

Rental Subsidy Requirements in City-supported Housing

GREAT NEIGHBORHOODS COMMITTEE

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Briefing Objectives

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Committee Charge

On February 22, 2021, City Council directed staff to:

Create a policy requiring acceptance of Housing Choice Vouchers (HCV) and other forms of rental subsidy in all City supported housing.

Policy

- ◀ Prospective tenants in City-supported developments of affordable housing will not be disqualified from participation based on a refusal to consider any lawful source of income.
- ◀ The policy is not intended to require terms that prevent a property owner or manager from determining, in a commercially reasonable and non-discriminatory manner, the ability of a housing applicant to afford to rent a property.

Definitions

- ◀ **City-supported Developments.** City-provided financial assistance or subsidized real estate conveyance for the production of affordable housing units.
- ◀ **Affordable Housing.** Housing units developed for-sale or for-rent that are intended to be affordable to households earning at or below 80% of area median income (AMI).
- ◀ **Lawful Source of Income.** Lawful sources of income shall include income from:
 - A lawful profession, occupation or job,
 - Any government or private assistance, grant, loan or rental assistance program, including under the United States Housing Act of 1937, and
 - Any legal, documented gift, inheritance, pension, annuity, alimony, child support, or other consideration or benefit.

Implementation

- ◀ **Policy requirements:**
 - Currently included in Housing Trust Fund practices.
 - Will be included in the terms of other City affordable housing agreements (e.g. loan documents, land conveyance documents, etc.).
- ◀ **Developers will be in violation of this policy if the sole reason for denying the applicant is because of the applicant's lawful source of income.**
- ◀ **Residents who believe they have been denied access to housing solely based on a violation of the policy may initiate a complaint with the City by calling 311 or the Community Relations Department.**

Rezoning Requests and TIFs

Rezoning Requests

- ◀ Per the City Attorney, enabling legislation from the North Carolina General Assembly would be required to apply this policy to Rezoning requests.

TIFs

- ◀ HNS and ED staff are exploring the possibility of applying the proposed policy to future multi-family developments receiving TIF support.

Next Steps

- ◀ **Provide overview of proposed policy to full Council for consideration at a future City Council meeting.**