



HOUSING DEVELOPMENT FUND PROJECT FUNDING RECOMMENDATIONS

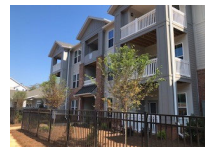
SEPTEMBER 11, 2023 – CITY COUNCIL ACTION REVIEW

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HOUSING TRUST FUND OVERVIEW

- Provides gap financing for affordable housing throughout the City
- Always includes a long-term deed restriction to preserve affordability
- At least 20% of the units must be targeted to 30% AMI Households
- Housing Trust Fund replenished on biennial basis via bond referendum



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HOUSING TRUST FUND RFP SCHEDULE

Milestone	Dates
Release RFP	June 30, 2023
Proposal Submission Deadline	July 28, 2023
City Council Briefing	September 11, 2023
City Council Approval	September 25, 2023

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HOUSING TRUST FUND RFP GUIDELINES – WHAT’S NEW?

1. Minimum affordability period of 40 years required for new multi-family construction projects, with a preference for longer affordability periods
2. New evaluation criteria and preferences, including:
 - Cost per unit per year
 - Developer willingness to accept federal funds
 - Developer commitments to supportive services and/or economic mobility investments
3. Higher MWSBE utilization targets
4. Separate “rolling RFP” for NOAH funding requests

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HOUSING DEVELOPMENT FUNDING RECOMMENDATIONS

Development	Type	Affordable Units	Recommended Award	Affordability Period	City Cost Per Unit	City Cost Per Unit Per Year
Arrowood Homes (D3) * **	4%	120	\$ 5,500,000	99	\$ 56,958	\$ 575
Central at Old Concord (D1)	4%	200	\$ 4,200,000	99	\$ 21,000	\$ 212
Sycamore Station II (D1) **	4%	168	\$ 1,700,000	50	\$ 10,119	\$ 202
TOTAL 4% PROPOSALS		488	\$ 11,400,000	83	\$ 29,359	\$ 330
Mount Moriah Seniors (County) **	9%	72	\$ 825,000	40	\$ 11,458	\$ 286
TOTAL 9% PROPOSALS		72	\$ 825,000	40	\$ 11,458	\$ 286
Kings on Lamar (D1)	Supportive Housing	64	\$ 2,432,000	50	\$ 38,000	\$ 760
TOTAL SUPPORTIVE HOUSING		64	\$ 2,432,000	50	\$ 38,000	\$ 760
Aveline Legacy Druid Hills Duets II (D1)	Homeownership	14	\$ 462,000	15	\$ 33,000	\$ 2,200
TOTAL HOMEOWNERSHIP PROPOSALS		14	\$ 462,000	15	\$ 33,000	\$ 2,200
Swan Run (D7)	NOAH	92	\$ 2,400,000	20	\$ 26,087	\$ 1,304
TOTAL NOAH		92	\$ 2,400,000	20	\$ 26,087	\$ 1,304
Total/Avg		730	\$ 17,519,000	53	\$ 28,089	\$ 792

*This project also includes the use of city-owned lands, appraised at \$1.3m
 **Recommended award includes federal funds

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AFFORDABLE UNIT SUMMARY FOR RECOMMENDED PROJECTS

AMI	# Units	%
30%	160	22%
50%	110	15%
60%	286	39%
80%	174	24%
Total	730	100%


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Development Summaries for Recommended Projects

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DEVELOPMENT SUMMARY



Arrowood Homes
District 3
7202 South Boulevard (Charlotte 28217)
NRP Group
TYPE: 4% LIHTC / Family

FINANCIAL SUMMARY

Funds Recommended	\$5,500,000
City-Owned Land Value	\$1,335,000
Investment Per Unit	\$56,958
Investment Per Unit Per Year	\$575
Total Development Cost	\$38,174,959
Affordability Period	99
Leverage Ratio	1:5

AMI	# UNITS
< 30%	25
31-50%	0
51-60%	61
61-80%	34
Total Units	120

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DEVELOPMENT SUMMARY



Central at Old Concord
District 1
5703 North Tryon Street (Charlotte 28213)
The Annex Group
TYPE: 4% LIHTC / Family

FINANCIAL SUMMARY

Funds Recommended	\$4,200,000
Investment Per Unit	\$21,000
Investment Per Unit Per Year	\$212
Total Development Cost	\$47,901,758
Affordability Period	99
Leverage Ratio	1:10

AMI	# UNITS
< 30%	40
31-50%	72
51-60%	0
61-80%	88
Total Units	200

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DEVELOPMENT SUMMARY



Sycamore Station II
District 1
6010 Calle Lumina Way (Charlotte 28215)
Winterwood Development
TYPE: 4% LIHTC / Family

FINANCIAL SUMMARY

Funds Recommended	\$1,700,000
Investment Per Unit	\$10,119
Investment Per Unit Per Year	\$202
Total Development Cost	\$36,398,358
Affordability Period	50
Leverage Ratio	1:20

AMI	# UNITS
< 30%	34
31-50%	0
51-60%	134
61-80%	0
Total Units	168

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DEVELOPMENT SUMMARY



Mount Moriah Seniors
489 Crestdale Road (Matthews 28105)
Laurel Street Residential, LLC
TYPE: 9% LIHTC / Senior

FINANCIAL SUMMARY

Funds Recommended	\$825,000
Investment Per Unit	\$11,458
Investment Per Unit Per Year	\$286
Total Development Cost	\$22,229,100
Affordability Period	40
Leverage Ratio	1:26

AMI	# UNITS
< 30%	20
31-50%	12
51-60%	20
61-80%	20
Total Units	72

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DEVELOPMENT SUMMARY



Kings on Lamar
District 1
323 Lamar Avenue (Charlotte 28204)
Roof Above
TYPE: Non-LIHTC / Supportive Housing

FINANCIAL SUMMARY

Funds Recommended	\$2,432,000
Investment Per Unit	\$38,000
Investment Per Unit Per Year	\$760
Total Development Cost	\$10,690,162
Affordability Period	50
Leverage Ratio	1:3

AMI	# UNITS
< 30%	13
31-50%	26
51-60%	25
61-80%	0
Total Units	64

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DEVELOPMENT SUMMARY



Aveline Legacy Druid Hills Duets II
District 1
Scattered Sites in the Druid Hills neighborhood
(Charlotte 28206)
DreamKey Partners
TYPE: Homeownership

FINANCIAL SUMMARY

Funds Recommended	\$462,000
Investment Per Unit	\$33,000
Investment Per Unit Per Year	\$2,200
Total Development Cost	\$4,095,018
Affordability Period	15
Leverage Ratio	1:8
Sales Price Range	\$260,000- \$285,000

AMI	# UNITS
< 30%	0
31-50%	0
51-60%	0
61-80%	14
Total Units	14

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DEVELOPMENT SUMMARY



Swan Run
District 7
4600 Swan Meadow Lane (Charlotte 28226)
Ascent Housing
TYPE: NOAH

FINANCIAL SUMMARY

Funds Recommended	\$2,400,000
Investment Per Unit	\$26,087
Investment Per Unit Per Year	\$1,304
Total Development Cost	\$18,000,000
Affordability Period	20
Leverage Ratio	1:7

AMI	# UNITS
< 30%	28
31-50%	0
51-60%	46
61-80%	18
Total Units	92

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HOUSING TRUST FUND FORECAST [IF RECOMMENDATIONS ARE APPROVED]

Housing Trust Fund Balance	
Housing Trust Fund Current Balance	\$22,140,000
Less LIHTC Developments	(\$7,900,000)
Less Non-LIHTC Development	(\$2,432,000)
Less NOAH	(\$2,400,000)
Less Homeownership Developments	(\$462,000)
Housing Trust Fund Ending Balance <i>(if all recommended projects are approved)</i>	\$8,946,000

Notes:

- Federally funded projects (as shown on slide 4) are excluded from the above analysis (total of \$4,325,000)

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Development Summaries for Projects Not Recommended

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DEVELOPMENT SUMMARY



West Boulevard Flats
District 3
3213 West Boulevard (Charlotte 28208)
NRP Group
TYPE: 4% LIHTC / Family

FINANCIAL SUMMARY

Funds Requested	\$7,448,000
Investment Per Unit	\$38,000
Investment Per Unit Per Year	\$950
Total Development Cost	\$69,345,551
Affordability Period	40
Leverage Ratio	1:8

AMI	# UNITS
< 30%	40
31-50%	0
51-60%	102
61-80%	54
Total Units	196

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NEXT STEPS

HOUSING DEVELOPMENT FUND



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