Affordable Housing Funding Policy

These policy goals focus on actionable measures that enhance housing stability, affordability, and economic mobility. Centered on measurable outcomes, this funding will prioritize populations vulnerable to displacement and lower-income workers, while promoting diverse housing options in high-impact locations. Key investment priorities include rental housing production, homeownership assistance, anti-displacement efforts, and supportive housing, with an emphasis on leveraging partnerships and incentivizing private market participation. The policy also encourages innovative, scalable models to address emerging housing challenges, ensuring that city investments drive meaningful, long-term impact.

Economic Mobility

Residents will have access to services that increase employment, income, and wealth and reduce barriers to housing stability.

Neighborhood Affordability

Residents of all incomes will have access to diverse housing options in thriving neighborhoods.

Residential Stability

Residents will have access to safe, quality, affordable housing and supports to help them maintain housing stability.

Resident and Neighborhood Outcomes

Measuring the impact of the city's housing investments and services is an integral component of the funding policy. Affordable housing investments have historically been tracked by counts of housing unit production and/or preservation. Starting in this bond cycle, funding will be allocated to develop and track outcome measures for residents and households supported by city housing investments.

2024 Housing Bond Investment Priorities

1. **Priority Populations.**

Focus on homebuyers, lower-wage workers, households at-risk for displacement and vulnerable populations.

- Homebuyers, up to 120% AMI, with a focus on 60-80% AMI.
- Workers in lower-wage occupations with a focus on 40-60% AMI, public sector workers, and households at-risk for displacement.
- Develop a prioritization policy that requires set-aside units for vulnerable populations, which may include elderly/older adults, veterans, disabled persons, households that have experienced a displacement event in Charlotte, students experiencing homelessness, youth aging out of foster care, re-entry, and survivors of intimate partner violence.
- Provide 20% of units at 30% AMI within tax credit developments and large-scale NOAH preservation.

2. **Location Priorities**

Incentivize locations where investment increases housing choice and creates the greatest impact.

- Align housing activities to the Comprehensive Plan place types and policy map
- Areas vulnerable to displacement, in alignment with the equitable growth framework
- Transit-Oriented Development areas, in alignment with planned transportation investments
- Locations with high housing location scores, based on proximity to services and amenities, access to jobs, degree of neighborhood change, and housing option diversity. High location scores will be prioritized over financial leverage.

3. **Resident Services**

Link housing and services to create stronger outcomes.

- Developments receiving bond funding will incorporate relevant and meaningful resident services that support the housing funding policy goals of residential stability, neighborhood affordability, and economic mobility.
- Example services may include workforce development and employment services, health and mental health care, childcare and education services, supportive services, and financial wellness.

4. **Partnerships and Leverage**

Build partnerships and leverage the market.

- Priority will be given to proposals that incorporate broad partnerships including leveraging a combination of public, private and philanthropic funding sources, partnerships to provide resident services, and investments that improve quality of life and access to opportunity (e.g., food access, transportation connectivity, park and recreation access, and infrastructure improvements).
- Priority will be given to proposals that utilize development allowances and incentives and leverage other investments to maximize affordability.
- Example partnership models include faith-based partnerships, TeamForce housing and other employer-supported housing models, supportive housing, staying in place models, and comprehensive place-based initiatives.
- Create incentives that activate private market participation in the provision of affordable housing.

5. **Innovation**

Activate bold ideas with potential to scale.

- Priority will be given to proposals that reflect innovative approaches to affordability or test new ideas to address emerging and unique community needs.
- Focus on ideas that may be repeatable and scalable, and serve to advance other city priorities.
- Example models may include innovative models of homeownership, new/underutilized housing typologies, development overlay options, new construction techniques, and building designs and strategies that lower costs of construction and/or maintenance costs for residents.

Housing Bond Investment Categories and Goals

Rental Housing Production New multi-family including mixed-use and mixed-income, Accessory Dwelling Units (ADUs), and missing middle production.	$35 M
Homeownership New homeownership production (including single-family, townhomes, ADUs and missing middle), homeownership and downpayment assistance, and Acquisition-Rehab-Resale (ARR) Revolving Loan Fund.	$25 M
Rental Housing Preservation and Anti-Displacement NOAH acquisition and rehabilitation, small/local landlord investments, and multi-family rehabilitation/redevelopment.	$14 M
Supportive Housing and Shelter Capacity Single-use and scattered-site permanent supportive housing, transitional housing, and emergency shelter capacity.	$9 M
Housing Rehabilitation and Emergency Repair	$5 M
Innovation Pilot Fund	$5 M
Site Acquisition – Current and Planned Transit Areas	$5 M
Administration & Evaluation	$2 M
	$100 M

Effective Date: _____ **September 9, 2024** _____