



CHARLOTTE

**2007 HOUSING TRUST FUND
ANNUAL REPORT**

PARTNERSHIPS

"Changing The Face Of Affordable Housing"

**Housing Trust Fund
Advisory Board**

Chairman T. Anthony Lindsey
at bottom left.

**Other members top left to
bottom right:** Paul Woolard,
Bobby Drakeford, Drew Jones,
Tyree Kessler and Eric
Montgomery. Not pictured:
Rickey Hall, Vice Chairman

Letter From The Chairman

Dear Mayor, Members of City Council, and Citizens of Charlotte:

The Housing Trust Fund Advisory Board takes very seriously the City's commitment to the principle that all people deserve safe, decent, affordable places to call home. As stewards of the funds the City of Charlotte has pledged toward the development of affordable housing, this principle guides the results we strive to produce.

During the 2007 fiscal year, the Housing Trust Fund (HTF) pledged \$9,548,150 toward the development of 650 housing units. This investment generated the leveraging of an additional \$76,874,125 in private and other public investments and thereby achieved a funding ratio of 1:9. The HTF's total investment since inception has reached \$45,674,155 and has funded development of 3,206 units.

Also, development projects that were started in previous years produced 536 completed units during the period, bringing the total completed since the HTF's inception to 2,044. These results demonstrate the city's continued resolve to meet its goal of providing safe, affordable homes for thousands of the city's lower income renters, homeowners, and people with special needs. In addition, the HTF supported the Housing Charlotte 2007, a one-day event held on February 22, 2007, that brought together a diverse group of community leaders to discuss the future of affordable housing. Over 400 people attended the daylong event and we're hopeful the financing, regulatory and community solutions brought forward will help further development of more affordable housing. The HTF urges the community and elected officials to continue working diligently toward the implementation of those solutions.

My fellow past and present board members and I are extremely proud of the accomplishments made thus far and are honored to have been entrusted with such a vital mission. Together with our private-sector and nonprofit partners, we all have helped make Charlotte more affordable for working families, the elderly and those who are homeless. I cannot thank my fellow board members enough for their passion and hard work in achieving this goal. We all look forward to seeing the future successes of the Housing Trust Fund in providing sustainable affordable housing opportunities that meet the needs of ALL of our citizens. A special thanks to our past board members who served from the beginning of the Housing Trust Fund Advisory Board with a devotion surpassed only by their deep desire for the well being of all Charlotte's citizens. Much appreciation to Jeff Bradsher, Thomas Reddin, Brian Simpson, and Patrick McNeely for your contributions.

Sincerely,

T. Anthony Lindsey, Chairman
Charlotte Housing Trust Fund Advisory
Board



HOUSING TRUST FUND ADVISORY BOARD



CHARLOTTE.

2007 HOUSING TRUST FUND ANNUAL REPORT

PARTNERSHIPS



RESIDENT

One of the forms of partnership is through affordable housing residents. While the Housing Trust Fund promises to provide safe, decent affordable places to live, the families who live there agree to take care of the properties and keep them clean and safe. An example of an affordable housing resident is Joelle Pattillo, who lives in Nia Point Apartments with her seven-year-old son, JaNeal, and two-year-old daughter, Nia.



PRIVATE

Our private partners make affordable housing a reality. Through the Housing Trust Fund's loan assistance, they build homes and also build better lives for Charlotteans. Crosland has been making dreams reality for affordable housing residents for more than 30 years. With the help of the Housing Trust Fund, Crosland was able to complete Montgomery Gardens, Nia Point and Springfield Gardens in 2007.



NONPROFIT

Non-profit partners also provide affordable homes. Habitat for Humanity is no stranger to affordable housing in Charlotte and has built more than 750 homes in 25 neighborhoods since its affiliation nearly 25 years ago. Through its partnership with the Housing Trust Fund, Habitat for Humanity has been able to provide more homes and upgrade their curb appeal.

We completed a strategic plan to guide our actions in the coming decade, and received approval from the Charlotte City Council.





"It's very important when you have children to have a nice environment where they feel comfortable and don't feel compromised by anything illegal or anything that may be going on in the community that's not appropriate for them to see."

Joelle Pattillo
Nia Point Resident

RESIDENT **PARTNERSHIPS**



Cherry Gardens Seniors Apartments is slated to be complete in December 2008 and will include 42 units.

Joelle Pattillo

Nia Point Resident

Nia Point Apartments have meant an upgrade of in lifestyle for Joelle Pattillo and her seven-year-old son, JaNeal, and two-year-old daughter, Nia. The 81 affordable units, located in the Washington Heights neighborhood, were built with \$1,215,000 loan assistance from the Housing Trust Fund and completed in October 2006. All of the residents earn 60 percent or less of Charlotte's area median income.

Pattillo, who works as a customer service representative, lived in a small, two-bedroom duplex built in the 1940s before moving to Nia Point in October 2006. Although it was located in a nice neighborhood, the duplex was older and had mold issues. However, she's now living in a new, spacious three-bedroom town home.

"I like it," she says. "I'm satisfied with the space and set up. I have a lot more space here and it's new."

In addition to providing a clean, affordable place to live for her and her children, Pattillo says the neighborhood is quiet, and she often takes her children to a nearby playground. She also has enjoyed getting to know her neighbors.

A native of Staten Island, New York, Pattillo moved to Charlotte in 1998. She feels she can give her children a better life on her income in Charlotte rather than New York. "Charlotte is a better place to raise children," she says.

"It's very important when you have children to have a nice environment where they feel comfortable and don't feel compromised by anything illegal or anything that may be going on in the community that's not appropriate for them to see," Pattillo says.

Thanks to the Housing Trust Fund, she and her children now have a secure Charlotte home in which to pursue their dreams.



Joelle Pattillo, her son, JaNeal, and daughter, Nia, moved into Nia Point Apartments in October 2006. Nia Point was built with loan assistance from the Housing Trust Fund.

In 2007, the Housing Trust Fund committed \$9,548,150 to support 650 affordable housing units in nine developments. These commitments included 460 rental, 77 ownership and 113 special-needs affordable homes.





"You can't drive by and say, 'Oh well that's an affordable housing development.' In fact, we often get prospects coming by that don't see any difference and want to rent it as a market apartment and they'll be over income. The Housing Trust Fund understands that."

Jud Little
Crosland Company

PRIVATE **PARTNERSHIPS**



▼
The Live Oak projects are slated to be completed in December 2008 and will feature a total of 226 units, including multi-family and senior living apartments.

Crosland

Jud Little & Roger Lewis

Creating affordable housing is old hat for the folks at Crosland. For more than 30 years, they've been helping supply the Charlotte area with homes for working families.

"[At Crosland] There's always been a commitment to affordable housing," says Jud Little, President of Crosland's Apartment Division.

With the help of the Housing Trust Fund, Crosland was able to complete Montgomery Gardens, Nia Point and Springfield Gardens in 2007.

Nia Point consists of 81 two- and three-bedroom garden apartments and town homes. Springfield Gardens includes 86 garden apartments and Montgomery offers 76 units.

"The Housing Trust Fund, both the staff and the board itself, have a good understanding of the economics and work to make that program successful and fit into the broader picture of delivering affordable housing," Little says.

Crosland staff members take pride in their affordable housing projects. They are constantly looking for feedback from their operations staff in order to stay successful in the market.

"We've never felt like affordable housing projects should be something that's cheap -- cheap looking or cheap operating," Little says.

"The thought is that our affordable projects should not be distinguishable as affordable projects," says Roger Lewis, Crosland's vice president and development manager.

In fact, the affordable houses often have larger rooms than market-priced homes and include practical details, such as flooring in the dining areas to accommodate spills from children. Care is taken with every detail, including the land planning and landscaping and even in maintaining the landscaping over time.



Jud Little and Roger Lewis of Crosland take pride in their affordable housing projects such as their Nia Point development, which consists of 81 two- and three-bedroom garden apartments and town homes.

In 2007, we made \$5 million available for housing developments through competitive requests for proposals.





◀ Care is taken with every detail of the affordable housing projects, including landscaping and even in maintaining the landscaping over time.

"You can't drive by and say 'Oh well that's an affordable housing development.' In fact, we often get prospects coming by that don't see any difference and want to rent it as a market apartment and they'll be over income," Little says. "The Housing Trust Fund understands that."

Crosland, which turned 70 in 2007, was also instrumental in helping fund Housing Charlotte 2007, a one-day forum on affordable housing.

"...Because of the citizen involvement on the [Housing Trust Fund] board, along with the city staff, it's really broadened the understanding of affordable housing issues in the city," Little says. "And that was really demonstrated with the conference."

Little's involvement in Housing Charlotte 2007 didn't stop after February 22. He's taken the issue on the road and spoken to local groups, including churches.



"One of the great things that comes out of the February 22 conference is that it gives you the feeling that these efforts are going to continue and this is really a community-wide effort now," says Lewis. "And it's so much more now than it was a decade or so ago, which is great for the city. This is an effort that clearly needs to continue into the decades ahead. We are nowhere near finished with the general mission of good housing for all citizens."

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Springfield Gardens offers 86 apartment units. Affordable houses often have larger rooms than market-priced homes and include practical details, such as flooring in the dining areas to accommodate spills from children.

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We continued to focus on families earning \$38,640 or less, with a priority on families earning less than 24 percent of the area median income, or \$15,456. We build mixed-income developments to enhance their long-term stability.

Crosland's affordable projects often include collaborations with others, including the Park at Oaklawn. While this neighborhood was built by Saussy Burbank, Crosland developed the lots for these homes.



With the help of the Housing Trust Fund, Crosland was able to complete Springfield Gardens, Montgomery Gardens and Nia Point in 2007.





"I'm excited about the leadership of the Housing Trust Fund and the work that they're doing and their attempt to serve those in greatest need in our community. We're basically serving families for homeownership who would not have ownership possible otherwise."

Bert Greene
Habitat For Humanity

NONPROFIT PARTNERSHIPS



Grants from the Housing Trust Fund enabled Habitat for Humanity to provide 68 more Charlotte homes in 2007.

Bert Greene

Habitat For Humanity

Habitat for Humanity has built more than 750 homes in 25 Charlotte neighborhoods since its affiliation nearly 25 years ago. Through grants from the Housing Trust Fund, Habitat was able to provide more homes.

"We've been committed to the City Within the City area for as long as we've been affiliated," says Bert Green, Executive Director of Habitat for Humanity in Charlotte. "We're incredibly grateful to the city for this grant and for the opportunity to apply for it."

Habitat for Humanity used the proceeds from the grants to acquire more land, to build more houses and to fund architectural enhancements, giving the homes more curb appeal.

"We're in the business of providing simple, decent affordable housing and the funds we get from this Housing Trust Fund enable us to provide some architectural enhancements that make them much more appealing to neighborhood associations and the city as well and to us," Green says. "Our homeowners are incredibly happy with the enhancements we get to provide because it makes their homes more marketable should they choose to sell."

The grants enabled Habitat for Humanity to provide 68 more homes in 2007. Habitat for Humanity builds two- to five-bedroom homes serving residents who make 30 to 60 percent of the area median income. Mortgage payments on these homes average \$450 per month, while Charlotte's fair market rent is approximately \$913 per month for a three-bedroom home.



Habitat of Humanity Executive Director Bert Green poses with new homeowner Lois Oglesby during the construction of her new house. Habitat for Humanity has built more than 750 homes throughout Charlotte since its affiliation 25 years ago.

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◀ *Housing Trust Fund grants have a special purpose. Habitat for Humanity uses the proceeds from the grants to acquire more land, to build more houses and to fund architectural enhancements, giving the homes more curb appeal.*

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"I was very happy with conference. First of all, I was glad to see the city step up and take a leadership role in pulling this conference off. And I thought they did an outstanding job pulling together a really diverse, representative field in the affordable housing market here in Charlotte. It was really an honor to participate and see the results that came through."



Habitat for Humanity averages 10,000 volunteers per year. Green has been a volunteer since 1985. He served on the Board of Directors from 1988 through 1992 and has been on the staff since 1993.

"We hope that the city will continue to look favorably upon the work that we do and feel like that this program is one that they can continue to trust," Green says. "We hope that we've demonstrated that we've been good stewards of the city's trust and resources. We look forward to a continuing partnership."

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Mortgage payments on Habitat for Humanity homes average \$450 per month, while Charlotte's fair market rent is approximately \$913 per month for a three-bedroom home.



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Financial Highlight & Statistics

*FY2007
Housing Trust Fund
Financial Status Report
June 2007*

SOURCES OF FUNDS

FY2002 2/3 Housing Bonds Revenue	\$10,000,000.00
FY2003 Housing Bonds Revenue	\$20,000,000.00
FY2004 Housing Bonds Revenue	\$15,000,000.00
FY2007 Housing Bonds Revenue	\$10,000,000.00
Sale of 7th McDowell Street Property	\$2,142,630.00
Program Income (Repayments, refunds, etc)	\$,108,310.00
Total Sources of Funds	\$57,250,940.00

USES OF FUNDS

Ownership	\$3,577,146.00
Multi-Family Rental-New	\$21,004,451.00
Multi-Family Rental-Rehab	\$11,810,539.00
Special Needs	\$7,282,019.00
Scaleybark Transit	\$2,000,000.00
Total Projects	\$45,674,155.00
FY08 Approved Allocation:	
• Multi-Family Rental	\$7,500,000.00
• Special Needs Housing	\$1,727,553.00
• Special Projects	\$2,310,000.00
Unallocated Program Income	\$39,232.00
Restricted Housing Allocation	\$11,576,785.00

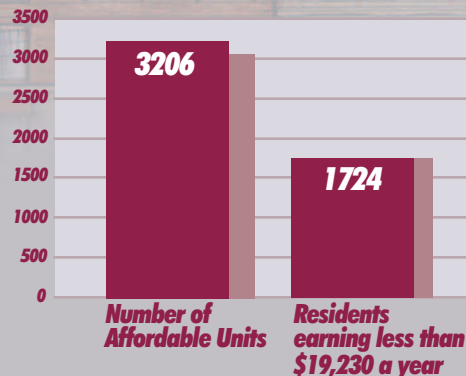
TOTAL USES OF FUNDS

\$57,250,940.00

Housing Trust Fund Total Units Funded

Since 2002, the Housing Trust Fund has financed 3,206 new and rehabilitated affordable housing units. Of that total, 1,724 were for people earning less than 30% of the area median income (AMI), or under \$19,230 per year. These increases make Charlotte more affordable for preschool teachers, health-care aides, and workers in hospitality, retail and emergency services.

SUPPLY & UNMET DEMAND



We completed a strategic plan to guide our actions in the coming decade, and received approval from the Charlotte City Council.

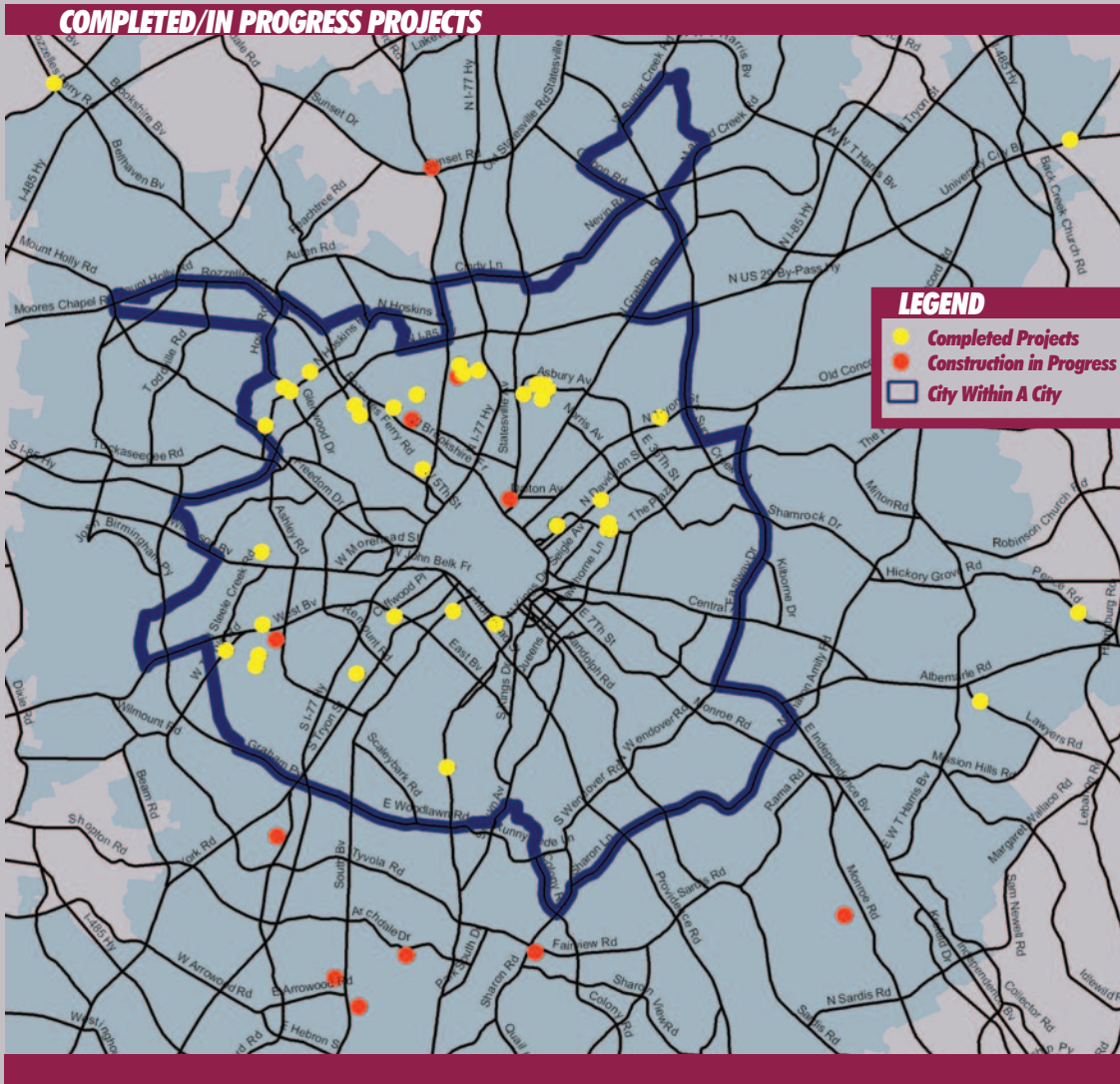


Financial Highlight & Statistics

Completed & In-Progress Projects

Since 2002, the Housing Trust Fund has been financing affordable housing projects through a competitive request-for-proposals process. Thus far, the City has committed \$57 million to the Housing Trust Fund,

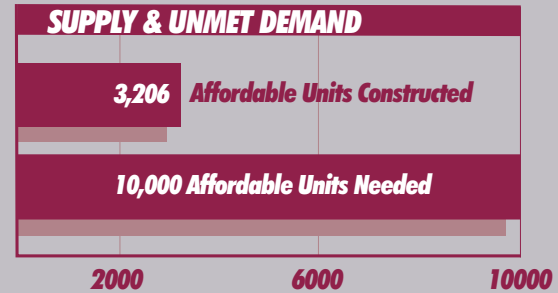
and we have allocated 80% of that total (\$45,674,155) in loans and grants to develop more than 3,206 units of affordable housing. Thus far, 2,044 units have been completed, and another 1,162 are in progress.



Financial Highlight & Statistics

Affordable Units Needed

While the Housing Trust Fund's efforts have increased the affordable housing supply by 3,206 units, market trends suggest Charlotte will need more than 10,000 additional affordable-housing units by 2010. The need will be most acute for renters earning annual salaries of less than \$16,000. In coming years, the Housing Trust Fund will continue to seek new sources of funding to fill the gap in Charlotte's affordable housing supply, while building sustainable, mixed-income developments for the long-term health of the community.



We hosted the Mayor's Roundtable on Affordable Housing.





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