

Legislation Text

File #: 15-17686, Version: 1

Affordable Housing Development Support Requests

Action:

Approve \$12,403,700 in Housing Trust Fund allocations for the following multi-family rental affordable housing developments contingent upon their receiving a Low-Income Housing Tax Credit award from the North Carolina Housing Finance Agency, where applicable:

- **Evoke Living at Eastland, \$2,496,000 (9% LIHTC) in Council District 5,**
- **Forest Park Apartments, \$2,500,000 (4% LIHTC) in Council District 3,**
- **Marvin Road Apartments, \$2,240,000 (9% LIHTC) in Council District 1,**
- **Mallard Creek Seniors, \$2,950,000 (9% LIHTC) in Council District 2,**
- **Northlake Center Apartments, \$500,000 (9% LIHTC) in Council District 4,**
- **Parkside at Long Creek, \$1,487,000 (9% LIHTC) in Council District 4, and**
- **East Lane Drive Townhomes, \$230,000 (Homeownership) in Council District 5.**

Staff Resource(s):

Shawn Heath, City Manager's Office
Rebecca Hefner, Housing and Neighborhood Services
Miles Vaughn, Housing and Neighborhood Services

Explanation

- On January 25, 2022, the City issued a Request for Proposals (RFP) to aid in the production of affordable housing units through the Housing Trust Fund (HTF).
- In response to this RFP, 12 proposals were received seeking various types of gap financing support including nine percent and four percent tax credits from the North Carolina Housing Finance Agency (NCHFA).
- Approval of the recommended developments will add 602 affordable and workforce housing units to the City's existing supply.
- The recommended developments meet all submission requirements, including land use and rezoning approvals. Additionally, the following guiding principles were adhered to in the evaluation of the proposals:
 - Ensuring affordable, multi-family housing developer experience,
 - Creating mixed-income developments in areas of high opportunity,
 - Achieving long-term affordability, and
 - Maximizing the leverage of available resources.
- Additionally, the NCHFA will base their final tax credit 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.
- Developments seeking nine percent tax credit awards must submit their applications to the NCHFA by May 13, 2022. The NCHFA will announce tax credit awards in August 2022.

Background

- On November 26, 2001, City Council established the HTF to provide financing for affordable housing in the Charlotte area.
- On August 27, 2018, City Council adopted the Housing Charlotte Framework, which recommends

expanding the supply of high-quality rental housing by building affordable housing, preserving existing naturally occurring affordable housing, and promoting family self-sufficiency initiatives.

- On April 26, 2021, City Council adopted the U.S. Department of Housing and Urban Development's Annual Action Plan (Plan) which identifies the need for affordable, safe, and decent housing for low -and-moderate income families and reaffirms the goals of the Housing Charlotte Framework.
- Support of HTF allocations is consistent with the strategies outlined in both the Housing Charlotte Framework and the Plan, demonstrates local alignment with state-supported affordable housing developments, and allows for local leveraging of tax credit awards.

City Council Discussion

- Staff provided briefings of the affordable housing development support requests to City Council during their April 4, 2022 Strategy Session.

Charlotte Business INclusion

All HTF funded projects and their developers are subject to MWSBE goals determined based on the amount of the HTF allocations received.

Fiscal Note

Funding: General Capital Investment Plan

Attachment(s)

April 4, 2022 Council Strategy Session Presentation