



CHARLOTTESM

Affordable Housing Overview

Charlotte-Mecklenburg Planning Commission
November 7, 2016



Current Context



1 in 3
households
in Charlotte
now pay
more than
30% of
income on
housing
costs



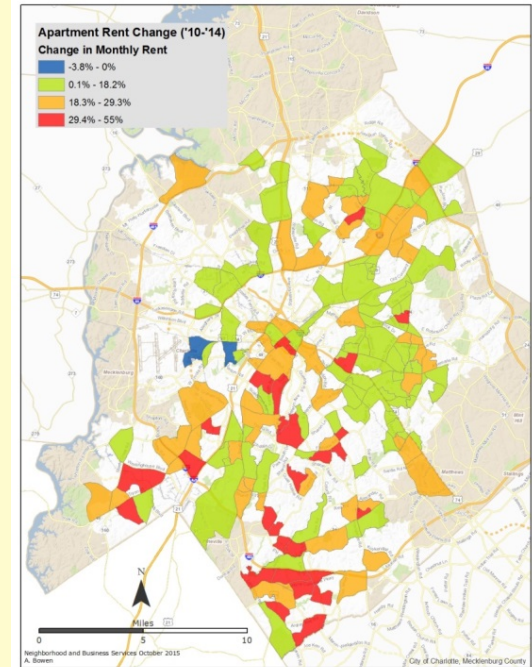
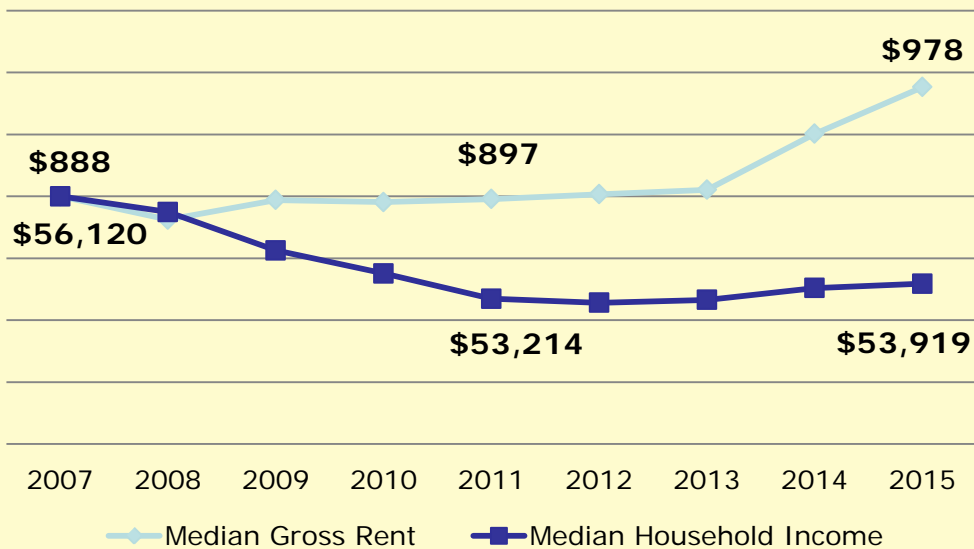
34,000
affordable
housing units
needed in
Charlotte,
per recent
HUD
estimates



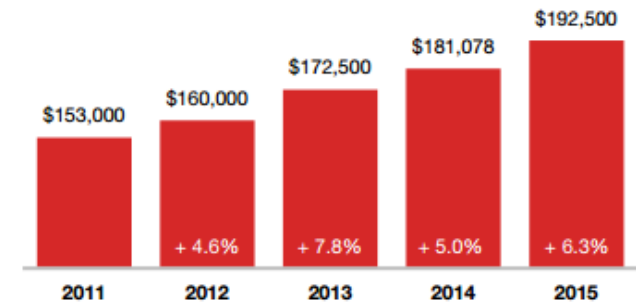
Senior
population will
grow rapidly,
about half
expected to be
<60% AMI
and need
affordable
housing

Housing costs rising as income stagnates

Constant 2015 \$



Median Sales Price



Sources: American Community Survey, 1-year estimates 2007-2015;
 Charlotte Regional Realtor Association 2015; Real Data Inc. 2015

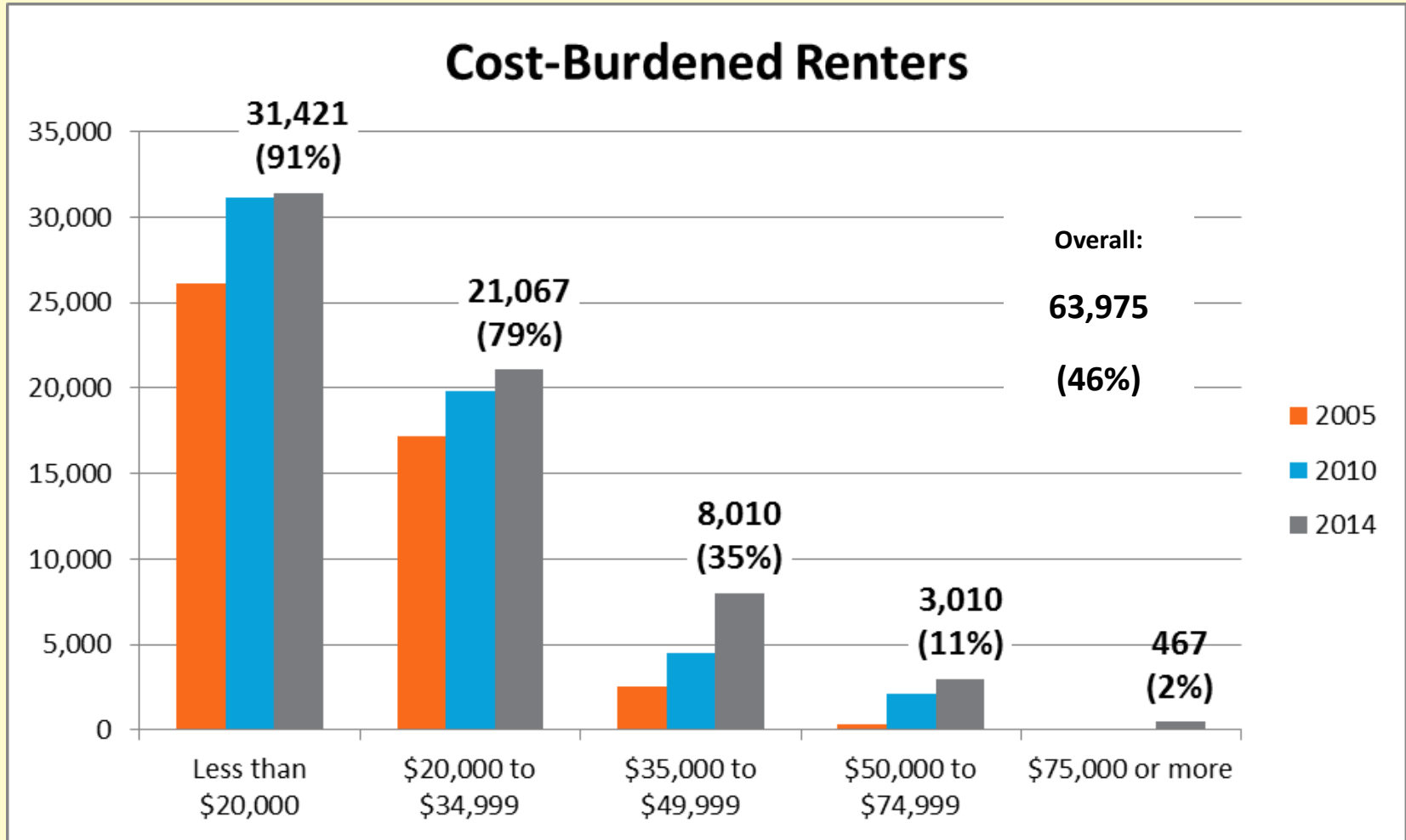
Employment is growing, but some jobs will grow more than others



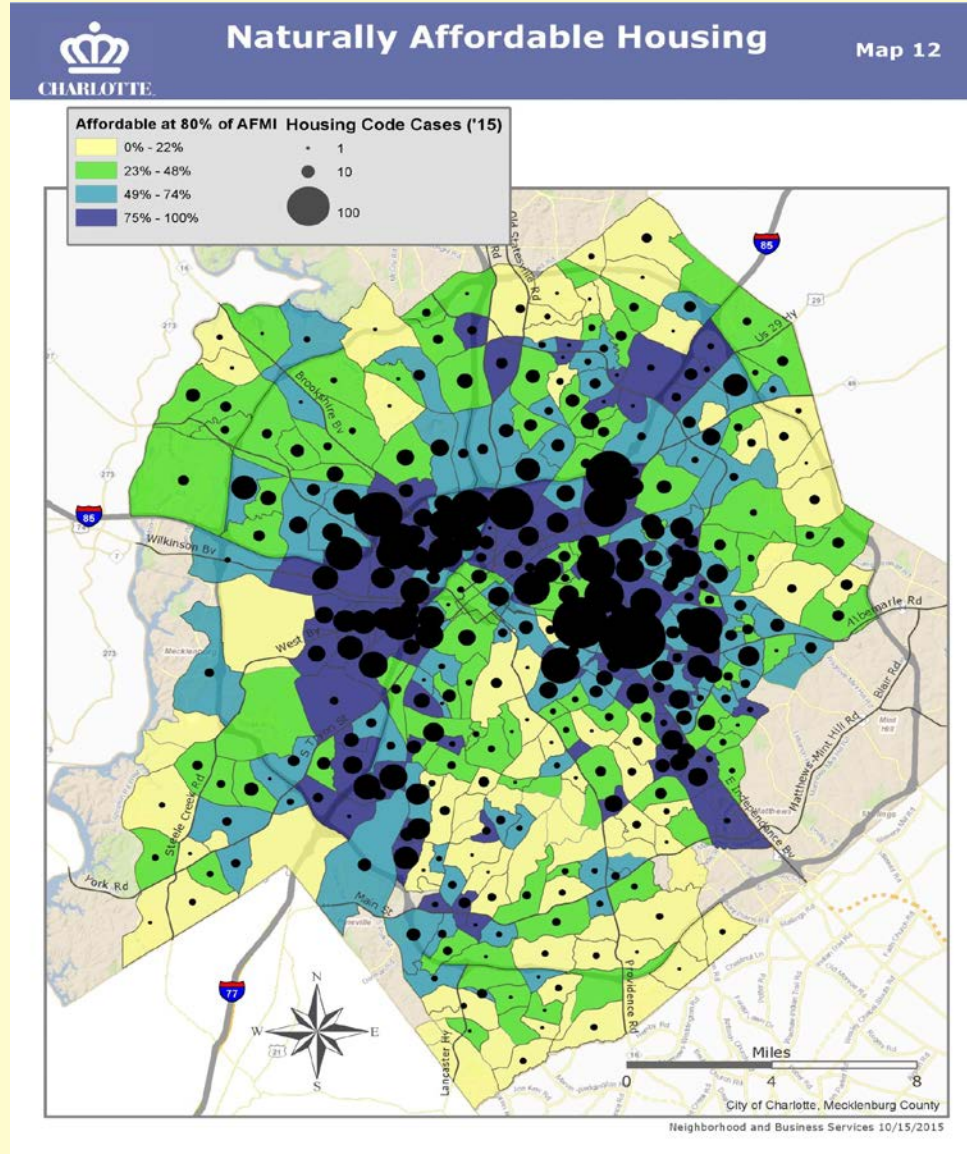
Median wages for forecasted high-growth occupations in Charlotte, 2010-2020.

Source: NC Department of Commerce, prepared for the Charlotte-Mecklenburg Workforce Board.

Costs Burden Renters



Current Supply of Affordable Housing



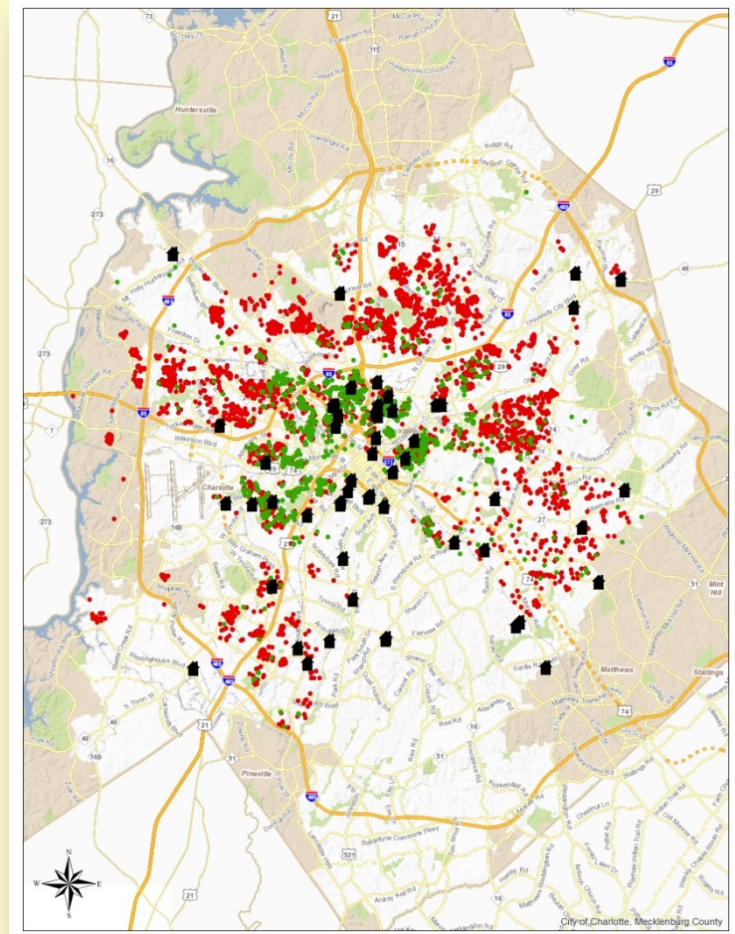
City Housing Programs

Invested in **4,211**
units over last 5
years:

1,467 Housing Trust Fund

1,207 House Charlotte Loans

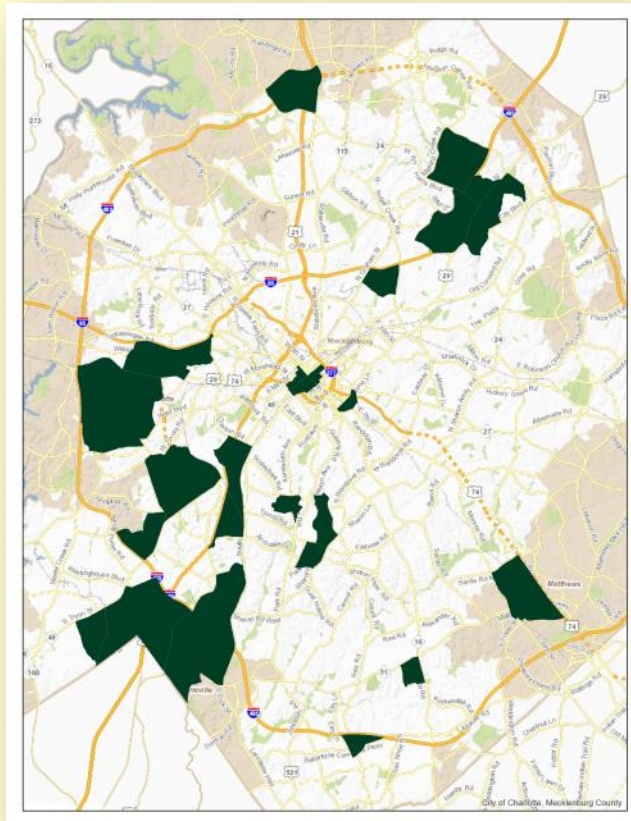
1,537 Rehabilitated Units



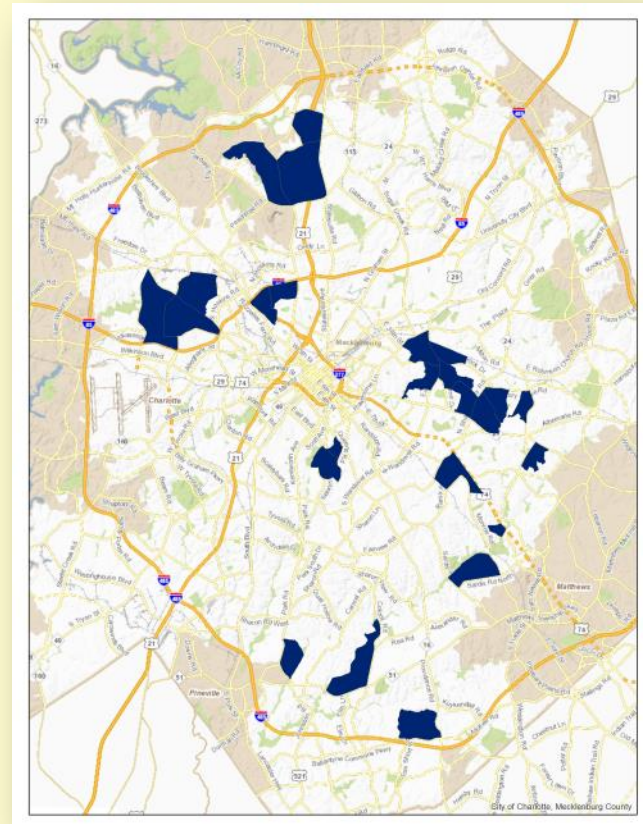
Concentration/Dispersion

- Top Areas Where Low-Wage Workers:

Work



Live





Housing Trust Fund

- The Housing Trust Fund was established in 2001 and is designed to provide gap financing to developers of housing for households earning 60% (\$40,200) and below the Area Median Income.
- The Housing Trust Fund is financed through voter approved housing bonds.
- Funds are made available through a competitive request for proposal process and is aligned to leverage funding from the North Carolina Housing Finance Agency.

- Established in November 2001 to provide gap financing to affordable housing developers through a competitive Request for Proposal Process
 - Financed 5,542 affordable housing units since 2002
 - Completed 4,718 housing units
 - Total Development - \$544 million
 - Funds Committed - \$93 million
 - Leverage Ratio of 1:6

Affordable Housing



Affordable Housing





Housing Trust Fund Developments



The Retreat at Renaissance
3240 New Renaissance Way
Completed: June 2013
Laurel Street Residential/
Charlotte Housing Authority



Housing Trust Fund Developments

Previous



Current



Brightwalk

- Appraised tax value when purchased was less than \$1M
- Anticipated tax value when complete is \$60M



Affordable Housing Initiative

On October 10, 2016, City Council approved the following:

Action Items in Response to City Council Letter to the Community

B. Amend the City Council Strategic Policy Objectives to create 5,000 workforce and affordable housing units from five years to three years, and endorse hiring a consultant to develop a Strategic Housing Plan.

Current Production Tools

- Housing Trust Fund
- Single Family Housing Rehabilitation
- Multifamily Housing Rehabilitation
- Downpayment Assistance

Other Housing Tools

- Rental Assistance
- Nonprofit Partnerships

- Terwilliger Study
- Strategic Housing Plan
 - Short Term
 - Long Term
- Affordable Housing Community Talks

- Assignment:
 - The ULI Terwilliger Center for Housing (the Center) will provide advice on how the City could effectively support more workforce and affordable housing development based on a review of current city programs and policies, interviews with key stakeholders, and research on proven approaches in similar communities.
- Scope of work included:
 - Review of existing policies/documents/information
 - Conduct stakeholder interviews
 - Review the current housing toolbox
 - Articulate potential core principles and a comprehensive approach to affordable and workforce housing and discuss potential tradeoffs
 - National scan of local and national best practices focusing on communities similar to Charlotte

- **Schedule:**

- **October:** Preliminary research and review of key materials, preparation for site visit.
- **November:** Visit by the project team to Charlotte for interviews and fact finding.
- **December:** Transmission of report of preliminary findings based on initial research and the November visit.
- **January:** Transmission of complete draft report for review by the City.
- **February:** Transmission of final based on feedback from the City and key stakeholders and presentation by the project team of recommendations in Charlotte.

- By January, the City will release a request for proposals to develop a Strategic Housing Plan. The Plan will:
 - Identify current unmet needs
 - Forecast future demand
 - Recommend a comprehensive five-six year housing strategy

- The City of Charlotte, Mecklenburg County and UNCC are jointly conducting community talks throughout the community
- Discussion is based on the “Charlotte-Mecklenburg Strategies for Affordable Housing Development” report prepared by the UNC Charlotte Urban Institute
- Forums allow for community input on current and potential strategies to increase housing diversity and affordability



Affordable Housing Barriers

- Policy
 - Housing Locational Policy
- Perceptions
 - NIMBY
- Land Costs
- Funding
 - State and Local

- Publicly Owned Land
 - City
 - County
 - Charlotte-Mecklenburg Schools
 - Charlotte Housing Authority
- Current Zoning Process
 - Re-Zoning Pre-Submittals
- Zoning Re-Write
 - Affordable Housing Overlay Districts