

City of Charlotte

Neighborhood Equity & Stabilization Commission

Wednesday, July 12, 2023

5:30 p.m. – 7:00 p.m.

Charlotte-Mecklenburg Government Center

NEST Commission Members:

Angela Ambroise
Nadia Anderson
Melissa Gaston
Mitch Gibson

Kim Graham (Co-Chair)
Justin Harlow (Co-Chair)
Monique Humphries
Tonya Jameson

Roma Johnson
Vicki Jones
Eric Lemieux
Marta Tataje
Kimberly Timmons-Hampton

City of Charlotte Staff Resources:

Shawn Heath, Housing & Neighborhood Services
Miles Vaughn, Housing & Neighborhood Services
Gretchen Flores, Planning, Design & Development

AGENDA

1. Welcome / Member Introductions	Kim Graham Justin Harlow	5 mins	5:30 – 5:35
	(All)		
2. NEST Recommendations <i>Finalize NEST programmatic/investment recommendations in preparation for the August 7 Housing, Safety & Community committee meeting.</i>	All	80 mins	5:35 – 6:55
3. NEST look ahead and Next Steps			
<ul style="list-style-type: none"> a. August 7 @ 4:00 pm Housing, Safety & Community Committee b. August NEST full-commission meeting (<i>cancel</i>) c. September work stream meetings 	Kim Graham Justin Harlow	5 mins	6:55 – 7:00
Adjourn			

Next Meeting. The next NEST Commission meeting will occur October 11, 2023 @ 5:30 p.m.

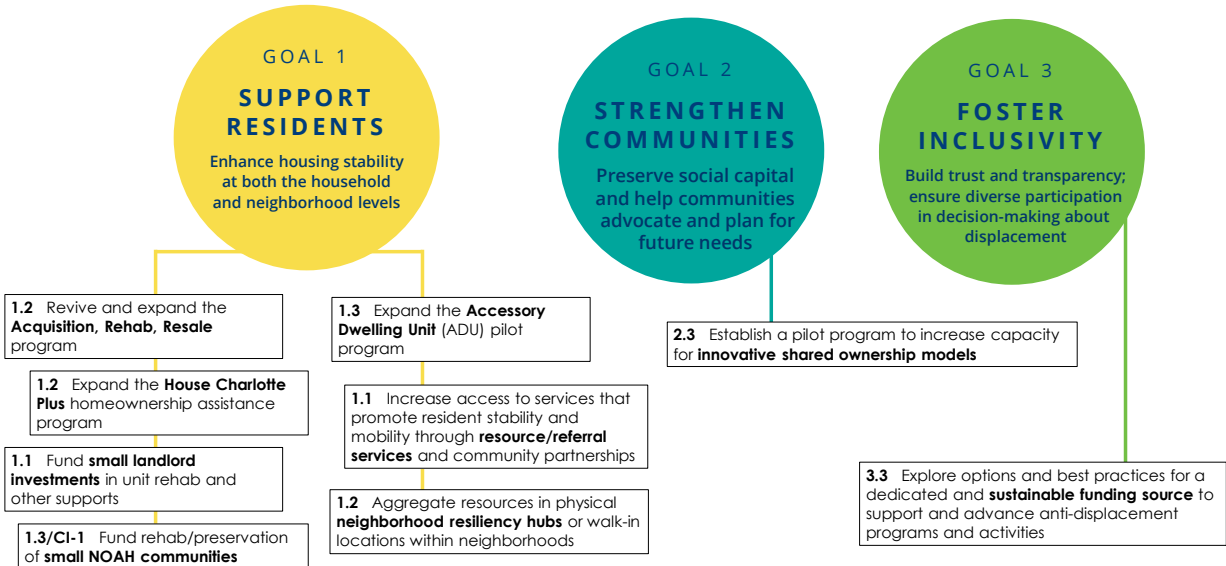
The Charlotte Neighborhood Equity and Stabilization Commission is established for a 3-year period beginning in 2022 and is charged with reviewing and recommending specific anti-displacement strategies and specific tools for protecting residents of moderate to high vulnerability of displacement.

NEST Recommendations Discussion

July 12, 2023

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Advancing the Strategy: NEST Recommendations



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NEST Member Ranking Results

Like golf, smallest number top-ranked

Recommendation	Member Ranking												Total
	2	4	1	1	3	2	4	3	4	4	1	2	
Acquisition, Rehab, Resale	2	4	1	1	3	2	4	3	4	4	1	2	31
House Charlotte Plus	3	1	2	7	1	1	3	8	5	1	1	4	37
Accessory Dwelling Units	6	2	4	2	2	4	6	2	7	2	4	1	42
Small NOAH Communities	5	5	7	4	3	5	5	4	2	3	1	5	49
Small Landlord Investments	7	3	5	3	2	3	8	6	1	7	4	3	52
Neighborhood Resiliency Hubs	4	7	6	6	1	7	2	1	6	5	7	7	59
Resource/Referral Services	8	8	3	8	1	8	1	5	3	6	6	8	65
Shared Ownership Pilot	1	6	8	5	3	6	7	7	8	8	2	6	67

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Programmatic Investment Unit Costs

Acquisition, Rehab, Resale (ARR) 15 units per \$1 million \$67,000 each	House Charlotte Plus 12 units per \$1 million \$80,000 each	Accessory Dwelling Units (ADUs) 10 ADUs/15 units per \$1 million \$70,000 each	Legend <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; background-color: #008080; margin-right: 5px;"></div> Previous pilot initiative </div> <div style="display: flex; align-items: center; margin-bottom: 5px;"> <div style="width: 15px; height: 15px; background-color: #00BFC4; margin-right: 5px;"></div> Current pilot initiative - Staying in Place </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #90EE90; margin-right: 5px;"></div> New program/ initiative </div>
Rehab/preserve small NOAH Communities (10-50 units) 33 units per \$1 million \$30,000 each	Small Landlord Investments 20 units per \$1 million \$50,000 each	Resource/Referral Services \$80,000 each per year +	
Neighborhood Organizing and Resiliency Hubs \$100,000 each for 3 years	Innovative Shared Ownership Pilot \$250,000 in technical assistance	Anti-Displacement Funding Explore options	

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Acquisition, Rehabilitation & Re-sell

- ◀ Authorized by Council in 2021 with a \$1.5 million investment
- ◀ Funding is used to acquire the unit, complete rehab and subsidize cost to the buyer
- ◀ Creates available affordable stock for low- and moderate-income homeowners (investors may not purchase)
- ◀ Sales proceeds are recycled back into the program
- ◀ 20 units purchased with average subsidy at that time of \$30,000

2042 BENZIGER COURT

FOR SALE

This lovely Charlotte home was recently renovated by Red Cedar Construction under the guidance of The City of Charlotte's Department of Housing & Neighborhood Services.

PROPERTY FEATURES

- Cul de sac lot in a vibrant neighborhood
- Large deck walks out to good sized yard
- Fresh neutral paint throughout
- New wood laminate and carpet
- Granite counterops (kitchen/bath)
- Large 2nd floor overlook loft area
- New stainless appliance package
- HOME UNDER WARRANTY

LIKE NEW!

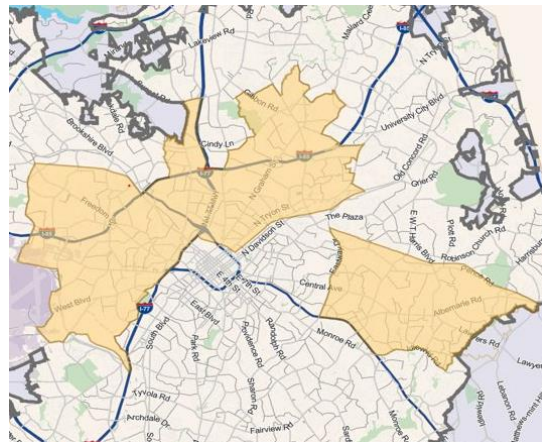
\$239,000

CITY OF CHARLOTTE

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House Charlotte Plus – Pilot Launched

- ◀ Up to \$80,000 in down payment assistance available in Corridors of Opportunity
- ◀ May be combined with other down payment programs
- ◀ Funding is provided in the form of a deferred forgivable loan for buyers below 80% of AMI and meet other qualifications
- ◀ Pilot program funding of \$1,560,000 dollars supported homeownership for 27 households and was fully committed within 3 months



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Accessory Dwelling Units (ADUs)

Homeowner Model

- Eligibility: Homeowners up to 80% AMI (*up to 110% AMI?*)
- Fund 100% construction cost for homeowners
- Owner receives income stream
- 15-year affordability restriction at various AMI levels for the ADU
- Property management included for homeowner model, includes taxes, insurance, and maintenance reserves
- Program recovers 50% of cost over time, recycles back into program

Investor-Owner Model

- Fund 40% of construction cost for local investors/developers
- 15-year affordability restriction at various AMI levels for both primary and accessory unit

Making it Easy

- ADU Program Guide
- Streamlined Application/Permit Process
- Pre-Approved/Buildable Plans – Mix of Sizes, Styles and Construction Types
- Map-based User Tool (potential for ADU on a site)
- Outreach and Promotion



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Small Landlord Investments and Rehab/Preserve Small NOAH Communities

- ◁ **Investor-owned properties currently eligible for city rehab programs with 15-year affordability restriction**
- ◁ **Small landlords and developers want to be able to compete for city investment**
 - Through Housing Trust Fund Tune-up, NOAH eligibility has been expanded to include communities 10-49 units, but priority will still be given to larger communities (currently no separate funding source)
- ◁ **Gap in training/education, capital and capacity for community-focused real estate development**
 - E.g., [Jumpstart Germantown](#) – provides training, mentoring, networking and loans to local, aspiring developers

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Resource / Referral Services



Neighborhood Organizing and Resiliency Hubs

- ◀ **Through Staying in Place, partnership under development with Knight Foundation, LISC, Community Building Initiative and For the Struggle**
- ◀ **Community Organizing Training**
 - Train city staff, neighborhood leaders, residents and other community stakeholders on community organizing basics – together
 - Final session includes canvassing the Staying in Place neighborhoods to share anti-displacement resources
- ◀ **Neighborhood Info Networks**
 - Community-led approach to distributing information and creating two-way communication with city and county
 - Neighborhoods will create a plan to activate/mobilize quickly in threats/emergencies (e.g., displacement events)
- ◀ **Resiliency Hubs**
 - Neighborhood-based spaces that bring together resources that help residents achieve stability and support

Innovative Shared Ownership Pilot

◀ Design a pilot to increase community capacity to advance innovative shared ownership models

- Identify groups interested in establishing models such as residential cooperatives, community investment trusts, and community land trusts
- Dedicate \$250,000 in technical assistance to community and nonprofit partners interested in exploring shared ownership models
- Support acquisition of residential property by providing funding, identifying publicly-owned land, or helping to connect partners with property owners interested in selling property

Anti-Displacement Funding

◀ Explore best practices to advance **Objective 3.3: Dedicated funding to meet anti-displacement goals**

- Recommend an annual operating budget for anti-displacement programming and evaluate potential local funding sources that can meet funding needs
- Allocate a portion of existing affordable housing funding towards mitigating displacement – particularly towards preserving existing affordable housing stock

◀ Deliver recommendation to Housing, Safety, Community Committee in advance of the FY 2025 budget cycle