

Legislation Text

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Public Hearing on Section 108 Loan Guarantee Application

Action:

Conduct a public hearing regarding the City of Charlotte's application to the U.S. Department of Housing and Urban Development's Section 108 Loan Guarantee program.

Staff Resource(s):

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Explanation

- The city is preparing a Section 108 Loan Guarantee application for the U.S. Department of Housing and Urban Development's (HUD) Section 108 Loan Guarantee program. The program allows recipients of Community Development Block Grants (CDBG) to borrow low-cost federally guaranteed funds to help fund CDBG-eligible projects by using some of their current and future CDBG allocations as collateral.
- The most recent city participation in the program was the collaborative public-private partnership to redevelop the former Double Oaks development into the vibrant Brightwalk community.
- The city proposes a new application in the amount of \$25,000,000 to establish the Charlotte Community Impact Revolving Investment Fund to finance CDBG-eligible affordable housing initiatives and economic development projects benefiting low- and moderate- income residents, including property acquisition, rehabilitation, infrastructure improvements, and innovative homeownership models.
- The proposed Fund aligns with HUD's national objectives for expanding affordable housing and promoting job creation and retention and supports the goals of the Housing Charlotte Framework and Affordable Housing Funding Policy to expand and preserve affordable housing, support family self-sufficiency and increase economic mobility.
- A draft copy of the proposed application is published on the city's website, with paper copies available upon request in English and Spanish.

Background

- On April 7, 2025, the Housing, Safety and Community Committee discussed opportunities to encourage innovative approaches to housing affordability including the creation of the Fund by leveraging the city's CDBG allocations through the Section 108 program.

Next Steps

- Following the public hearing, the application will be finalized and submitted to HUD.
- If the application is approved by HUD, City Council will have an opportunity to review and approve the Charlotte Community Impact Revolving Investment Fund at a future business meeting.

Attachment(s)

Section 108 Loan Guaranty Application Draft