

## Legislation Text

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File #: 15-16851, Version: 1

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### HOME Affordable Housing Developments

#### **Action:**

- A. Authorize the City Manager to negotiate and execute contracts with the following organizations for affordable housing developments funded by the federal HOME Investment Partnerships Program:**
- **CrossRoads Corporation for Affordable Housing and Community Development (\$500,000),**
  - **Lakewood Apartments/Urban Trends Real Estate, Inc. (\$2,250,000),**
  - **Habitat for Humanity for the Greater Charlotte Region (\$1,400,000), and**
- B. Authorize the City Manager to amend the contracts consistent with the purposes for which the contracts were approved.**

#### **Staff Resource(s):**

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

#### **Explanation**

- Each year the City of Charlotte receives a grant through the HOME Investment Partnerships Program from the U.S. Department of Housing and Urban Development (HUD).
- These funds are designed to increase homeownership and affordable housing opportunities for low and very low-income residents.
- The following proposals were provided in response to an open Request for Proposals released by Housing and Neighborhood Services requesting developments that provide innovative, affordable single- and multi-family housing options for City residents.
- These developments must be completed within the four-year time span allotted by HUD. If an organization fails to complete their development or forfeits the HOME funding for reasons of nonperformance or any other reasons identified by the City, the funds will be redistributed to other HOME-eligible developments.
- Each of the homes funded will have deed restrictions for a minimum of 15 years for homeownership and 20 years for multi-family rental and must adhere to compliance monitoring by Housing and Neighborhood Services staff.
- In response to COVID-19, HUD has waived the requirement that the City provide a match of 25 percent through September 30, 2022; expenditures after this date will require the 25 percent match.
- CrossRoads Corporation Elizabeth Heights Homeownership
  - CrossRoads Corporation, a Community Development Housing Organization, is located in the Grier Heights community in Council District 1, a rapidly changing community.
  - This funding request will allow the organization to complete five affordable homeownership opportunities in partnership with the Self-Help Community Development Corporation.
- Lakewood Apartments
  - Urban Trends Real Estate, Inc. proposes to create a 36-unit multi-family development (Lakewood Apartments) in the Lakewood community in Council District 2 for households earning 60 percent and below the area median income (AMI).
  - The development proposal has strong community support as evidenced by a community

meeting held on June 13, 2019.

- Habitat for Humanity Down Payment Assistance
  - Habitat for Humanity (Habitat) is requesting funding to be used as down payment assistance to assist in creating 22 affordable homeownership opportunities.
  - Approval of this funding will assist lower income residents, with purchasing homes in neighborhoods near the City's Corridors of Opportunity.
  - All homebuyers served will be at or below 80 percent of the AMI with the majority of homebuyers earning 50 percent of the AMI.

#### Background

- On August 27, 2018, City Council adopted the Housing Charlotte Framework (Framework), which recommends expanding the supply of high-quality housing by building new affordable housing, preserving existing naturally occurring affordable housing, and promoting family self-sufficiency initiatives such as homeownership. The proposed projects are consistent with the Framework and utilize innovative approaches considered best practices.
- The proposed projects are consistent with the HUD Annual Action Plan (Plan) adopted by Council on April 26, 2021. 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.

#### **HUD Contracting Requirements**

The developments funded by these grants are subject to applicable HUD requirements for providing training, employment, and contracting opportunities to Section 3 residents and minority, women, and small business enterprises.

#### **Fiscal Note**

Funding: HOME Investment Partnerships Program