



Charlotte City Council  
Housing and Neighborhood Development Committee  
Summary  
November 12, 2014

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**COMMITTEE AGENDA TOPICS**

- I. **2014 Neighborhood Leadership Wrap-Up and Feedback (No Action Required)**
- II. **Gentrification Review and Next Steps (No Action Required)**

**COMMITTEE INFORMATION**

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**Council Members Present:** Patsy Kinsey, Al Austin, John Autry, Ed Driggs, LaWana Mayfield

**Staff Resources:** Ann Wall, Assistant City Manager  
Pamela Wideman, Neighborhood & Business Services  
Pat Mumford, Neighborhood & Business Services  
Nicole Storey, Neighborhood & Business Services

**Meeting Duration:** 12:00 PM – 1:00 PM

**ATTACHMENTS**

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1. Agenda Packet – November 12, 2014
2. Presentation – 2014 Neighborhood Leadership Wrap-Up
3. Presentation – Gentrification Tools

**DISCUSSION HIGHLIGHTS**

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Kinsey: Called the meeting to order and introductions of attendees. We have two items today that require no action.

**Neighborhood Leadership Awards**

Wall: On September 27, we celebrated our Neighborhood Leadership Awards (NLA) at the BB&T Ballpark. When we spoke with you about the event at the end of August, we said we would come back for feedback on what went well and areas where we could improve. Nicole Storey, our Neighborhood and Community Partnership Manager, is here to talk about the NLA.

Storey: Thank you for the participation of so many Council members. I would like to talk about how the event was promoted, share some lessons learned, and how we can improve. Most importantly, I would like your feedback on the event.

Presentation: Neighborhood Leadership Awards

Mayfield: Is there any consideration to expand the People's Choice Award to represent all seven districts?

Storey: We will talk about that during "lessons learned."

Presentation (*continued*)

Autry: As soon as you have the date, please let us know, so we can get this on our calendars. I think there has been conversation around Council about the Symposium and what it offered the communities. Adding the Symposium component to the Awards Ceremony is a positive. Taking it out of the Government Center and putting it at the ballpark was a nice plus.

Austin: I thoroughly enjoyed this event. I thought the venue was a great choice. I particularly loved where you had the music building up to the presentation of the award. You sent us a list of people nominated and we were supposed to call them. I do not know if I got mine in enough time and would like to get that earlier. Did we do the marketing via internet or mailers?

Storey: It was mentioned online and we used many digital media opportunities. Part of that was working within our existing budget for the event. Print media was cost prohibitive for us, but it is definitely a consideration.

Austin: I have many older residents and they do not rely heavily on email and websites. If we could get addresses to some of those leaders, it might be a better way of getting it out to them.

Storey: Do you feel individual mailers would be more appropriate than newspaper?

Austin: For some of the residents it might be helpful. It would have been nice, but I am sure it was cost prohibitive, had a game followed. Maybe an exhibition game or something like that. I know it was the first time there for many of my residents.

Driggs: I did not hear about it from the people in my district and I wonder what response you got from District 7. Maybe I need to do more to alert them to this whole process.

Storey: My initial response is that we can always do more. So please help us get the word out.

Mayfield: I would like to congratulate you on a successful event. I do agree with my colleagues about getting the information to us as soon as possible. I appreciate the opportunity to lead one of the panel discussions, but because of conflicts was not able to stay. It would

be great to have advance notice so I could have blocked out the time. I would encourage using our community officers. Most community officers send out a newsletter of their own. If we could receive some brochures in our packets, we can distribute when we are out at community meetings. In addition, if we received the information electronically, maybe in PDF format, we can help distribute. As far as the expanded opportunities, I say open it up to the community and let them do surveys to give ideas for what they would like to see. It is wonderful to not only celebrate our own communities, but the neighboring communities.

Kinsey: I have already talked to my neighborhoods and challenged them to come forward this coming year. Sitting around this table, you have five of the seven district reps to help as your ambassadors. I left after the initial session and came back for the awards, but it was a wonderful fun event.

Storey: Thank you for your feedback.

### **Gentrification Review and Next Steps**

Wall: At the October 29 meeting, Tyler Mulligan with the School of Government provided the Committee with some information about gentrification and specifically, tools that are available in North Carolina to address gentrification. We heard from Council their interest in hearing more about how we might be applying those tools here and opportunities to use a different set of tools.

Wideman: I know we have been talking about this for a couple of months now and I thank you for your stamina as we continue to work through this topic. One of the things I hope to do at the end of this presentation is to suggest some next steps.

Presentation: Existing Tools/Policy Options

**Housing Trust Fund:** Voters just approved another \$15M to provide gap financing to developers to build new construction and rehab.

**Stabilizing Housing for Renters:** You made another approval at the last Council meeting using CDBG dollars. The link is that not only are we doing new affordable housing, we are stabilizing existing affordable housing where there is already a rental population. The next step moving forward is to be more intentional in doing that in areas that we identify are likely to gentrify.

**Affordability Commitments:** There is a 30-year affordability period tied to those units you took action on at the last Council meeting. With CDBG and HOME funds, there is a minimum five-year affordability period. However, like the action you took at the Council meeting, the period was 30 years and one of those had a 40-year affordability commitment. An example is Atando, in the Bright Walk community, which is a mixed income community. We know single-family homes sold most recently in upwards of \$300,000. The good news is that Council went in earlier and have rental housing with the affordability commitment. As we are creating a mixed income, we have that affordable rental aligned with the single-family for sale housing.

**Voluntary Mixed-Income Housing:** Tyler shared with us a few weeks ago that we do not have enabling legislation in the State of North Carolina to do mandatory inclusionary.

Some cities do and he mentioned a suit that Davidson is currently facing. Our answer to that is a voluntary mixed income program created in 2013. Because this is new, we have not realized any tangible results. However, we have had a number of inquiries.

Austin: Can you talk a little about Davidson's mandatory inclusion program? How it worked and any increases they did see.

Wideman: When we did the initial research around our voluntary mixed income, we went to Davidson to talk with them. Their Council agreed that they would take their chances and established a policy to have a mandatory inclusionary program. How does that play out for them? The units do not look different from the outside. They drive down the cost through a differentiation of features on the inside on the units. However, they have been challenged on whether they needed enabling legislation to do this.

Autry: Is there a statute that prohibits from enacting such ordinances?

Wideman: A few years ago when Council asked us to look at ways to realize more affordable housing, Council received a memo from Mr. Hagemann that spelled out why we do not have the legal authority to do this. While Davidson has mandatory, their numbers are not extremely high. They have not realized a lot compared to places like Montgomery County Maryland.

Presentation: Voluntary Mixed-Income Housing Development Program

Presentation: Synthetic Tax Increment Financing Agreements

Presentation: Potential New Tools/Policy Options

Mayfield: Are you saying we can utilize the Quality of Life Study to help identify potential land for us to acquire property for affordable housing?

Wideman: We should be using the Quality of Life Study to identify areas or particular neighborhoods that are likely candidates for gentrification.

Mayfield: If we are seeing that gentrification has already started, are we going to work on identifying land in these areas?

Wideman: I am suggesting that we should move in that direction.

Driggs: I was struck when we had the talk by the professor that there is a distinction between specific gentrification issues and your overall affordable housing goals. (Yes). I am not sure we have drawn that line clearly. Some of these things are actually just related to creating enough affordable housing, rather than identifying the specific circumstances in which a particular neighborhood is in danger because of development with the possible impact of the residents. We have to remember that in each case we have to ask, do we oppose economic forces here and try to preserve an affordable island in what is becoming a very expensive area. There is a cost associated with that. A case can be made for cultural and historic reasons. Obviously, there is compassion for the people who live there. The gentrification conversation has to do more with choosing when we take special steps to avert that kind of thing. Do we have enough capacity to offer

housing to everybody? What kind of resources do we allocate as a community? I like the Trust Fund because you have a very visible outlay. Some of the other non-cash means have the troubling implication that you cannot really see what we are investing and what resources might have been available for other uses being applied here.

Wideman: You are right. I should have introduced this by saying that “gentrification itself is not a bad thing. It brings back the whole notion of responsible development.” There are some people who are going to benefit from an area that is gentrified and some who are not. These are tools we can explore when we are trying to solve gentrification. These are tools in our affordable housing toolbox that can be used when it is appropriate in areas that are gentrifying.

Driggs: For example, what are the remedies we make available to the residents in the gentrification neighborhood? Do we relocate in some instances or do we try to protect where they are? To me, they are the main subject of this. If we talk in general terms of TIFs and creating more affordable housing capacity, they are going to become members of a population of people who cannot afford to live, some of whom who do not happen to already be in those neighborhoods. Are we favoring people in the gentrification neighborhoods over deserving others? In my mind, we have a crossover between the general affordable housing conversation and the needs of all the people and the special circumstances of the people who happen to be in a neighborhood that looks like it is going to get crowded out by development.

Mumford: When we look at Quality of Life statistics, they are broad statistics. We have to drill down to the neighborhood and talk about actual individuals. Solving the gentrification problem is not for everybody. Someone has a 1500 square foot house that has now doubled in value. They can no longer afford to pay taxes on that property and need to move out. Or they have been renting for fifteen years and the owner of the home decides to cash out because the values have gone up. There is a notion that if someone has been in the neighborhood for 20 or 30 years, maybe they want to transition to a different kind of house. Maybe they have aged out of that single family home, but would like to stay in the neighborhood where they have their support network. Is there an opportunity to put a different type of rental or multi-family housing so people can age in place and are not negatively impacted by gentrification? We need to get a feel for the neighborhood beyond just Quality of Life statistics. What do neighbors want? Get a feel for the dynamics of the neighborhoods. How is it transitioning? What are the age differentials? Is there an opportunity to have a product in place?

Wideman: In terms of next steps, Rebecca is doing an internal review. In January, we hope to bring you a complete analysis and make some final recommendation on how we deal with gentrification.

Driggs: There is a lot of data to work with and I think you will have good opportunities to identify the criteria from that data center.

Austin: One of the things we talked about around data was getting input from the district reps because we have knowledge about what is currently happening and upcoming in our community. Data is great, but we also have some information we can add to that as

well. I have a community, McCrorey Heights that is on the cusp of what is about to happen in terms of gentrification. What are we going to help them?

Wideman: I am happy to meet with you one-on-one or you can send me emails. I would love to get that information from you.

Meeting adjourned.

# City Council

## Housing and Neighborhood Development Committee

Wednesday, November 12, 2014

12:00 p.m.

Charlotte-Mecklenburg Government Center

Room – 280

**Committee Members:**

Patsy Kinsey, Chair  
Alvin “Al” Austin, Vice Chair  
John Autry  
Ed Driggs  
LaWana Mayfield

**Staff Resource:**

Ann Wall, Assistant City Manager  
Pamela Wideman, Deputy Director, Neighborhood & Business Services

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### AGENDA

- I. 2014 Neighborhood Leadership Wrap-Up and Feedback (No Action Required)**  
Neighborhood & Business Services Staff will provide a wrap-up of the 2014 Neighborhood Leadership Awards Ceremony and seek feedback from Council on potential improvements for the 2015 event.
  
- II. Gentrification Review and Next Steps (No Action Required)**  
In April 2014, City Council referred the issue of gentrification to the Housing & Neighborhood Development Committee for additional study. On October 29, 2014, Tyler Mulligan, from University of North Carolina-Chapel Hill’s School of Government shared gentrification strategies, applicable in North Carolina. During the November 12, 2014 meeting Neighborhood & Business Services staff will share examples of which of those tools are currently being used and provide a recommended path forward.

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**Distribution:**

Mayor/Council  
Ron Carlee, City Manager  
City Executive Team  
Corporate Communications  
Anna Schleunes- City Attorney’s Office  
Charlotte-Mecklenburg Coalition  
for Housing

Holly Eskridge  
Randy Harrington  
Phyllis Heath  
Fulton Meachem  
Fred Dodson  
Julie Porter  
Kim Graham  
Chief Rodney Monroe

Willie Ratchford  
Ledger Morrissette  
Patrick Mumford  
Pamela Wideman  
Tom Warshauer



## Gentrification Tools

**Housing & Neighborhood Development Committee Meeting**  
November 12, 2014



### Briefing Objectives

- Gentrification Overview
- Existing Gentrification Tools
- Next Steps



## Existing Tools/Policy Options

- Housing Trust Fund (Build More Affordable Housing)
- Stabilize Housing for existing renters
- Link development to affordability commitments
- Voluntary Mixed-Income Housing Development Program
- Synthetic Tax Increment Finance Agreements



## Build More Affordable Housing and Stabilizing Housing for Renters

- The Housing Trust Fund was established in 2001 to provide financing for affordable housing.
- Since that time, 4,375 new and rehabilitated affordable housing units have been completed and \$101 million approved.





## Build More Affordable Housing and Stabilizing Housing for Renters



## Link Development To Affordability Commitments

- Developments funded with Housing Trust Fund dollars have a minimum of a 30-year affordability period.
- Developments funded with Federal Community Development Block Grant and HOME funds have a minimum of five-year affordability period.

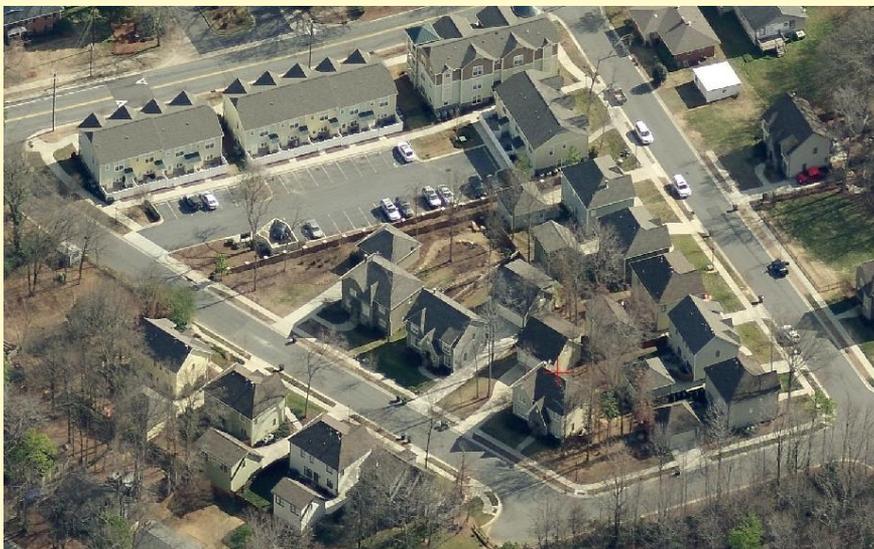


## Voluntary Mixed-Income Housing Development Program

- This program was created in 2013 and seeks to encourage mixed-income housing developments in targeted locations through a voluntary, incentive-based density bonus.
- The goals of this program are to:
  - Incentivize private sector development of affordable housing
  - Disperse affordable housing throughout the community
  - Encourage a range of housing types and income levels
  - Increase opportunities for people to age in place



## Voluntary Mixed-Income Housing Development Program





## Synthetic Tax Increment Financing Agreements

- The City uses Synthetic TIF as a public/private partnership tool to advance economic development and land use planning goals, repaid by 90% or 45% of the incremental property tax growth generated by the development.
  - Infrastructure Investment - New public infrastructure such as roads, streetscapes, and parking decks that entice development that would not otherwise occur.
  - Public Asset Purchase - Building or paying for new public buildings or features that become a specific asset to the City.
  - Economic Development Grants - Gap funding for projects in business corridors and strategic plan geography that add value and generate growth that would not otherwise occur.



## Existing Synthetic Tax Increment Finance Agreements

Development	Number of Affordable Units	Percentage Return to the Developer	Time Limit
First Ward Park	20% up to 70 units	90%	10 years
North Carolina Music Factory	10% up to 50 units	45%	10 years



## Potential New Tools/Policy Options

- Use City-owned land for infill development and incent affordable housing development with land contributions.
- Use of City or Federal funds to acquire property in areas likely to gentrify.
- Use the Quality of Life Study to determine areas likely to experience gentrification.



## Next Steps

- Continue Internal Data Review
- Update the Committee in December
- Complete Data Analysis and Update Committee
- Present Final Recommendations to Committee



## 2014 Neighborhood Leadership Awards

### Presentation Outline

1. Review Event
2. Share Lessons Learned
3. Request Feedback





## 2014 Neighborhood Leadership Awards

Why we celebrate (our goals):

- Recognize collaborative efforts- staff & community volunteers
- Promote & provide exposure for successful neighborhood projects (online voting, program & award ceremony)
- Acknowledgment & positive reinforcement of community effort
- Provide knowledge and inspiration for others



## 2014 Neighborhood Leadership Awards

### How:

#### Previously, 2011

- Neighborhood Symposium
  - Day-long event
  - Awards & luncheon
  - Significant educational opportunities
  - Focused on NMG program & accomplishments



#### 2012 - Current

- Inform Plan & Celebrate – Annual Continuum of Services
  - Need a Speaker Speaker's Bureau (year-round)
  - Neighborhood Board Retreats (2x's per year)
  - Neighborhood Leadership Awards (Sept, Good Neighbor Month)

## 2014 Neighborhood Leadership Awards

- Combined best of 2013 NLA + re-introduced education & shared learning
- Four concurrent panels, 28 speakers-staff, community partners & n'hood reps
- Panels decided through Speaker's Bureau requests and Board Retreat participation
- Communications, Gov't 101, Neighborhood Sustainability & Community Safety



## 2014 Neighborhood Leadership Awards

- Most comprehensive neighborhood award event hosted by any local government
- Citywide participation
- Strong collaboration between internal & external partners
- Neighborhood organization winners receive custom, commemorative street sign & digital logo
- Signage creates branding opportunity and shared ownership of community success



BRIDLEWOOD 2014



## 2014 Neighborhood Leadership Awards

87 Total Nominations

45 Completed Nominations

20 People's Choice Nominees

25 Neighborhood Organization Nominations

Winner selected by Online Vote

Winners selected by  
Multi-Dept Selection Committee



### Six Awards:

- **CMPD**, Community Safety Ambassador
- **CDOT**, Moving Forward
- **Code Enforcement**, Good Neighbor
- **Community Engagement**, Sustainability Pioneer
- **Community Relations**, Community Relations)
- **Knight Foundation**, People's Choice

300+ Registered Participants

## 2014 NLA Lessons Learned

1. Great: Re-Introduced educational component  
Even Better: More speakers, more time, more interaction
2. Great: Looked inward to consider critical & Council directed work, recognized those connections in the award categories  
Even Better: More partners & award categories
3. Great: Community-wide board retreat representation, we know great work is underway  
Even Better: District Champions or other category to ensure community-wide representation at awards
4. Great: Introduced online voting, 1,726 votes logged & opportunities for leaders to be recognized.  
Even Better: Promote non-digital voting opportunities
5. Great: Worked with nominators to improve nominations  
Even Better: Allow more time for clarifications to ensure the nominations are comparable and representative of the effort



## Requested Feedback

1. Were neighborhoods in your district aware of the Neighborhood Leadership Awards?
2. How can we spread the word/solicit more participation?
3. What, if any other awards should be considered? Are there awards that you'd change or remove?
4. Should we offer expanded opportunities for training? Should they be during this event? If so, what should some of those trainings include or look like?
5. How do you want to be involved as Councilmembers?