

Legislation Text

File #: 15-16862, Version: 1

Adopt a Revised Resolution Transferring City-Owned Property

Action:

Adopt a revised resolution amending the unit mix of affordable housing units to be developed by Laurel Street Residential, LLC in collaboration with Little Rock Community Development Corporation on vacant City-owned property consisting of 0.826 acres located at 705 East 7th Street (parcel identification number 080-104-02).

Staff Resource(s):

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Explanation

- On July 22, 2019, City Council adopted a resolution authorizing the conveyance of City-owned land, valued at \$1,320,000, for the development of 7th Street Apartments, a mixed-income housing community located at 705 East 7th Street in Council District 1 to be developed by Laurel Street Residential, LLC in collaboration with the Little Rock Community Development Corporation.
- The developer's financing has been challenged due to the COVID-19 pandemic. As a result, Laurel Street Residential, LLC has incurred an increased funding gap that needs to be addressed.
- This action amends the resolution and addresses the funding gap by reconfiguring the Area Median Income (AMI) unit targeting, ultimately resulting in an overall increase in affordable housing units. All City AMI targeting requirements will still be met. The amended resolution makes the following revisions:
 - Number of units: 105 rather than 100,
 - 51-60 percent AMI Units: 10 rather than 20 units,
 - 61-80 percent AMI Units: 23 rather than 10 units,
 - 81-120 percent AMI Units: 52 rather than 50 units, and
 - Period of performance: five rather than three years.
- This action further supports City Council's July 22, 2019, approval of a \$1,500,000 Housing Trust Fund (HTF) allocation. This action does not further obligate the City financially or impact the Capital Investment Plan and is requested to assist the developer in meeting a funding gap.

Background

- On November 26, 2001, City Council established the HTF to provide gap-financing to assist with the development of affordable housing in Charlotte.
- On August 27, 2018, City Council adopted the Housing Charlotte Framework, which recommends expanding the supply of high-quality rental housing by building new affordable housing, preserving existing naturally occurring affordable housing and promoting family-self-sufficiency initiatives. This request for Council action supports the Council's commitment to both expanding and preserving the supply of affordable housing.
- On April 22, 2019, 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.
- Local HTF allocations demonstrate local alignment with state-supported affordable housing developments and allow for the leveraging of local dollars with state tax-credit allocations.
- Additionally, the use of city-owned land allows for additional leveraging of local HTF allocations. This strategy is a best practice used across the country to assist in expanding the supply of affordable housing and is consistent with the Housing Charlotte Framework, City-Owned Real Estate and Facilities Policy, as well as the Guidelines for Evaluation and Disposition of City-Owned Land for Affordable Housing.

Attachment(s)

7th Street Apartments Resolution July 2019 (Original)

7th Street Apartments Resolution November 2021 (Revised)