750,000 will be used to develop Vantage Pointe and approximately \$1.14 million will be used to develop Phoenix Rising. Funds will be used for construction and infrastructure of new housing units ultimately providing homeownership opportunities to low and moderate income households.

Site A (Phoenix Rising)

- The city currently owns seven parcels located at or near 2201 LaSalle Street in Council District 2, currently zoned UR-2 (Urban Residential). The seven parcels are identified as follows: 075-036-69, 075-036-70, 075-036-71, 075-036-72, 075-036-73, 075-036-74, and 075-036-75.
- An appraisal of the parcels completed in January 2021 established a fair market value of \$425,000.
- Approval of this action provides a complete development solution for the property. A minimum of 25 housing units will be constructed and sold to low- and moderate-income buyers eligible to

- participate in the HouseCharlotte and Community Heroes down payment assistance programs.
- A 20-year deed restriction will ensure the affordability of these units.
- On October 8, 2020, the city issued a Request for Qualifications (RFQ); five responses were received.
- DreamKey Partners, Inc. is the best qualified firm to meet the city's needs on the basis of their demonstrated competence and qualification of professional services in response to RFQ requirements.

Site B (Vantage Pointe)

- The city currently owns 12 buildable parcels and has allocated interest in one common area parcel by virtue of ownership of the 12 parcels in the Vantage Pointe subdivision located at 2026 LaSalle Street in Council District 2, currently zoned UR-2 (Urban Residential). The 12 buildable parcels are identified as follows: 075-037-35, 075-037-36, 075-037-37, 075-037-38, 075-037-39, 075-037-40, 075-037-15, 075-037-16, 075-037-17, 075-037-18, 075-037-19 and 075-037-20. The common area parcel is identified as 075-037-41.
- An appraisal of the parcels completed in January 2021 established a fair market value of \$430,000.
- Approval of this action allows for the construction of 12 new units that will be sold to low- and moderate-income buyers eligible to participate in the HouseCharlotte and Community Heroes down payment assistance programs.
- A 20-year deed restriction will ensure the affordability of these units.
- On August 25, 2020, the city issued a Request for Proposals (RFP); two responses were received.
- DreamKey Partners, Inc. best meets the city's needs in terms of demonstrated qualifications, experience, cost, and responsiveness to RFP requirements.

Background

- On July 13, 2020, City Council approved the FY 2021 Housing and Urban Development (HUD) Annual Action Plan. This plan describes how the city plans to use HUD funding during the current fiscal year. Support of nonprofit housing developments is included in the approved plan.
- Additionally, the use of city-owned land allows for additional leveraging of both local and federal housing funds. This strategy is recognized as a best practice used across the country to assist in expanding the supply of affordable housing and is consistent with the City Council's approved Housing Framework, City-Owned Real Estate and Facilities Policy, as well as the Guidelines for Evaluation and Disposition of City-Owned Land for Affordable Housing.

Charlotte Business INclusion

This is a contract with a waiver of solicitation for services and is exempt (Part A: Appendix 1.27 of the Charlotte Business INclusion Policy).

Fiscal Note

HOME Investment Partnership Program

Attachments

Map
Resolution