

Affordable Housing Funding Policy - 2024 Bond Cycle Review

HOUSING COMMITTEE

JUNE 1, 2026

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Affordable Housing Funding Policy

Council Priority Alignment

- ▶ Affordable Housing, Great Neighborhoods

Purpose

- ▶ Review the 2024 Affordable Housing Funding Policy including policy objectives, notable advancements and bond cycle outcomes.

Key Takeaways

- ▶ The 2024 Policy strengthened alignment between housing investments and broader Council priorities.
- ▶ The Policy expanded the City's housing investment tools beyond production to include preservation and anti-displacement, homeownership, resident services, innovation, and evaluation.
- ▶ Early outcomes and implementation lessons will help inform 2026 Housing Bond policy revisions.

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Policy Referral Summary

Description

- ▶ City Council adopted the Affordable Housing Funding Policy (Policy) in September 2024 to guide city housing investments, including the \$100 million affordable housing bond passed by voters in November 2024.
- ▶ Focused on the goals of residential stability, neighborhood affordability, and economic mobility for all housing investments, the Policy established priorities, investment categories and allocation goals for the \$100M 2024 bond.
- ▶ Within the 2024 bond, \$49 Million was allocated for anti-displacement activities across four categories – Homeownership, Rental Housing Preservation, Housing Rehabilitation, and Site Acquisition in Transit Areas.
- ▶ In 2025, Mecklenburg County voters approved a funding source for the Mobility Plan, estimated to generate \$19.4 Billion for transportation and transit projects over the next 30 years, intensifying concerns about potential displacement in transit corridors.

Policy Question

- ▶ What enhancements are needed to the Affordable Housing Funding Policy to integrate with the goals of the Mobility Plan and to mitigate displacement pressures now that the transit and transportation projects are funded?

Committee Charge

- ▶ Review the city's current Affordable Housing Funding Policy and ways it is integrated with mobility and anti-displacement goals (Committee review and discussions: February, March, June)
- ▶ Evaluate potential changes to the bond allocation categories and location priorities
- ▶ Review the city's current affordable housing partnership strategy to ensure effective use of public-private partnerships in housing investments (Committee reviewed this at its March 2026 meeting)
- ▶ Propose any recommended enhancements to the Policy for consideration by full Council

Affordable Housing Funding Policy

- ▶ **Policy Purpose - The Policy directed affordable housing investments toward measurable outcomes for residents and neighborhoods, with a focus on people most vulnerable to displacement and those facing barriers to stable housing**
- ▶ **Core Considerations - Economic Mobility, Neighborhood Affordability, Resident Stability**

2024 Housing Bond Investment Priorities

► Priority Populations

Focus on homebuyers, lower-wage workers, public-sector workers, households at-risk for displacement, and vulnerable populations

► Location Priorities

Incentivize locations where investment increases housing choice and creates the greatest impact

► Resident Services

Link housing and services to create stronger outcomes

► Partnerships and Leverage

Build partnerships and leverage the market

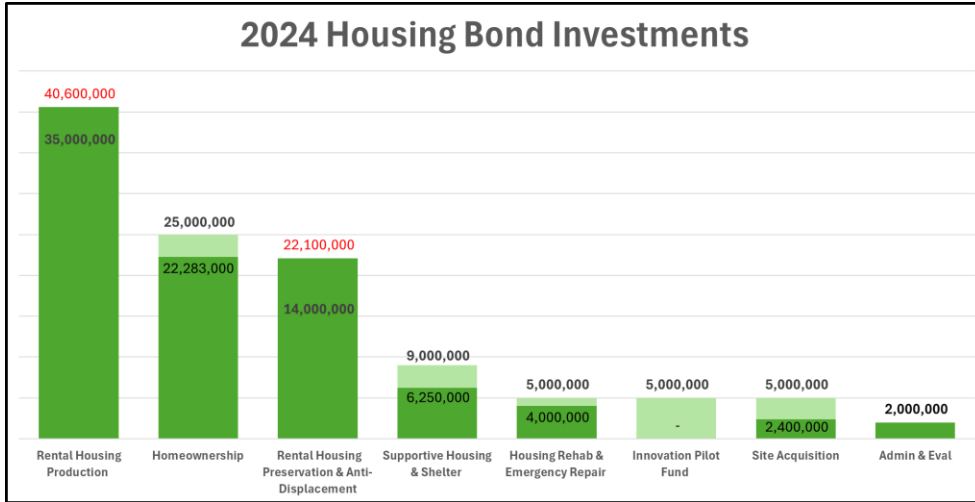
► Innovation

Activate bold ideas with potential to scale

2024 Bond Cycle Review – Investment Categories

Investment Category	Investment Amount
Rental Housing Production	\$35 M
Homeownership	\$25 M
Rental Housing Preservation & Anti-Displacement	\$14 M
Supportive Housing and Shelter Capacity	\$9 M
Housing Rehab and Emergency Repair	\$5 M
Innovation Pilot Fund	\$5 M
Site Acquisition – Current and Planned Transit Areas	\$5 M
Administration & Evaluation	\$2 M
Total	\$100 M

2024 Bond Cycle Review – Approved Investments

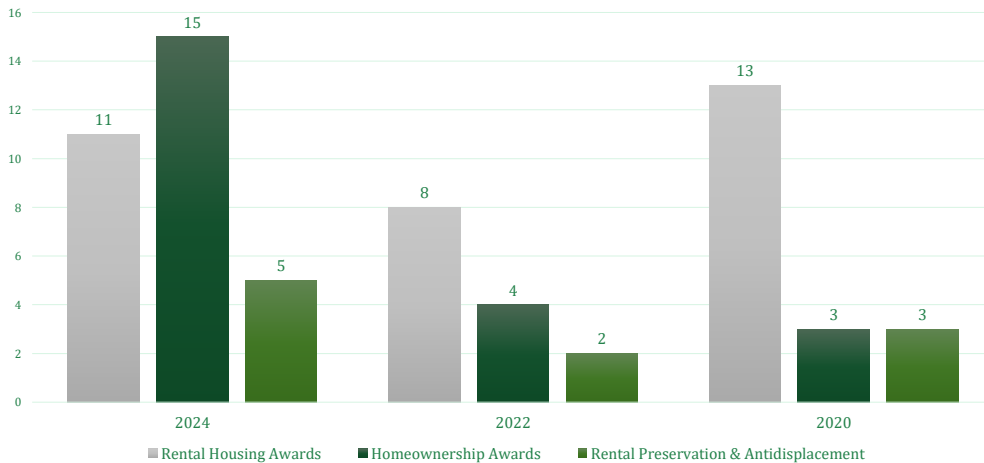


Bold: Allocation goal **Light:** Investment Amount **Red:** Investment exceeded goal

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2024 Bond Cycle Review – Analysis

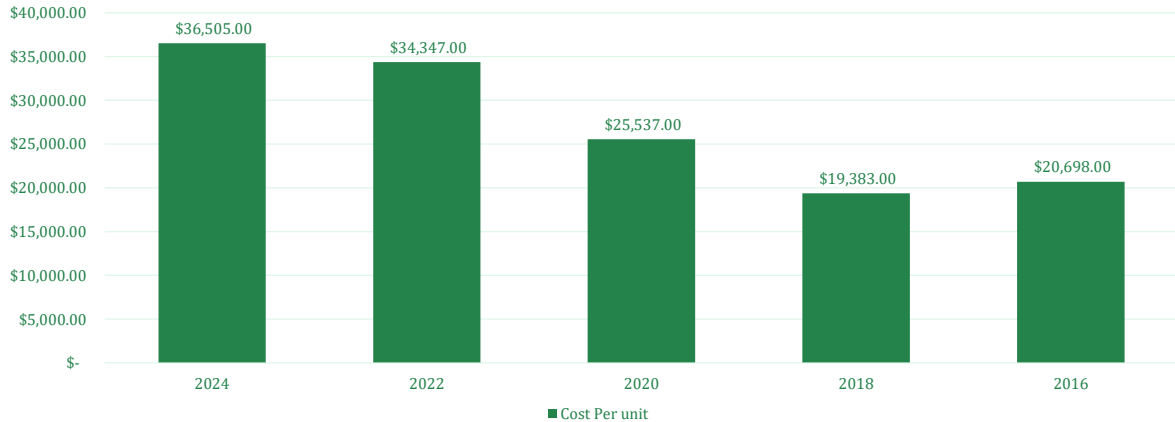
Housing Trust Fund Awards By Type



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2024 Bond Cycle Review – Analysis

Housing Trust Fund
Median Cost Per Unit by Bond Year



2024 Bond Cycle Review – Notable Policy Advancements

- ▶ **Broadened the variety of investments including homeownership and land acquisition**
- ▶ **Resident Services – Increased access to medical care, technology improving payment flexibility, greater partnerships with local nonprofit organizations**
- ▶ **Research Evaluation & Analysis – UNCC to share initial research briefs and three research projects are launching this spring**
- ▶ **Innovation – Policy set aside funding and encouraged partners to bring new development types and financing models to market**

Project Highlight

Aveline at Newell Town Homes

Homeownership



DreamKey Partners, Inc.

District 4 | 8049 Old Concord Road

Financial Summary	
Funding Request	\$ 702,000
Prev. City Funding	\$ 2,430,000
Investment per Unit	\$ 58,000
Investment per Unit per Year	\$ 1,933
Total Development Cost (TDC)	\$ 17,738,955
TDC per Unit	\$ 328,499
CBI Commitment	13%
City Funding as % of Sources	18%
Years of Affordability	30 years

Location Summary						
Proximity	Access	Change	Diversity	Total		
1.0	5.7	9.3	2.0	18.0		

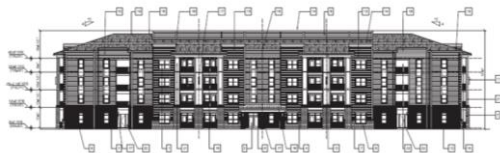
Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total
0	0	0	0	0	54	0	54

Sales Price & Additional Information	
Average First Mortgage	\$171,000
Sales Price Range	\$267k - \$281k

Project Highlight

The Barton South

4% Tax Credit - Family



Blue Ridge Atlantic Development

District 3 | 6000 Old Pineville Road

Financial Summary	
Funding Request	\$ 3,000,000
Prev. City Funding	\$ 3,000,000
Investment per Unit	\$ 42,857
Investment per Unit per Year	\$ 433
Total Development Cost (TDC)	\$ 46,594,622
TDC per Unit	\$ 332,819
CBI Commitment	13%
City Funding as % of Sources	6%

Location Summary					
Proximity	Access	Change	Diversity	Total	
8.00	6.10	9.10	3.00	26.20	

Unit Mix							
30%	40%	50%	60%	70%	80%	Market	Total*
28	0	23	53	0	36	0	140

Key Indicators	
Affordability Period	99 years
% at 30%	20.00%
% >2BR	22.86%
Investment Realization Period	7 years
10-Year Rent Savings	\$ 9,750,304
HTF Within 0.5 Miles	-

*Total reflects only affordable units

Project Highlight

1001 Tyvola

NOAH Acquisition



Location Summary				
Proximity	Access	Change	Diversity	Total
10.0	7.3	6.9	5.0	29.2

Unit Mix								
30%	40%	50%	60%	70%	80%	Total Aff.	80% / Market*	Total
20	0	0	0	40	40	100	197	297

*Market units will be deed restricted for ≤80% AMI for 20 years but are separate & distinct from HTF deed restrictions.

Community Solutions International, Inc.

District 3 | 2051 Establishment Way

Financial Summary	
Funding Request	\$ 3,500,000
Prev. City Funding	\$ -
Investment per Unit	\$ 35,000
Investment per Unit per Year	\$ 583
Total Development Cost (TDC)	\$ 71,900,000
TDC per Unit	\$ 242,088
CBI Commitment	n/a
City Funding as % of Sources	5%

Key Indicators	
Affordability Period	60 years
% at 30%	20%
% >=2BR	32%
Proximity to Blue Line Station	0.3 miles
HTF Within 0.5 Miles	1

Future Policy Considerations

- ▶ Encourage affordable housing in a broader range of neighborhoods and market contexts.
- ▶ Increase alignment between housing and mobility investments
- ▶ Expand opportunities for mixed use and mixed income development
- ▶ Continue supporting residents most vulnerable to displacement and housing instability

2026 Housing Bond and Policy Revisions

▶ June

- June 1 – Housing Committee reviews 2024 Bond accomplishments
- June 8 – City Council Budget Adoption (\$125M housing bond)

▶ July*

- July 14* – Community Engagement Event
- July 27* – Based on Committee direction and discussion, staff propose policy investment priorities and allocation goal revisions for Housing Committee consideration and deliberation

▶ August

- August 6 – Housing Committee finalizes policy revisions and advances to full Council

*Dates are tentative and subject to change

Upcoming Committee Topics


▶ Accessory Dwelling Units [referral]

- Committee will review the Accessory Dwelling Unit pilot program and provide feedback and direction

▶ Supporting Small Scale Rental Property Owners

- HVAC Pilot Program, new historic rental pilot

Discussion

 CITY of CHARLOTTE

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