

Policy Referral: Minimum Housing Code

HOUSING COMMITTEE
AUGUST 3, 2026

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Policy Referral Summary

Policy Question

- ▶ Should Minimum Housing Code ordinance requirements for Charlotte be revised to include the requirement to provide air conditioning?

Committee Charge

- ▶ Review the city's Minimum Housing Code
- ▶ Assess current data, initiatives and feedback
- ▶ Review minimum housing code requirements from other large North Carolina cities
- ▶ Review current considerations and options for updates to Charlotte's minimum housing code
- ▶ Determine if any applicable ordinance changes and/or policy recommendations should be made to Council for consideration

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Setting the Stage

- ▶ **Housing goals: Safe, healthy and affordable**
- ▶ **Safety & Health achieved through Minimum Housing Code (Chapter 11) authorized by North Carolina General Statutes (N.C.G.S.)**
- ▶ **Code applies to all dwellings regardless of ownership or tenancy**
- ▶ **2019: Ordinance amended, included adding provision that when cooling systems are provided they must be operable and maintained**
- ▶ **What qualifies as "air conditioned" (HVAC, window units, mini-split systems, maximum temperature, etc.)**

Key Considerations

- ▶ **Legal Authority**
 - The NC Building Code requires heating facilities, but not cooling facilities
 - The state Minimum Housing Code (Statute) also mandates heating standards for all local minimum housing ordinances
 - Neither the NC Building Code nor the Statutes covering minimum housing require air conditioning or cooling standards
 - Municipalities do, however, have the authority to "determine that a dwelling is unfit for human habitation if conditions exist in the dwelling that render it dangerous or injurious to the health, safety, or welfare of the occupants of the dwelling..."

Key Considerations (*continued*)

► **Costs - Homeowners and Landlords**

- Retrofitting older homes (including owner-occupied) and multi-family developments
- Scope of work – and the cost - for each property will vary and may include: Electrical upgrades, weatherization, permitting, etc.

► **Tenant Affordability**

- Owner passes cost to tenants
- Increased tenant energy expense to operate unit (Note: may be offset to some extent when coupled with weatherization)
- Overall impact to affordability

Available Data

- While County real estate records report if dwellings have air conditioning at the parcel level, the data is not considered reliable
- For example, sampling of records reported with no air conditioning identified parcels where aerial imagery showed HVAC equipment despite the no-air-conditioning classification
- Without physical inspections of each property, a true count cannot be established

North Carolina

- ▶ **No North Carolina cities require landlords to provide air conditioning**

City	Air Conditioning Requirement
Charlotte Durham Greensboro Raleigh	<i>If</i> AC is provided, system must be safely operable and properly maintained (includes window units)
Wilmington	Code does not cite for AC under any circumstances, even if a unit is present but inoperable

National Landscape of Cooling Requirements

- ▶ Overall, the number of municipalities *requiring* air-conditioned rental homes is relatively small nationwide
- ▶ Most jurisdictions require landlords to maintain an air conditioner *if one is provided*, but do not require them to install or provide one

HVAC Rental Pilot Program

- ▶ **Summer 2025: Launched HVAC Pilot**
- ▶ Provides financial assistance to install permanent air conditioning in eligible rental units that have never previously had it
- ▶ Multifamily rental properties with 5–49 units located within city limits
- ▶ Reimburses 75% of eligible installation costs, up to \$10,000 per unit with a maximum of 10 units or \$100,000 per property owner
- ▶ Eligible systems include central systems, mini-split and PTAC units
- ▶ Requires participating owners to maintain restricted rents, property standards, and HVAC systems for three years
- ▶ Pilot remains active and continues to be advertised; however, the City has not yet received any qualified applications

Successful City Initiatives



2025 deliveries to Eastway and Betty Rae Thomas Recreation Centers

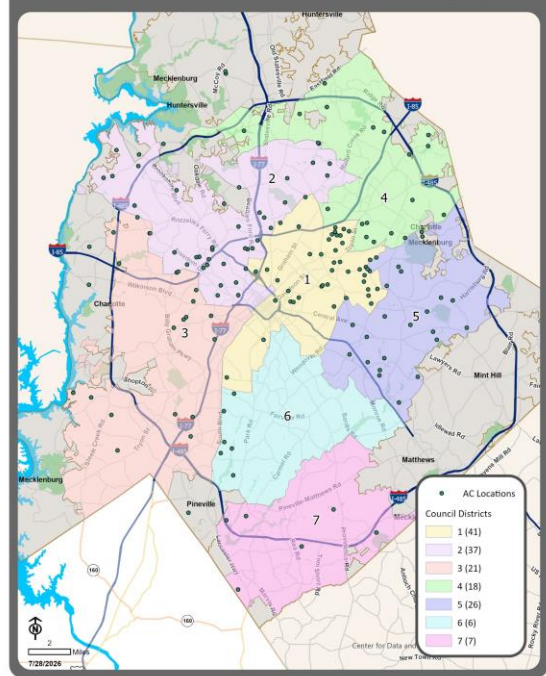
- ▶ **City Repair Programs**
 - Safe Home, Emergency Repair, Partner Rehab Programs
- ▶ **Window Air Conditioning Units Distributed to Low-Income Households**
 - **2025 – Completed:** 100 units purchased and distributed; partnership with County Park & Recreation (site distribution)
 - **2026 – In Progress:** 100 units purchased; HNS distribution/delivery underway
 - **2027 – Planned:** Continue purchasing and distributing units

AC Window Unit Distribution

Summer 2025-2026 (through July 28, 2026)

District	# Units
1	41
2	37
3	21
4	18
5	26
6	6
7	7

AC Window Unit Distribution 2025-2026 (as of July 28, 2026)



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Stakeholder Engagement

- ▶ **Advocacy organizations, including the Redress Movement, OneMECK and Action NC**
 - *Staff have met with advocacy organizations several times (2025-2026)*
- ▶ **Greater Charlotte Apartment Association**
 - *Industry perspective; discussed potential impacts of proposed policy changes*

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Summary

- ▶ Legal authority based on state statute is unclear
- ▶ Available data has significant limitations
- ▶ Code amendment will apply to all residential dwellings, regardless of ownership or tenancy
- ▶ Amending the code could affect tenant affordability for rental units and increase expenses for owner-occupied units
- ▶ City Initiatives: Rehab programs address AC for homeowners; HVAC pilot program assists small landlords; window unit distribution assists low-income residents (tenants and homeowners)

Discussion

- ▶ What additional information would help the Committee further evaluate this issue and determine Committee's next steps? Examples of possible next steps:
 - Determine code amendment options
 - Investigate and review existing programming or new approaches; Examples could include:
 - *Explore existing local partnerships of potential relevance (e.g., organizations that distribute free fans or window AC units to vulnerable residents)*
 - Identify a neutral third-party that could estimate potential financial implications – for impacted property owners and tenants – associated with an AC mandate
 - Conduct additional engagement

Next Steps

- ▶ **Based on Committee direction, staff provides Committee with additional information for discussion and consideration, as early as the September Committee meeting**