Housing Locational Policy
Community Engagement & Site Scoring

Housing & Neighborhood Development Committee

October 17, 2018

Briefing Objectives

‣ Committee Questions & Comments

‣ Community Engagement

‣ Site Scoring System

‣ Project Evaluation Example

‣ Key Policy Recommendations

‣ Next Steps

Committee Questions & Comments

‣ What data sources will be used in site scoring?

‣ Is site scoring a separate policy from the locational policy itself?

‣ Will we have a map of permissible/non-permissible areas?

‣ How will we define poverty when evaluating Income Diversity?

‣ Will locational policy apply to projects that are <u>not</u> seeking City funds?

‣ Clear language is needed around 4% LIHTC projects.

Feedback - Housing Locational Policy Proposed Policy Goals

Based on Committee/Community feedback, key goals of a locational policy are:

1. The policy should provide clear guidance for investments that create and/or preserve affordable and workforce housing in areas:
   ‣ Near **employment centers**
   ‣ Near **commercial centers**
   ‣ Near **existing and proposed transit services**
   ‣ In **Center City**
   ‣ In **neighborhoods experiencing change**
2. That support the City's **revitalization efforts**
3. That promote **diverse neighborhoods**

Community Engagement

‣ The community engagement session format consisted of:
  ‣ Overview of Housing Locational Policy
  ‣ Breakout group discussions
  ‣ Group report outs

‣ Seven Community Engagement sessions were held in various locations across the city; online feedback was also available

‣ A total of 258 participants, for an average of 37 participants per session

Community Engagement Themes

‣ Disperse affordable housing throughout Charlotte; areas need to have their "fair share"
‣ Address displacement and gentrification
‣ Varying opinions on exemptions – some felt that there should be no exemptions, while others felt exemptions should include:
  • Seniors   • Disabled   • Veterans
‣ Scorecard is a good tool - keep it simple, flexible, and update regularly
‣ Eliminate permissible and non-permissible areas
‣ Promote income diversity

Community Engagement Themes

‣ When evaluating access to transit, consider bus transportation in addition to light rail, street car, TOD

‣ Consider access to healthcare, schools, jobs, shopping, childcare, parks

‣ Consider the big picture – housing alone isn't the solution, also need job creation, transportation options, etc.

‣ Advocate for inclusionary zoning at the state level; Developers should be required to provide affordable units

Proposed Site Scoring

Four scoring criteria:

1. **Proximity –** Proximity of the site to transit options and amenities

2. **Income Diversity –** To what extent does the development contribute to creating vibrant mixed-income communities

3. **Access –** A measure of jobs easily accessed from the development site

4. **Neighborhood Change –** The level of displacement risk indicted by real estate market activity in historically lower income neighborhoods

Site Scoring Component - Proximity

Measure	The travel distance of the proposed site to transit options and amenities
Site / NPA	• **Site Specific**

Data Sources	• **CATS Transit Stops**
	  • Rail, street car, bus
	  • Can include proposed transit stations
	• **Quality of Life Explorer**
	  • Amenity locations

	Data Notes: • The Quality of Life Explorer aggregates data from many sources, such as NC Board of Pharmacy, National Credit Union Administration, etc. Variables are updated annually. • Amenities are proposed to be consistent with the North Carolina Housing Finance Agency Qualified Allocation Plan
Score	• **0 – 10**

Site Scoring Component - Income Diversity

Measure	The extent to which the development contributes to creating vibrant mixed-income communities • *AMI mix served by development, and overall poverty of NPA*

Site / NPA	• **Site specific:**
	  • AMI diversity of the specific development
	• **NPA:**
	  • Poverty at the NPA level

Data Sources	• **Income**
	  • American Community Survey, 5-Year Estimates
	  • HUD Income Limits
	  • Quality of Life Explorer - Median Household Income
	• **Food & Nutrition Services (FNS)**
	  • Mecklenburg County / Quality of Life Explorer

	Data Notes: • Data sources update annually; lag 1-2 years
Score	• **0 – 10**

Site Scoring Component - Access

Measure	• **Identifies access to jobs** • Jobs are defined as wage earning vocations (a relationship between a worker and a firm)

Site / NPA	• **Measured at NPA level by**:
	  • Jobs within 60-minute commute by transit
	  • Jobs within 45-minute commute by car

Data Sources	• **CATS** • **CDOT Travel Demand Model**
	Data Notes: • Updated model will calculate by current and proposed transit routes
Score	• **0 – 10**

Site Scoring Component - Neighborhood Change

Measure	• **Identifies neighborhoods with potential displacement risk due to increased real estate market activity** • Measure is weighted toward lower income communities

Site / NPA	• **Measured at NPA level by**:
	  • Home sales prices
	  • Construction activity (new, rehab, demolition)
	  • NPA median income level

Data Sources	• **Sales Prices:**
	  • Mecklenburg County real estate sales data
	• **Construction Activity:**
	  • Mecklenburg County Permit Data (new, rehab, demolition)
	• **Income:**
	  • American Community Survey, 5-year estimates
	  • Quality of Life Explorer – Median Household Income

Score	• 0 – 10

Project Evaluation Example

- **Developer seeks gap financing from City**

- **Staff conducts review of each proposal**:
    - Development team experience
    - Financing structure
    - Term of affordability
    - Number of affordable units
    - Other project features

- **Each project will be placed in the site scoring system and ranked by its site score**

- Staff will consider the **site score and other proposal characteristics**

- **Committee/Council presentation - Request for Council Action**

Charlotte Housing Locational Score - Results

Key Policy Recommendations / Considerations

- **Applicable to**:
    - Multi-family developments over 24 units
    - All 4% Low Income Housing Tax Credit projects (LIHTC)
    - Other federal funding (Opportunity Zone funding)

- **Possible Exemptions:**
    - 9% LIHTC projects
    - Senior, disabled, veterans
    - Projects with **no** City funding

- **Site Scoring:**
    - Eliminate the map of permissible/non-permissible areas

Next Steps

‣ **October 31** - Staff will present a revised Housing Locational Policy for Committee consideration and approval

‣ **November** - Request City Council review and approval of revised Housing Locational Policy