

# Neighborhood Equity & Stabilization (NEST) Update

AUGUST 15, 2022 Great Neighborhoods Committee

1

## Today's Discussion

- ◀Charlotte Future 2040  
Comprehensive Plan
- ◀Anti-Displacement Approach
- ◀NEST Commission Work Plan
- ◀Discussion and Questions

2

# Comprehensive Plan Goals 2 & 3



## Goal 2 Neighborhood Diversity & Inclusion

Provide opportunities for single-family attached and small-scale multi-family housing developments near transit services and along arterials in lower density, predominantly residential areas.



## Goal 3 Housing Access For All

Create a robust program of restorative justice targeting home-ownership, creation and growth of small business, and equity building for the Black, Indigenous, and People of Color community, including strategic application of existing tools and development of new tools (e.g. community land trusts, land banks, commercial lease assistance, etc.).



3

# Implementation Strategy



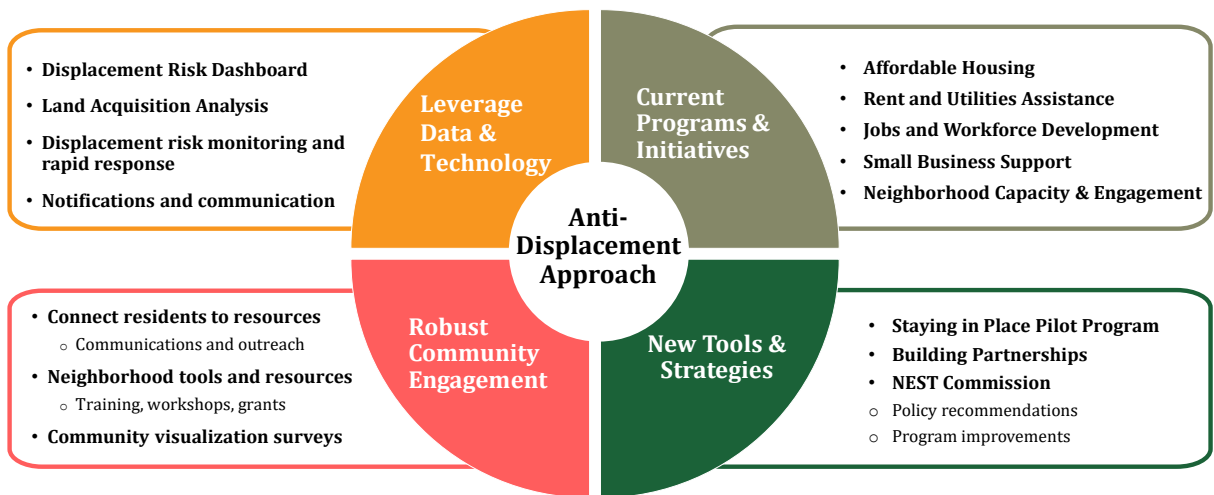
4

# Implementation: Anti-Displacement Strategy

- Commission an Anti-Displacement Stakeholder Group
- Launch an anti-displacement study and recommend tools and strategies for protecting residents of moderate to high vulnerability of displacement.
- Establish a Displacement Dashboard to Track and Update Equity Metrics



## Anti-Displacement Approach



# NEST Commission

## Commission Charge:

The Charlotte Neighborhood Equity and Stabilization Commission is established for a 3-year period beginning in 2022 and is charged with reviewing and recommending specific anti-displacement strategies and tools for protecting residents of moderate to high vulnerability of displacement.

## NEST Commission Initial Work Plan

### Lay of the Land

- Homeownership
- Institutional Investors
- Land Acquisition
- Small Business Opportunities

### Program Improvements & Policy Gaps

- Tax Relief
- Rent Assistance
- Small Landlord Assistance
- Transit Oriented Development
- Inclusionary Zoning

### Understanding Potential Impacts of the UDO

- Accessory Dwelling Units
- Density (Duplex & Triplex)
- Short Term Rentals
- *Transit Oriented Development*
- *Inclusionary Zoning*

## Lay of the Land

- Work Stream Lead: Angela Ambrose
- This team will analyze opportunities related to land acquisition, site control, and homeownership.
- Topics for discussion/recommendation, among other things, may include community land trust models, land acquisition strategy along transit lines, cooperative homeownership models, and education/programs for addressing the proliferation of corporate/speculative investors in neighborhoods.
- The work of this group may also include discussions with local/national experts, and reviewing best practices and lessons learned from various research and/or programs, both locally and nationally.

## Lay of the Land – Draft Work Plan/Priorities

Priority	Tasks / Activities	Estimated Timeframe
1. Homeownership	<p><b>1.a.</b> Evaluate existing home ownership policies to see how they can be enhanced.</p> <p><b>1.b.</b> Look at other states and municipalities to see what they are doing.</p> <p><b>1.c.</b> Evaluate permitting process to understand impacts on affordable housing supply.</p>	August 2022 – January 2023
2. Institutional Investors	<p><b>2.a.</b> Explore programs (e.g., buy-back) and partnerships with community non-profits to establish ways to purchase potential homes being sold to investors.</p> <p><b>2.b.</b> Recommend providing assistance to HOAs to enhance bylaws as it relates to institutional investors.</p> <p><b>2.c.</b> Recommend inviting attorneys to review how deed restrictions can be utilized against institutional investors.</p>	February – July 2023
3. Land Acquisition	<p><b>3.a.</b> Evaluate City RFP process to encourage more homeownership opportunities serving 30% - 60% AMI households.</p> <p><b>3.b.</b> Look at how to prevent or capture foreclosure stock, including review of national best practices.</p> <p><b>3.c.</b> Recommend supporting and prioritizing land acquisition along transit lines and areas predicted to gentrify.</p> <p><b>3.d.</b> Evaluate Cooperative Models and Land Trust effectiveness.</p>	August 2023 – January 2024
4. Small Business Opportunities	<p><b>4.a.</b> Examine issues surrounding small business displacement and stabilization, particularly in areas experiencing significant change.</p>	February 2024 – June 2025

Work Stream Members: Angela Ambrose (Lead), Naiyar Ghaswala, Kim M. Graham, Roma Johnson

## Program Improvements & Policy Gaps

- Work Stream Lead: Justin Harlow
- This team will analyze Charlotte's existing programs and policies and make recommendations for program improvements and policy changes to help increase effectiveness of the programs and policies.
- Topics for discussion/recommendation, among other things, may include property tax relief programs/provisions, partnerships with financial institutions, rental assistance programs, housing rehabilitation programs, innovations in housing production, and evaluation of the Staying in Place Pilot initiative.
- The work of this group may also include discussions with local/national experts, and reviewing best practices and lessons learned from various research and/or programs, both locally and nationally.

## Program Improvements & Policy Gaps Draft Work Plan / Priorities

Priority	Tasks / Activities	Estimated Timeframe
1. Tax Relief	<b>1.a.</b> Gather data on County's Tax relief Programs and City's Pilot Aging in Place Program. <b>1.b.</b> Examine other municipality programs, including tax freeze programs. <b>1.c.</b> Recommend codifying previous pilot of Aging in Place Tax Relief Program or comparable program.	6-12 months (FY 2024 Budget) (short term)
2. Rent Assistance	<b>2.a.</b> Explore direct rent assistance program for low-income renters experiencing rent increases.	6-12 months (FY 2024 Budget) (short term)
3. Small Landlord Assistance	<b>3.a.</b> Explore private solo landlord program for small landlords who do not qualify for "owner-occupied" programming, to incentivize landlords to keep rents affordable and be able to compete with institutional landlords.	6-12 months (FY 2024 Budget) (short term)
4. Transit Oriented Development	<b>4.a.</b> Study what a TOD Special District looks like, to capture future value of developments that could later fund anti-displacement or rent assistance programs.	1 - 2 years (medium term)
5. Inclusionary Zoning / Eminent Domain (Sherman Act)	<b>5.a.</b> Explore community advocacy efforts to support Inclusionary Zoning. <b>5.b.</b> Research Inclusionary Zoning programs in North Carolina, including Towns of Davidson and Chapel Hill. <b>5.c.</b> Recommend Inclusionary Zoning be added to City's legislative agenda. <b>5.d.</b> Research Eminent Domain (Sherman Act).	2 - 3 years (long term)

Work Stream Members: Justin Harlow (Lead), Melissa Gaston, Tonya Jameson, Vicki Jones, GQ Lewis, Marta Tataje

## Understanding the Impacts of the UDO

- Work Stream Lead: Kim Graham
- This team will analyze the potential impacts of the UDO on displacement risk and affordable housing through a long-term lens.
- Topics for discussion/recommendation, among other things, may include the impact of short-term rentals on the overall rental market long-term, the impact of duplex and triplex development in Neighborhood 1 Zoning Districts, opportunities for accessory dwelling units, and development bonuses for affordable housing.
- The work of this group may also include discussions with local/national experts, and reviewing best practices and lessons learned from various research and/or programs, both locally and nationally.

## Understanding the UDO Draft Work Plan / Priorities

Priorities		Tasks / Activities	Estimated Timeframe
1.	Accessory Dwelling Units (ADUs)	<p><b>1.a.</b> Research the policies/guidelines Charlotte has already established in this area to inform future policy recommendations.</p> <p><b>1.b.</b> Gain knowledge on incentives created by other municipalities.</p> <p><b>1.c.</b> Explore where they can be built and what changes are proposed from the current ADU ordinance in the UDO.</p>	August – December 2022
2.	Transit Oriented Development (TOD)	<p><b>2.a.</b> Understand the impact of TOD policies on land values.</p> <p><b>2.b.</b> Research what bonuses are provided and what is being done to mitigate impact on communities and ensure equitable access and development.</p>	January 2023 – June 2023
3.	Density	<b>3.a.</b> Learn if/how the UDO provides for increased density options; what overlay districts are included; what density bonuses are allowed; what impact will the UDO have on improving missing middle options.	July – December 2023
4.	Short Term Rentals	<p><b>4.a.</b> Explore what policies, ordinances or laws other jurisdictions are enacting. What are the best practices/lessons learned?</p> <p><b>4.b.</b> Research the number and data currently available about short-term rentals in Charlotte.</p>	December 2023
5.	Inclusionary Zoning	<p><b>5.a.</b> Gain knowledge on what is being done in other cities - both in and outside of North Carolina; understanding what the results have been.</p> <p><b>5.b.</b> Understand the replicability and/or applicability of those policies to Charlotte.</p>	January – June 2024

Work Stream Members: Kim Graham (Lead), Katie Maloomian, Kimberly Timmons-Hampton, Nadia Anderson



# Discussion & Questions

15