Charlotte City Council
Housing and Neighborhood Development Committee
Summary
January 9, 2013

COMMITTEE AGENDA TOPICS

I. **Proposed CIP Project Review: Affordable Housing and Comprehensive Neighborhood Improvement Program**
II. **FY2014 Focus Area Plan**
III. **2013 Meeting Schedule**

COMMITTEE INFORMATION

Council Members Present: Patsy Kinsey, John Autry, Warren Cooksey, LaWana Mayfield

Staff Resources: Eric Campbell, Assistant City Manager
Pat Mumford, Neighborhood & Business Services
Tom Warshauer, Neighborhood & Business Services
Pamela Wideman, Neighborhood & Business Services

Meeting Duration: 12:11 PM – 1:07 PM

ATTACHMENTS

1. Agenda Packet – January 9, 2013
2. Presentation – Affordable Housing and CNIP

DISCUSSION HIGHLIGHTS

Kinsey: Called the meeting to order. Council member Barnes was not feeling well and will not be attending the meeting. Eric Campbell, the Assistant City Manager, will be filling in for Julie Burch who has been appointed Interim City Manager. There is one action item on the agenda, the 2013 meeting schedule. We have two other agenda items to discuss and hopefully give some direction to staff.

Proposed CIP Project Review: Affordable Housing and Comprehensive Neighborhood Improvement Program

Campbell: City Council made two referrals to the Housing & Neighborhood Development Committee (H&ND) for review; the affordable housing strategy and the Comprehensive Neighborhood Improvement Program (CNIP). We will also quickly review the Focus Area Plan (FAP) as you head to the retreat.

Wideman: I will discuss the affordable housing strategy and Tom Warshauer will discuss CNIP. We will answer any questions and get you any information you need about these programs in preparation for your budget retreats. The proposed CIP was presented to you in three approaches. The area we will focus on today is Improving Communities which encompasses the affordable housing strategy and the comprehensive neighborhood improvement program.

Presentation

Mumford There is a CIP component and dollars that go toward housing. Of the remaining $13 million, $10M is Trust Fund money, the rest is CDBG and HOME funds. We would like to ask you to think about how to direct us on preparing for not only the CIP, but how to use the remaining funds.

Wideman: Presentation

All the strategies we are presenting today must comply with the current housing locational policy. The strategies have to meet zoning or locational policy, otherwise Council would have to approve a waiver. The Housing Finance Agency tax credit applications are due in January. There is a maximum of two projects we could receive in the community in any given year. We will make sure developers contact Council regarding any plans they will be submitting and request they have at least one community meeting regarding their submission.

Autry: With the single family rehab, how many homes can be addressed with the $3M?

Wideman: We projected $15,000 per unit for a total of 25 homes per year.

Mumford: Those are assumptions as to need. With single family rehab there has to be some critical mass. Focusing on one home will not turn around a neighborhood. Twenty-five homes might be for 2-3 communities, but hitting it with enough emphasis so there is a material difference made.

Wideman: Presentation

The Rental Subsidy Program would be an appropriate use of HOME funds, not CIP funds. The Foundation for the Carolinas (FFTC) has sent a letter to the City, County, and Housing Authority to work on designing a program that would have a community impact around rental subsidy. We would partner and perhaps look at contributing towards an endowment. We hope to bring back a program that will benefit the community around

rental subsidy. With all these strategies we could make a big improvement on our affordable housing need.

Mumford: Pam has done a great job in breaking down each of these strategies so we can begin to align need for a specific population with some level of response. It might help us drive outcomes and break it down so it is more manageable. It is not an all or nothing approach, but a way to give you some notion of dollars per year and the benefit we can get from that.

Cooksey: I appreciate the chart noting the different categories, but we still only have the potential of addressing a third of what the study says we need. In lieu of a piecemeal approach, perhaps we should start working on the neediest component, which is permanent supportive housing. We could then look at other populations. Do we want to continue to take an approach where every category gets a little something, which means we don't fully solve anything in any category?

Kinsey: My response would be that we will never knock out homelessness. Even doing that model, we wouldn't address all of the homeless families.

Wideman: Going back to how we deal with the $13M we have today. Would you be comfortable with us bringing you a proposal for a multi-family rehab Request for Proposal that we could release at some point to the community?

All: Yes.

Warshauer: We found it beneficial to pull together the work of the NIP and our business corridor revitalization work. When working in neighborhoods we found that commercial and neighborhood representatives wanted to be sure there were positive impacts for both groups. By combining we could address needs comprehensively. The problems with poverty were not urbanized, we saw that the suburbs were not holding the promise we thought they would. People who had choices regarding schools were choosing to drive further to find the schools and housing prices they wanted. A lot of the suburban areas in the West, North and East were not becoming the communities we needed and attracting the diversity of incomes that we thought they would attract. We have worked to connect communities and schools. We are not abandoning the work that we have done in the past, we will continue to build roads and address congestion, but we want to do it in a more comprehensive manner. Before we select precise projects, we want to make sure we are doing outreach with property owners, developers, and city/county staff to take a look at what projects would generate the most leverage of resources and development around these facilities. We are finding that people care about access to parks and greenways. We want to make sure we are capturing the value of those resources.

Presentation

Mayfield: Can you give me an example of enhance retail place making?

Warshauer: We have the redevelopment of some of our shopping centers that are more pedestrian friendly (similar to Cotswold and Park Road). We feel we don't have that along the Sunset/Beatties Ford Road corridor. We need to work more intentionally with store owners to see how we can create that kind of story.

Presentation

Cooksey: As a framework for future conversations, I noticed a few changes to the narrative in the CNIP. When originally presented, the CNIP areas had exact projects that would be done by combining a variety of area plans that existed. Over time that has shifted to having conversations about what could be done. If the latter is the case, how are the dollar amounts determined to be sufficient if we don't know exactly what we are developing? Another item originally presented which has now been dropped was about improving property values. As we have the Committee review, we should be looking at the estimated increases in property values for the proposed investments. We need to do things as a city to increase property values. With the emphasis on greenways and parks, which is a county function, should we talk about functional consolidation? If we focus on parks and greenways and backing that up with dollars, do we need to be the ones with hands on the reigns?

Warshauer: We have had a lot of conversation with County Parks and Recreation. We are not looking at running the parks; we are looking at making sure we are planning in conjunction with property owners, which is a little change of philosophy.

Kinsey: I would agree with Mr. Cooksey, it seemed like we were looking at more inter-city neighborhoods that would increase the property values.

Warshauer: The area plans are the foundation of our work and there are some things we know we have to do, but there are others that we want to make sure we have the right selection. We have more projects than we can afford to do at this time.

Autry: I have been meeting with eastside leaders about proposed greenway projects. We were eager to advocate and understand where it is in the county's pipeline. Is there a timetable that we can look at?

Mumford: We will follow up on that question.

<u>FY2014 Focus Area Plan</u>

Wideman: You have in your packet the current Focus Area Plan (FAP). We are not asking for any action today. You will be discussing the FAPs at your retreat and then coming back to the Committee for a more robust discussion. This is an opportunity for you to begin thinking about how you would like to plan for your FY2014 FAP. If you have any questions you can ask me now or send those to me.

Campbell: When you see the draft FAP at the retreat it may be more staff generated than Committee generated, but it will come back into Committee for review and approval.

Cooksey: We could provide much more clarity if we structure the plan with goals for Council to achieve, goals for staff to achieve, and things not in our control but relevant statistics to measure. An example is policy goals for the percentage of multi-family housing we are hoping gets built in corridors. We have some ability to influence that, but not a great deal and this is something that we track. The measure for completing 90% of bond projects on schedule; this would be a performance metric for staff. The item regarding developing and recommending policies that will increase the supply of affordable housing; while it is facilitated by staff, it is a work plan for Council. We should more clearly delineate what it is we should expect Council to be working on, staff to be working on and what are things going on in the community that are relevant for each one to consider. That is the type of structural change I am proposing for the FAP and I hope we will discuss more thoroughly at the retreat.

Mumford: As I mentioned in the Economic Development Committee meeting, we have had the same level of frustration with balanced scorecards, focus area plans, measures, and initiatives; at the end we should have a document that drives behaviors in this organization. It informs us on how to do our work better, but what we have is a static document.

We had a leadership meeting in our department with a robust discussion about this topic. An idea bubbled out that instead of a static document, we would look at these measures (data) and model the Quality of Life (QoL) report that has just come out. This could house all kinds of data we could never put in a physical report with multiple measures and activities that relate to each of those initiatives. If we had an online document, the public could see what we are doing and the additional data that gives you the context for what is happening in the city. We think we might have an opportunity to leverage the learning of the last year of QoL and come up with an approach that could be revolutionary. Maybe not this year, but we can begin to think that way and maybe this is an opportunity to get past the struggle with the mechanics.

2013 Meeting Schedule

Kinsey: We have one action item, the 2013 meeting schedule, which of course is always subject to change. I am asking if we could move the February 13th meeting to 1:00 p.m.?

All: Agreement that the February 13th meeting will move to 1:00 p.m.

Campbell: We will check the master schedule to make sure this works.

Cooksey: There is a March 13 and June 26 conflict and my suggestion would be to drop the June 26 meeting and add a meeting the fourth Wednesday in August.

Kinsey: I ask members to review their calendars for further discussion on whether to cancel or reschedule the meeting dates where there is a conflict.

Meeting adjourned.

City Council
Housing and Neighborhood Development Committee

Wednesday, January 9, 2013
12:00 p.m.
Charlotte-Mecklenburg Government Center
Room – 280

Committee Members: Patsy Kinsey, Chair
LaWana Mayfield, Vice-Chair
John Autry
Michael Barnes
Warren Cooksey

Staff Resource: Eric Campbell, Assistant City Manager

AGENDA

I. Proposed CIP Project Review: Affordable Housing and Comprehensive Neighborhood Improvement Program
Staff will provide information on the affordable housing strategy and Comprehensive Neighborhood Improvement Program in preparation for a more detailed discussion at future meeting.
Attachment: 1. 10/10/12 Follow-up Report on Affordable Housing

II. FY2014 Focus Area Plan
Review of FY2013 Focus Area Plan in preparation for Council discussion at the February Retreat.
Attachment: 2. FY13 FAP

III. 2013 Meeting Schedule
Staff requests the Committee review and approve the proposed 2013 Committee meeting schedule.
Attachment: 3. Proposed 2013 H&ND meeting schedule

Attachment: Historic District Commission Report – *For Information Only*

Next Committee Meeting: January 23, 2013 (pending approval of 2013 meeting schedule)

Distribution:

Mayor/Council
Julie Burch, *Interim City Manager*
City Leadership Team
Corporate Communications
Debra Campbell – *Planning Department*
Anna Schleunes- *City Attorney's Office*
Charlotte-Mecklenburg Coalition for Housing
Randy Harrington
Phyllis Heath
Fulton Meachem
Fred Dodson
Pat Garrett
Kim Graham
Chief Rodney Monroe
Willie Ratchford
Ledger Morrissette
Patrick Mumford
Steve Allen
Jamie Banks
Brad Richardson
Pamela Wideman
Tom Warshauer

Mayor Anthony Foxx	**Mayor Pro Tem Patrick D. Cannon**
John Autry	David L. Howard
Michael D. Barnes	Patsy Kinsey
Warren Cooksey	LaWana Mayfield
Andy Dulin	James Mitchell, Jr.
Claire Fallon	Beth Pickering

FOLLOW-UP REPORT

CITY COUNCIL

OCTOBER 10, 2012

AFFORDABLE HOUSING STRATEGY DISCUSSION

Follow-Up Report
October 10, 2012
Affordable Housing Strategy Session

This document is provided as a follow-up to the October 2012, City Council Affordable Housing Strategy Session. According to the findings of the Below Market Needs Housing Assessment Study, there is a deficit of about 15,000 units at an affordable rental rate for persons earning between 30% and 50% of the area median income.

During the October 10, 2012 meeting, City Council discussed the following:

- Composition of the Charlotte-Mecklenburg Coalition for Housing
- Housing Locational Policy Exemptions
- The need for earlier notification to Council and surrounding neighborhoods when City funding is requested for the development of affordable housing
- Possible affordable housing strategies that could be used to expand and increase the supply additional affordable housing throughout the City, based on the findings of the Below Market Needs Housing Assessment.

Composition of the Charlotte-Mecklenburg Coalition for Housing

The Charlotte-Mecklenburg Coalition for Housing (Coalition) is a community based board charged with implementing the Ten-Year Plan to End and Prevent Homelessness (Plan). The Coalition is 15-member board jointly appointed by the City of Charlotte and Mecklenburg County with the following industry representation:

City Appointments	County Appointments
Non-Profit (Mayor)	Public Safety (Sherriff/Jail)
Corporate/Economic Development (Mayor)	Education
Faith-Based (Mayor)	Human Services
Community	**Ex-Officio Members (Non-Voting)**
Affordable Housing	Neighborhood & Business Services Director
Donor	Charlotte Housing Authority (CEO)
Financial	Community Support Director (County)
Real Estate	
Legal	

Council expressed concerns about Coalition members being eligible to receive Housing Trust Fund Awards and that the Coalition board be expanded to include additional neighborhood representatives.

Coalition Members Eligibility to Receive a Housing Trust Fund Award

The City Attorney has advised based on a review of the City Council's board conflicts policy that it would not be a conflict of interest for a member of the Coalition Board to be someone from a company that may potentially benefit from a Housing Trust Fund Award. This determination is

further supported by the fact that the Coalition makes recommendations only, not the actual award of Housing Trust Funds. Nevertheless, a Coalition Board member whose company has submitted a proposal would need to recuse him or herself from all discussions and voting related to such proposal.

The process for Housing Trust Fund (HTF) awards is as follows:

1. The Coalition makes recommendations on HTF categories (i.e. tax credit Allocation, Supportive Services, and Acquisition)
2. Neighborhood & Business Services (NBS) staff issues a request for proposals
3. Developers submit proposals
4. Staff reviews and evaluates each proposal
5. In an effort to achieve the maximum leverage of local funds against State funds, recommended awards are consistent with site scores assigned by the North Carolina Housing Finance Agency
6. Recommended HTF awards are presented and approval and a recommendation is requested by the Council's Housing & Neighborhood Development Committee (Committee)
7. NBS staff presents the Committee's recommendation to the Council
8. NBS staff issues a letter of commitment to the North Carolina Housing Finance Agency on behalf of the developer for tax credit developments

Coalition Composition

One option for additional neighborhood representation would be to appoint citizens based on Neighborhood & Business Services (NBS) service delivery areas. NBS operations are delivered by four teams in geographical service areas – Northeast, Northwest, Southeast and Southwest. This approach allows NBS to better align with the Charlotte-Mecklenburg Police Department (CMPD) and other partners to collectively address issues and maximize resources to improve the overall quality of life in our community.

One individual from each of the four service areas could be appointed by City Council. Individuals wishing to represent service area neighborhoods could apply through the Charlotte City Clerk's office. Initial terms would be for one year and subsequent terms would be for three years. Based on Council adopted policy for appointments to Boards and Commissions, the Mayor normally appoints one-third of the membership and the Council appoints two-thirds of the membership.

Housing Locational Policy Exemptions

Council approved the Housing Locational Policy (HLP) on March 28, 2011. The HLP includes exemptions for senior citizen developments and developments for the disabled population. The policy exemptions allows these types of developments to be constructed anywhere throughout the City, with proper zoning. During the October 10, 2012 session, Council discussed the possibility of removing the current exemptions.

The current policy exemptions assist in the provision of housing for senior citizens and the disabled populations:

Housing for senior citizens:

1. Addresses the housing deficit for this population as identified in the preliminary findings of the recently released Below Market Housing Needs Study.
2. Provides adequate and quality housing for senior citizens in independent living communities among their peers in close proximity, to transportation, grocery, pharmacy and other necessary retail services.
3. Allows senior citizens to age in place and continue to maintain their existence in communities where they are often invested and are long-time residents.
4. Does not negatively impact the school system, because there are no school-aged children living in these developments.

Housing for the disabled population:

1. Provides permanent supportive housing with needed on-site supportive services
2. Provides more efficient use of community resources
3. Extends the life of chronically homeless individuals.

Council's major concerns about the current exemptions are:

1. Due to by-right land entitlements, developers are not required to inform the surrounding neighborhoods of proposed developments, therefore Council members and affected neighborhoods do not receive advance notification of a proposed development.
2. Due to land costs and availability, these developments are not geographically dispersed throughout the City.

Possible solutions include:

1. Maintain the exemptions, but strengthening the HTF guidelines to make it a mandatory requirement of developers to inform Council members and the surrounding neighborhoods about their plans for developments to serve the senior citizens and disabled populations when seeking City funding.

2. Eliminate all exemptions from the HLP, requiring proposed developments to be constructed only in permissible areas in order to receive City funding.

3. Continue require developers to request a waiver from the City Council if seeking to develop in a non-permissible area.

Earlier Notification to Council and Surrounding Neighborhoods for City Funding Requests

During the October 10, 2012 meeting, Council members expressed a desire to receive earlier notification of potential affordable housing developments in their districts and that developers make the surrounding property owners aware of a potential affordable housing development.

Staff will revise the City of Charlotte Housing Trust Fund Loan and Grant Guidelines to include a requirement for proposed developers to provide notification to the Council at the submission of the preliminary tax credit application. NBS staff and the proposed developer will also jointly engage affected communities before recommended developments are presented to the Council for funding consideration. For proposed developments that are not seeking a tax credit award, developers will be required to provide notification to the Council and surrounding community at the time of requesting City funding.

Affordable Housing Strategies

At the October 10, 2012 Affordable Housing Session, Mayor Foxx outlined several possible strategies for addressing affordable housing and requested that staff bring back additional information about each strategy. Below is staff preliminary work on each strategy with the inclusion of estimated costs for each.

1. **Permanent Supportive Housing for the Chronically Homeless:**
   The U.S. Department of Housing and Urban Development considers an individual chronically homeless if he or she has a disabling condition and has been continuously homeless for a year or more, or an individual has a disabling condition and has had at least four episodes of homelessness in the past three years.

   There is an estimated 800 chronically homeless individuals. Approximately 100 individuals have been housed, leaving an approximate 700 chronically homeless individuals in our community.

   Population Served:
   Permanent Supportive Housing would provide housing for chronically homeless individual at or below 30% of the area median income.

   Benefits:
   - Extend life of chronically homeless individuals
   - Serve 400 of the 700 identified chronically homeless individuals
   - Address temporary shelter backlog
   - More efficient use of community resources
     - According to recent data, the average annual bill per chronically homeless participant was $37,000 when living in a temporary shelter. In contrast, the average annual cost to house and support a chronically homeless individual through Urban Ministry Center's Housing Works program (includes Moore Place and the scattered-site program) is $13,983. This reflects housing costs (rental subsidy, utilities), case management, and additional support services, which includes client transportation and emergency assistance with clients' basic needs such as food, Rx co-pays, etc.

- Provide on-site supportive services
    - On-Site supportive services may include case management, legal services, life skills assessment, employment training, health care access, and mental health and substance abuse counseling

Development Geography:
- Must meet zoning requirements
- Access to frequent bus transportation
- Access to pharmacy and grocery stores

Funding Source:
- Housing Trust Fund

Estimated Capital Costs:
- $26,000,000 over 8 years
    - 1 facility of 85 units would be built every two years x 8 years = 340 units
    - $6,500,000 per facility x 4 facilities over 8 years = $26,000,000

Through the use of the Housing Trust Fund, the City would provide capital funding for the construction of four permanent supportive housing facilities. Operating costs and supportive services would be provided by Mecklenburg County, the Charlotte Housing Authority, and Homeless Service Providers.

2. **Tax Credit Development:**
The Low-Income Housing Tax Credit program is an indirect Federal subsidy granted to States used to finance the development of affordable rental housing for low to moderate income households, thereby increasing the supply of affordable housing in communities. According to the recently released Below Market Housing Needs Assessment Study, there is an existing need for quality, affordable housing for households earning 60% and below the area median income.

Through the use of the Housing Trust Fund, capital funding dollars would be made available to developers receiving a North Carolina Low-Income Tax Credit Award from the North Carolina Housing Finance Agency (NCHFA) for the construction of new or rehabilitated multi-family housing developments.

Population Served:
Low-Income Housing Tax Credit Developments serve households earning 60% and below the area median income.

Benefits:
- Aligns and leverages local funding with State supported and funded developments
- Addresses identified deficit of affordable units
- Assists with geographical dispersion throughout the City
- Allows states to prescribe design standards and require properties be developed by experience developers, ensuring quality of construction and management

Development Geography:
- Permissible areas as defined by the HLP unless City Council grants a waiver
- Land must meet zoning requirements
- Developers must inform City Council and surrounding property owners if City funding is requested

Funding Source:
- Housing Trust Fund

Estimated Capital Costs:
- $24,000,000 over 8 years
    - $1,500,000 per development x 2 developments of 120 units = 240 units per year
    - 2 developments per year x 8 years = $3,000,000 per year
    - $3,000,000 per year over 8 years = $24,000,000

3. **Land Banking for Affordable Housing Development:**
Land banking is employed by municipalities and used as a mechanism to acquire vacant properties for public good and is commonly used to provide land for the development or redevelopment of affordable housing.

The City and its public agency partners such as Mecklenburg County and Charlotte-Mecklenburg Schools own various parcels of land throughout the City. These parcels might be possible resources for the development of affordable housing. Partners could consider transferring or selling their land, at a reduced rate, to the City for land banking purposes, where affordable housing would ultimately be developed.

Population Served:
- Families and Seniors earning 60% and below the area median income
- Chronically homeless individuals earning 30% and below the area median income

Benefits:
- Mitigate cost escalation of prime locations
- Assist with geographical dispersion
- Could potentially allow students to live closer to where they attend school

Development Geography:
- Land must meet zoning requirements
- Permissible areas as defined by the Housing Locational Policy

Funding Source:
- Housing Trust Fund

Estimated Costs:
- $15,040,000 over 8 years
  - Land Costs in permissible areas = $235,000 per acre
  - 8 acres is required for the development of 120 units = 8 acres x $235,000 = $1,880,000
  - 1 development per year over 8 years = $1,880,000 x 8 = $15,040,000

4. **Local Neighborhood Stabilization Program:**
A local Neighborhood Stabilization Program would be modeled after the national program. The local program would allow for the redevelopment of blighted, abandoned, vacant and foreclosed residential structures.

There are a number of single and multi-family foreclosed properties within the City of Charlotte. This program would be made available to non-profit developers to acquire/rehabilitate and re-use these properties to increase the supply of affordable housing throughout the City.

Population Served:
Families and Seniors earning 80% and below the area median income because of the single-family homeownership component.

Benefits:
- Stabilize neighborhoods
- Generate private investment
- Reduce vacant/foreclosed homes and improve housing quality
- Leverage local dollars against private investment

Development Geography:
- Neighborhoods with significant foreclosed/vacant properties
- Blighted neighborhoods

Funding Source:
- CDBG and Housing Trust Fund

Estimated Capital Costs:
Multi-Family Rehab
- $12,000,000 over 8 years
  - $10,000 per unit in a development of 150 units = $1,500,000 per year
  - 1 development per year over 8 years = $12,000,000

- Single-Family Rehab
- $3,000,000 over 8 years
  - $15,000 per unit x 25 units per year = $375,000 per year
  - 25 units per year over 8 years = $3,000,000

5. **Rental Subsidy Program:**
   A local rental subsidy program could provide an additional source of support for households with incomes too low to pay full market rate rent from their own resources. A rental subsidy program would pay the owner of a multi-family housing development or an agency the difference between the tenant's contribution (30 percent of adjusted income) and the monthly rental rate over a pre-determined period of time with the ultimate goal of moving the family to self-sufficiency.

   Population Served:
   Families earning 50% and below the area median income

   Benefits:
   - Stabilize neighborhoods
   - Generate private investment
   - Reduce vacant/foreclosed homes and improve housing quality
   - Leverage local dollars against private investment

   Geography:
   - Scattered-site

   Funding Source:
   - HOME

   Estimated Costs:
   - $1,920,000 over 8 years
     - $400 per month x 12months = $4,800 per year
     - $4,800 x 50 = $240,000
     - $240,000 per year over 8 years = $1,920,000

Summary
The following chart details the estimated costs and results if housing strategies are implemented:

Strategy	Estimated Costs (eight years)	Funding Source	Potential Units (eight years)
Permanent Supportive Housing	$26,000,000	HTF	340
Tax Credit Development	$24,000,000	HTF	1,920
Land Banking	$15,040,000	HTF	960*
Local Neighborhood Stabilization	$12,000,000 (multi-family) $ 3,000,000 (single-family)	HTF and CDBG	1,200 200
Rental Subsidy	$ 1,920,000	HOME	133
Total	**$81,960,000**		**4,753**

*The Land Banking Strategy does not include any additional subsidy

The proposed strategies equal a $17,243 per unit cost, which is below the 10 year average cost of $26,000 per unit, over the life of the Housing Trust Fund.

FY2013 Strategic Focus Area Plan

"Creating and sustaining communities of choice for living, working and recreation."

The City of Charlotte's long-term health, vitality, and distinction as a competitive city is predicated upon its ability to utilize national and local best practices to create and sustain communities of choice for living, working and recreation.

The City's housing and neighborhood strategy focuses on creating and sustaining communities by creating places where people and businesses are safe, where civic infrastructure supports neighborhood quality of life and business success, where families have access to quality education, jobs, and services and the environment is preserved and strengthened. (*Also see Community Safety, Economic Development, Environment, and Transportation & Planning Focus Area Plans for more housing and neighborhood development initiatives*)

Focus Area Initiative	Measure	Prior Year Actual	Current Year Target
Create healthy and vibrant neighborhoods by improving and implementing quality physical infrastructure	Complete ninety percent voter approved bond Neighborhood Infrastructure and Business Corridor projects on schedule or as forecasted.	N/A	Review and ensure 90% of projects are completed or are on schedule to be complete.
Strengthen opportunities for public and private partnerships to encourage the integration of education, recreation, employment and housing resources in identified redevelopment areas	Achieve a leverage ratio within the corridor of 1:10 for business corridor funds Leverage increased community safety partnership opportunities in support of the Democratic National Convention	1:10 N/A	Seek new partnerships in FY2013
Develop and recommend policies that will assist with increasing the supply of affordable housing	Develop and revise policies	Council approved a revised Housing Locational Policy	Review and revise the Assisted Multi-Family Housing at Transit Station Policy for Transit Stations, Incentive Based Inclusionary housing, and Impact of Regulatory Ordinance on Affordable Housing
Redesign the Quality of Life (QOL) Study to more accurately reflect the City's neighborhood conditions	Completion of the 2012 QOL	Completed redesign of the QOL report	Release the newly designed QOL report.

Housing & Neighborhood Development Committee
2013 Proposed Meeting Schedule

2nd and 4th Wednesdays of each month at Noon
Room 280
(unless otherwise noted)

January 9
January 23

February 13
February 27

March 13 ***(conflicts with NLC Washington trip)***
March 27

April 10
April 24

May 8
May 22

June 12
June 26 ***(conflicts with Chamber Inter-City Visit)***

(No July or August meeting due to summer break)

September 11
September 25

October 9
October 23

November 13
(Only one November meeting – 4th Wednesday conflicts with NLC trip)

(No December meetings pending new Committee assignments)

CHARLOTTE.

M E M O R A N D U M
FROM THE
OFFICE OF THE CITY CLERK

DATE: November 19, 2012
TO: Housing and Neighborhood Development Council Committee Members
FROM: Stephanie C. Kelly, CMC, City Clerk
SUBJECT: **Attached Annual Report: Historic District Commission**

The attached report of the Historic District Commission is being sent to you pursuant to the Resolution related to Boards and Commissions adopted by City Council at the November 23, 2009 meeting. This resolution requires annual reports from City Council Boards and Commissions to be distributed by the City Clerk to both City Council and to the appropriate Committee for review.

If you have questions or comments for the board, please convey those to staff support for a response and/or follow-up.

Section 6. **REPORTS OF BOARDS, COMMITTEES, AND COMMISSIONS**

The City Council finds it appropriate to periodically review each standing board, committee, and commission to which they make appointments for the purpose of assessing whether said board, committee, or commission should be renewed, dismantled, expanded or its charge redefined. To this end, each board, committee, and commission that is part of the City, or that was established by the City Council, whether acting alone or in conjunction with one or more other local governments, is required to submit annual written reports that must contain in depth reviews of the body's activities, including goals, objectives, successes, problems, and/or the need for City Council assistance. These reports shall be submitted to the City Clerk and will be staggered through the year according to a schedule established by the City Clerk. The City Clerk shall then provide the Mayor and City Council with copies of the reports and refer the reports to the appropriate Council Committee for the Committee's information.

Boards, committees, and commissions that are not part of the City shall submit reports in accordance with the reporting requirements set forth in their contract, if any, with the City.

In addition to required written reports, the City Council may request on a case-by-case basis that an oral report be made to the Council.

HISTORIC DISTRICT COMMISSION

Annual Report July 2011 through June 2012

Historic Districts. The City Council established the Charlotte Historic District Commission in 1976. The goal of the Historic District Commission is to manage change of existing historic fabric in the designated Historic District neighborhoods and to review new infill construction proposals for compliance with ***Policy & Design Guidelines.*** The Commission reviews and approves development proposals in any of the City's six locally designated Historic Districts – Fourth Ward, Dilworth, Plaza Midwood, Wesley Heights, Hermitage Court, and Wilmore. With over 6,000 properties within its jurisdiction, the Charlotte Historic District Commission program is the largest in North Carolina. The greatest number of reviews centers around additions, as homeowners seek the balance between contemporary needs for space, amenities and upgrades and the realities of owning a home within a local Historic District.

HDC Membership. The twelve member Historic District Commission in comprised of a resident/owner seat for each of the six local Historic Districts, one seat for a business owner in Dilworth, one seat filled by the Mayor at the recommendation of the Planning Commission, and four at large seats. It is a requirement that a majority of the Commission have education, knowledge, or proven expertise in one of several specific disciplines such as history, architecture, or construction. Members are appointed 2/3 by City Council and 1/3 by the Mayor for a three year term. Members can be appointed for two consecutive terms (in addition to serving out an unexpired term if this applies). The Planning Commission seat is a year to year appointment. A list of current members of the Historic District Commission is found as Attachment A. The HDC has no vacancies at this time.

Historic District Meetings. The Commission meets monthly the second Wednesday of every month in the Government Center at 3:00 pm. Attendance is required as set forth by Council.

- Agendas are created from complete applications received by the deadline each month.

Historic District Reviews. More than 200 applications were received in FY 2011. Approximately 1/2 of these were reviewed by the full Commission and 1/2 approved at the staff level. Scope of reviewed proposals ranges from a fence or sidewalk for a single family home to large multi-family developments.

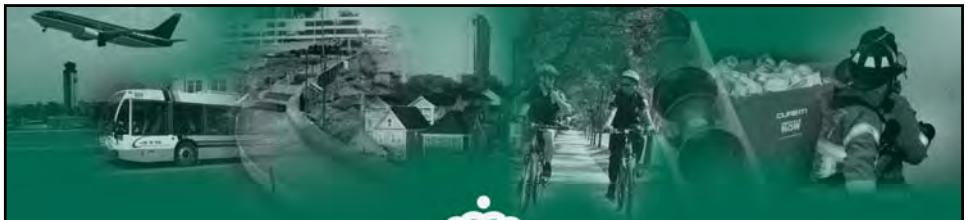
- The Historic District Commission conducts quasi-judicial review with consideration based on ***Policy & Design Guidelines*** created from ***The Secretary of the Interior's Standards for Rehabilitation.***

FY 2011 Highlights.

- A comprehensive research project to identify all of Charlotte's historic resources was begun. It will be a phased undertaking utilizing CLG Grants and consultants.

- A large infill development was approved and ground was broken on a project at the edge of the Dilworth Local Historic District. It is unusual in that it is designed with its own interior streets. Several houses were demolished to put together the necessary land.

- Agenda numbers have dramatically risen and the scope of work has generally increased to former levels.



CHARLOTTE.
NEIGHBORHOOD & BUSINESS SERVICES

Proposed Affordable Housing Strategies and Comprehensive Neighborhood Improvement Program

January 9, 2013

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CITY OF CHARLOTTE

Comprehensive Approach

Investing in Corridors

To promote economic development, expansion and job creation

Increasing Connections

To increase connectivity through road projects, streetcar extension and infrastructure improvements

Improving Communities

To address housing, neighborhood improvement and quality of life needs

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Improving Communities
Affordable Housing

The City can increase the supply of affordable housing by:

- Supportive Services Housing Program
- Tax Credit Development Program
- Land Banking Program
- Local Neighborhood Stabilization Program
- Rental Subsidy Program

The Chimneys Apartments - North Sharon Amity Road

Ashley Square at South Park – Broad Street

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Permanent Supportive Housing

- Population Served
  - Chronically homeless individuals (30% and below AMI)
- Benefits
  - Extend life of chronically homeless individuals
  - Serve 400 of the 702 identified chronically homeless
  - Address temporary shelter backlog
  - Provide on-site Supportive Services
  - More efficient use community resources (Police, Fire, Jail, Hospital)
- Development Geography
  - Must meet zoning requirements
  - Access to frequent bus transportation
  - Access to pharmacy and grocery stores
- Proposed Costs
  - $26,000,000 over 8 years

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Tax Credit Development

- Population Served
  - Families and Seniors (60% and below AMI)
- Benefits
  - Align and leverage local funding with State supported and funded developments
  - Disperse based on Housing Locational Policy
  - Address identified deficit of affordable units
- Development Geography
  - Permissible areas as defined by the Housing Locational Policy
  - Land must meet rezoning requirements
  - Developers must inform Council if seeking City funding and surrounding property owners
- Proposed Costs
  - $24,000,000 over 8 years

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Land Banking

- Population Served
  - Families and Seniors (60% and below AMI)
  - Chronically homeless individuals (30% and below AMI)
- Benefits
  - Mitigate costs escalation of prime location
  - Assist with geographical dispersion
- Development Geography
  - Permissible areas as defined by the Housing Locational Policy
- Proposed Costs
  - $15,040,000 over 8 years

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Local Neighborhood Stabilization Program

- Population Served
  - Families and Seniors (80% and below AMI)
- Potential Benefits
  - Stabilize neighborhoods
  - Generate private investment
  - Reduce vacant/foreclosed homes and improve housing quality
  - Leverage local dollars against private investment
- Development Geography
  - Neighborhoods with significant foreclosed/vacant properties
  - Blighted neighborhoods
- Proposed Costs
  - Multi-Family Rehab
    - $12,000,000
  - Single-Family Rehab
    - $ 3,000,000

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Rental Subsidy Program

- Population Served
  - Families (0 – 50% of AMI)
- Potential Benefits
  - Rapid Re-Housing with supportive services
  - Provides Supportive Services
  - Addresses existing shelter backlog
  - Provides stability for families
- Development Geography
  - Scattered - Site
- Proposed Costs
  - $1,920,000

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Estimated Costs and Results

Proposed Strategy	Estimated Costs (eight years)	Funding Source	Potential Units (eight years)
Permanent Supportive Housing	$26,000,000	HTF	340
Tax Credit Development	$24,000,000	HTF	1,920
Land Banking	$15,040,000	HTF	960
Local Neighborhood Stabilization	$12,000,000 (multi-family) $3,000,000 (single-family)	CDBG or HTF	1,200 200
Rental Subsidy	$1,920,000	HOME	133 units or 400 families
Total	**$81,960,000**		**4,753 units**

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Recent Housing Developments

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Improving Communities
Comprehensive Neighborhood Improvement Program (CNIP)

Continues to fund traditional NIP capital projects, but enhances the program to achieve even greater impact:

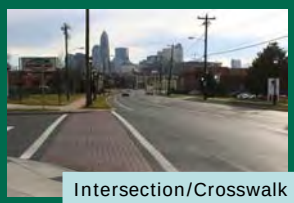
- Implements area plans
- Enhances collaboration with public/private partners
- Leverages multiple investments in a neighborhood
- Seeks opportunities to catalyze change
- Looks beyond boundaries of residential areas
- Coordinates with public safety, code enforcement, social services, and education to bring greater resources to the CNIP areas

Streetscapes

Wilkinson near Ashley Rd (Wal-mart)

Pedestrian Lighting

Washington Heights-Booker & Redbud



Intersection/Crosswalk

West Morehead at Grandin Rd

Pedestrian Refuge

East Blvd

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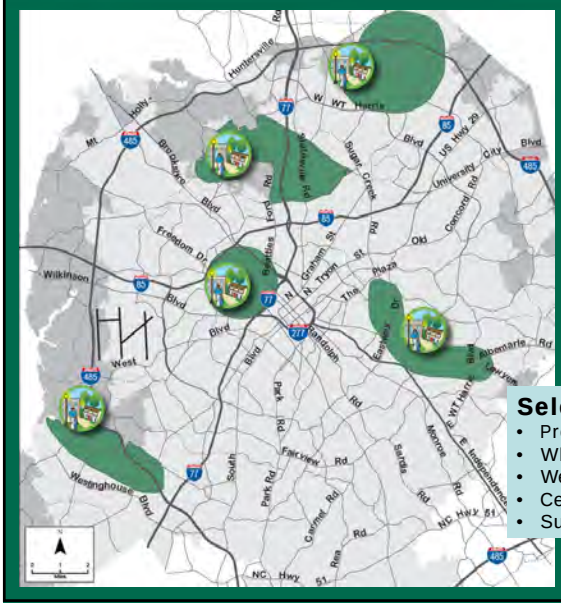
Improving Communities
Comprehensive Neighborhood Improvement Program (CNIP)



Millbrook Rd

Selected Areas

- Prosperity: $30M - 2 area plans
- Whitehall: $30M - 3 area plans
- West Trade: $20M - 2 area plans
- Central: $20M - 2 area plans
- Sunset: $20M - 2 area plans

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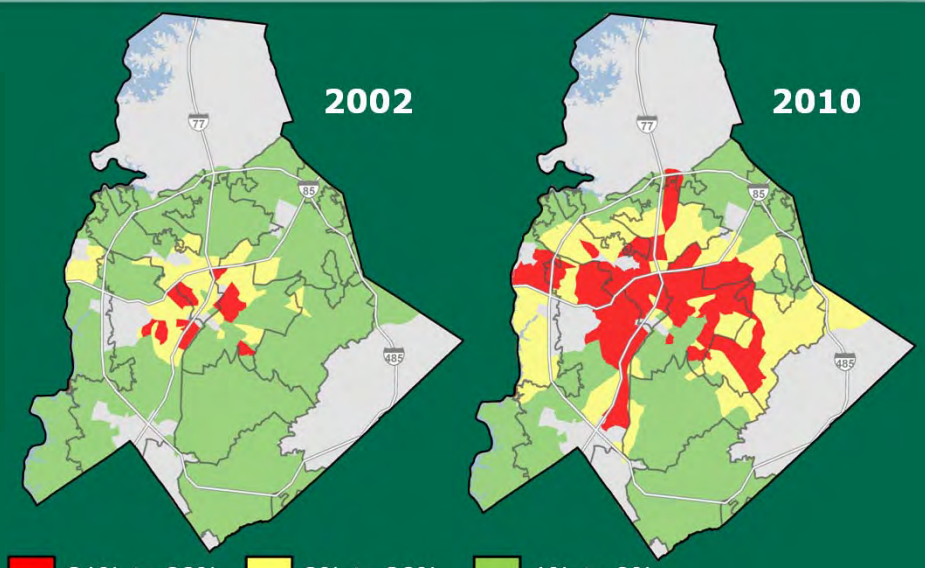
Percent of Persons Receiving Food Stamps



21% to 90% | 9% to 20% | 1% to 8%

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Elementary Schools

2011 Elementary School Free & Reduced Lunch And EOG Proficiency

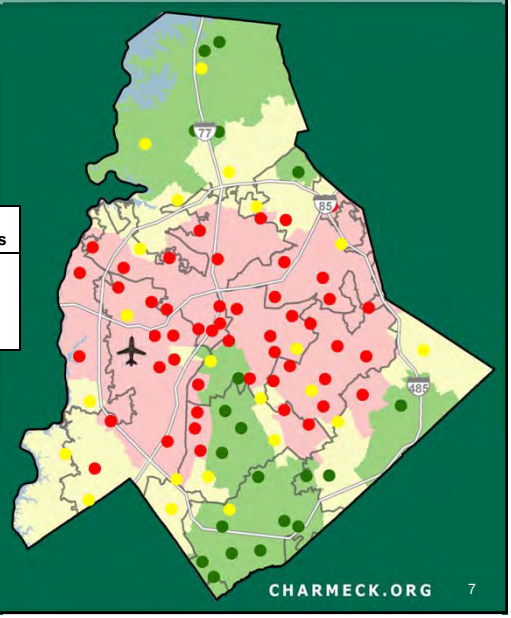
EOG % Proficiency	# of Schools	% of Schools
23.1% to 60%	49	53.8%
60% to 80%	22	24.2%
80.1% to 96.0%	20	22%

Free/Reduced Lunch

61 % to 100 %

31% to 60 %

0% to 30%



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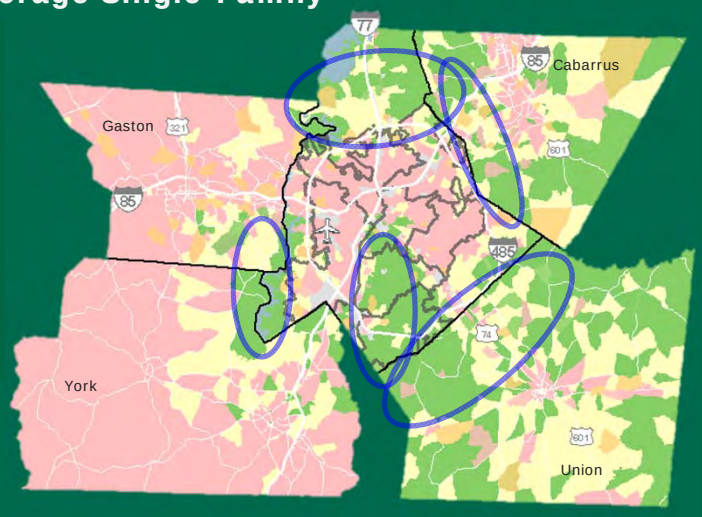
Mecklenburg County Average Single-Family Tax Values

Regional Average Single-Family Tax Values

Tax Value

- < $150,000
- $150,000 to $250,000
- >$250,000



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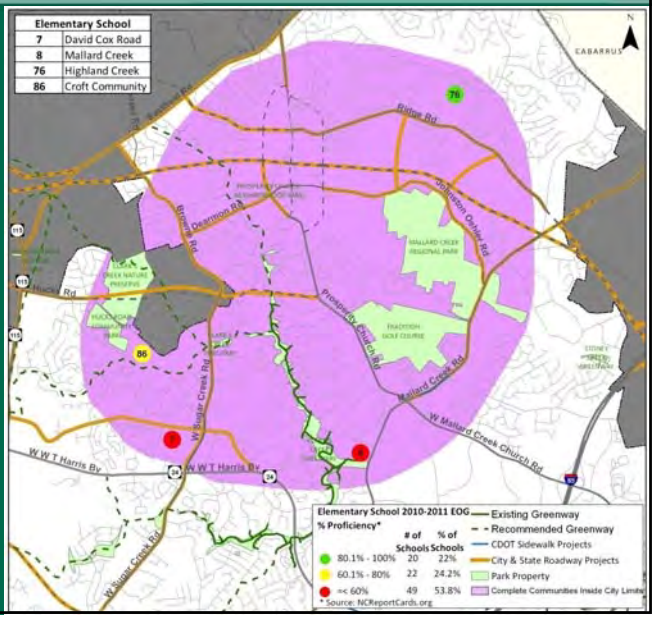
Prosperity Village

- Capture I-485 development interest
- Capture value of parks and greenways
- Develop transportation solutions



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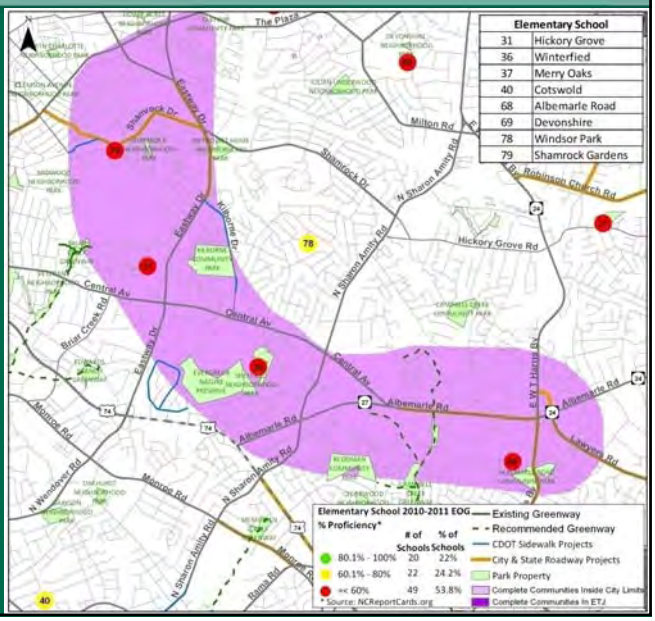
Central/Eastland/Albemarle

- Expand momentum from close in neighborhood revitalization
- Build on emerging neighborhood-school partnership
- Develop new neighborhood shopping districts



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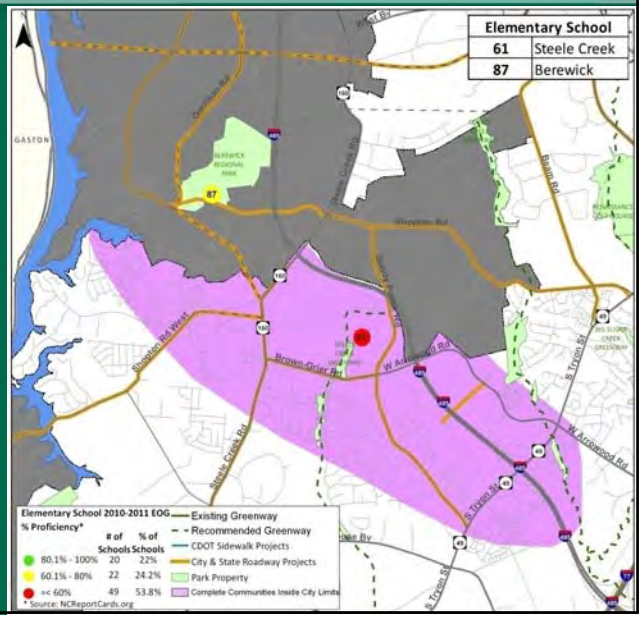
Whitehall/Ayrsley

- Leverage Ayrsley and Berewick development
- Capture value of natural amenities in the greenway and river
- Enhance employment momentum from airport and Arrowood



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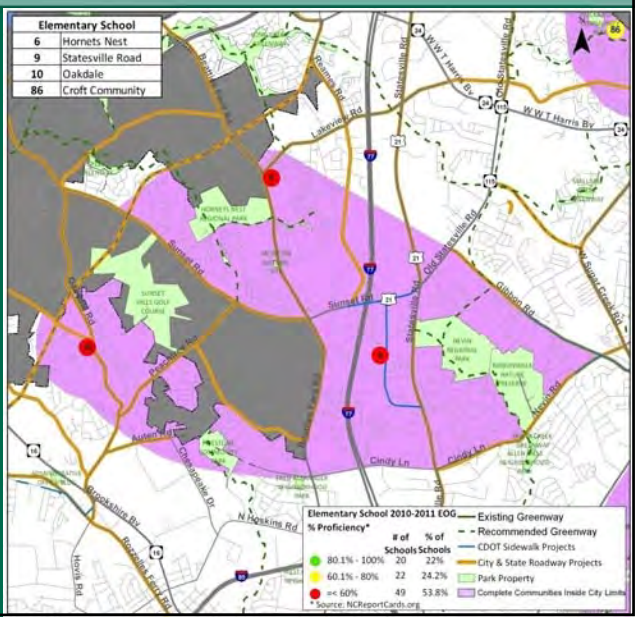
Sunset/Beatties Ford

- Enhance retail placemaking
- Capture value of parks, greenways
- Support Project LIFT communities



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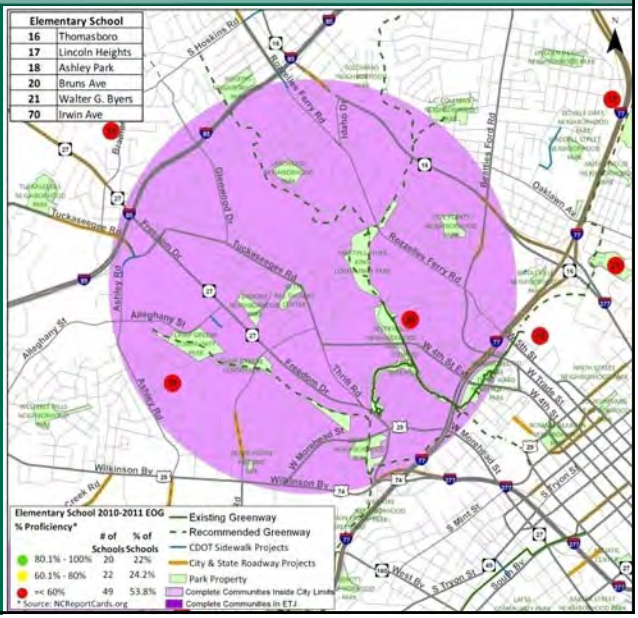
West Trade/Rozzelles Ferry

- Support JCSU area transformation
- Enhance park, greenway, bike, and historic amenities
- Support Project LIFT communities



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Next Steps

Review Timeline

- January – Early March
  - Council Committees review assigned General CIP Projects
- March 20
  - Council Committees report out at Budget Workshop
- April 10
  - Last Budget Workshop opportunity for Council to direct inclusion of a new General CIP in the City Manager's recommended FY14 budget.

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