



Affordable Housing
Local Government Funding,
Subsidies and Activities
2019

The City of Charlotte, North Carolina, has a current population of 872,498 (2018 population estimate, census.gov). The City collaborates with the U.S. Department of Housing & Urban Development, the State of North Carolina, Mecklenburg County and other local municipalities, nonprofit agencies and housing developers to preserve, sustain and create affordable and moderate income housing for the low and moderate income residents of Charlotte.

Affordable Housing Units currently in use

The following table reflects the amount of affordable housing units currently in use in the city of Charlotte that are subsidized by local government revenue or tax credits, or that have local government oversight. Affordable housing refers to housing affordable for a household with income of up to eighty percent (80%) of area median income (AMI).

<u>Type</u>	<u>Number of Units</u>
Rental	8,196
Single-Family Home Ownership*	520
Shelter Beds	694
Total Units	9,410

*Single-family units include housing affordable for households with income up to 110% of AMI at the time of the initial home purchase during fiscal year 2019, through the City's House Charlotte down payment assistance program.

Housing Strategies (Financial)

The City of Charlotte employs a variety of strategies to limit the cost of privately developed and owned housing. Many of these are set forth in the Housing Charlotte Framework (charlottenc.gov/housing), which provides a roadmap for the development and preservation of affordable housing.

- **Housing Trust Fund**

In 2001, the City of Charlotte established a Housing Trust Fund (HTF) as its primary tool for accomplishing the creation and preservation of affordable housing. Funded through the sale of general obligation bonds, the City provides gap subsidies for 4% and 9% Low Income Housing Tax Credit (LIHTC) funded developments, invests in supportive housing, emergency housing infrastructure and single-family housing units. Since 2002, the City has invested \$160 million in HTF financing in 7,782 housing units and 694 shelter beds.

- **State of North Carolina Funding**

The City of Charlotte has a long-term and successful working relationship with the North Carolina Housing Finance Agency (NCHFA). The City partners with affordable housing developers who use Low Income Housing Tax Credits (LIHTCs) and the supportive housing

program. We routinely encourage nonprofit partners to utilize the down payment assistance and housing development funds offered by the NCHFA.

- **Federal Funding**

The City fully utilizes funding provided by the federal government through formula grant allocations. The City also participates in the Lead Hazard Control Grant and Healthy Homes Grant programs to supplement and enhance our single and multifamily housing rehabilitation efforts.

- **Charlotte Housing Opportunity Investment Fund**

In 2018, Charlotte implemented a partnership with the Local Initiatives Support Corporation (LISC), which administers the privately financed Charlotte Housing Opportunity Investment Fund (CHOIF). This collaboration allows the City to leverage both private and public dollars to create more affordable housing opportunities on a quicker timeline.

- **Use of City-Owned Land**

Charlotte has established guidelines for the use of City-owned land for the development of affordable housing. The use of publicly-owned land for the development of affordable housing is recognized as a national best practice for increasing the supply of affordable housing.

- **Housing Rehabilitation**

Charlotte operates an extensive housing rehabilitation program with the goal of preserving affordable housing assets, facilitating healthy living environments and assisting seniors to age in place. Programs include a moderate repair program for homeowners, and funding for multifamily rehabilitation with existing lead hazards. Each year, the City and its partners provide services for an average of 160 households.

- **Downpayment Assistance for Homeownership**

Charlotte recognizes that one of the best ways to revitalize and stabilize communities is through homeownership. Charlotte provides down payment assistance loans for households earning up to 110% of the area median income through the House Charlotte program. The program requires that participating homebuyers take a homeownership education class with a nonprofit homebuying education counselor.

Regulatory Strategies

- **Rezoning for density necessary to assure the production of affordable housing**

Many Charlotte rezoning requests are for residential projects with increased density. For some of these requests, a commitment to provide moderate income housing is included.

- **Facilitating the rehabilitation or expansion of infrastructure that will encourage the construction of low or moderate income housing**
Charlotte has provided funding to expand infrastructure to encourage the construction of low and moderate income housing. Examples include the Brightwalk and Renaissance West developments.
- **Encouraging the rehabilitation of existing uninhabitable housing stock into moderate income housing**
Charlotte's enforcement of the Minimum Housing Code (Chapter 11) requires property owners to undertake rehabilitation activities to preserve existing housing stock, though with no affordability requirements.
- **Considering subsidies to waive construction-related fees**
Charlotte has not implemented this concept.
- **Creating or allowing for the reduction of regulations related to Accessory Dwelling Units**
In 2012, Charlotte amended its Zoning Ordinance to permit, as an accessory use, accessory dwelling units (ADUs) to any single family detached dwelling located in any zoning district.
- **Allowing for housing in commercial and mixed-use zones**
Charlotte's zoning regulations allow for housing options in a range of commercial and/or mixed-use zoning districts, including: business districts, commercial center districts, mixed-use districts, neighborhood service districts, office districts, research districts, transit oriented development districts and urban residential – commercial districts.
- **Encouraging higher density for affordable housing development near major transit investment corridors**
In April 2019, Charlotte City Council approved and adopted new Transit Oriented Development (TOD) Zoning Districts. Charlotte's TOD Zoning Districts were first approved in 2003. The April 2019 update to the TOD Zoning Districts created a bonus program to incentivize developers to provide increased affordable housing options. In exchange for meeting certain affordable housing thresholds projects can receive development bonuses that can be used for greater density.
- **Eliminating or reducing parking requirements for residential development where a resident is to rely on the resident's own vehicle, such as development near major transit investment corridors or senior facilities**
As part of the April 2019 update to Charlotte's Transit Oriented Development (TOD) Zoning Districts, minimum parking requirements were eliminated for all residential uses. Rather than minimum parking requirements, Charlotte's new TOD Zoning Districts have established maximum parking limitations, recognizing that development in these areas are more pedestrian- and transit-oriented rather than auto-oriented.

- **Allowing for Single-Room Occupancy developments**

Since 1999, Charlotte's zoning regulations have permitted single room occupancy (SRO) residences and the provisions for SROs were updated in 2011. Today, SROs continue to be permitted in multiple zoning.

Additional Strategies

- **Rent and Utility Assistance**

Through various programs, Charlotte provides interim assistance to prevent households from entering homelessness, or to rapidly rehouse homeless families. These services are provided through Charlotte nonprofit partners and include small payments of electric, water or rent arrears. Some programs provide a temporary rental subsidy to assist a family towards self-sufficiency.

- **Emergency Shelter**

Charlotte provides support for nonprofit organizations actively working to end and prevent homelessness. Charlotte supports several area shelters and funds efforts to rapidly rehouse households to lower shelter utilization and assist families return to a more suitable living environment as quickly as possible