



CENTRALINA
Community Economic
Development

Municipal Housing Programs and Regulatory Support

Town of Cornelius

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Presenter

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Municipal Housing Programs

Best Practices

Down Payment Assistance

Expanding Homeownership

Down payment assistance (DPA) helps homebuyers with grants or low-interest loans that reduce the amount they need to save for a down payment. There are more than 2,000 of these programs nationwide. State, county or city governments run many of them.

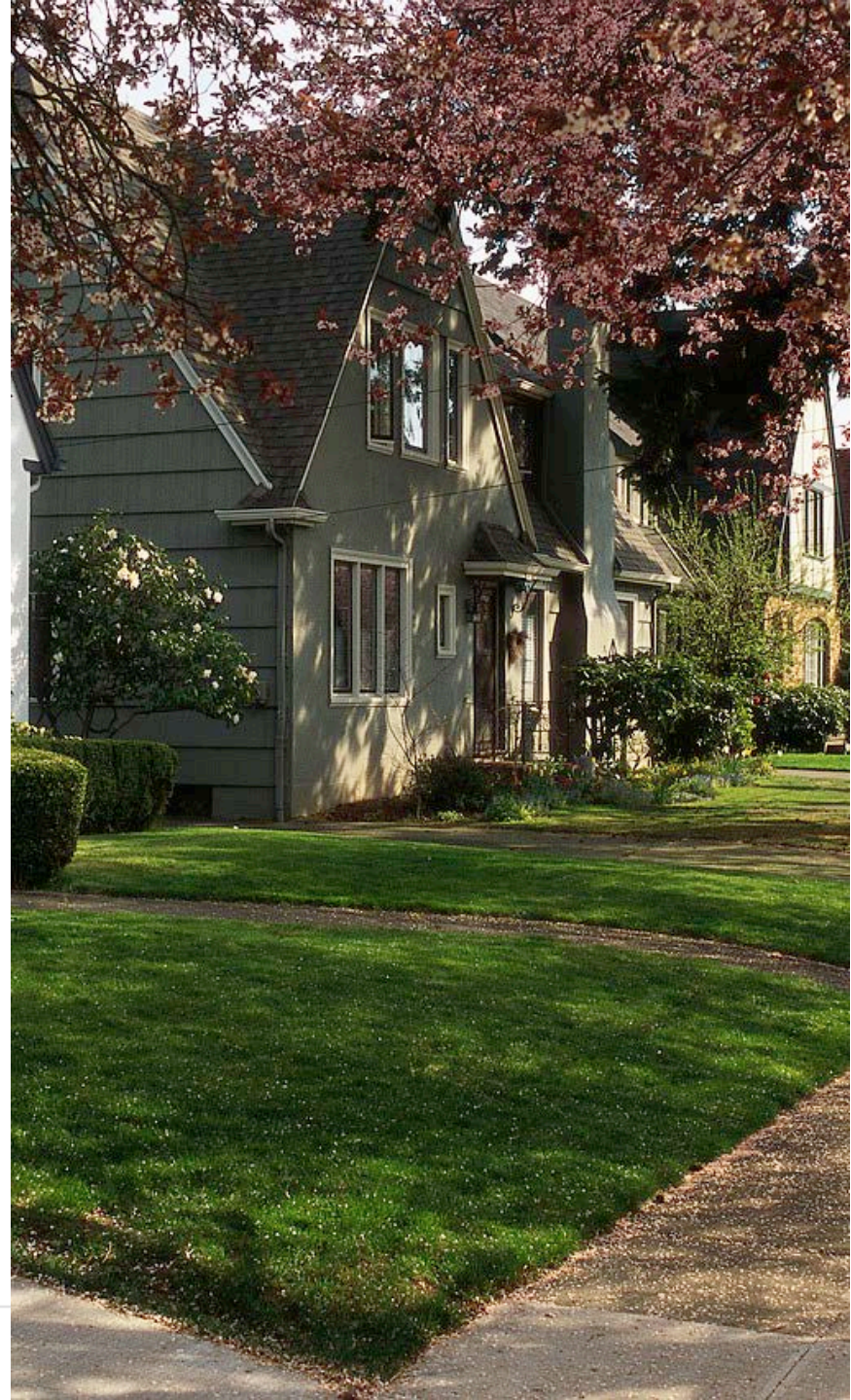
There are four main types of DPAs:

1. **Grants-** which are essentially gifts that never have to be repaid.
2. **Loans (second mortgages)-** that have to be paid down along with the main mortgage.
3. **Loans (second mortgages) –** with deferred payments, which only have to be paid when if the owners sells or refinances.
4. **Loans (second mortgages) -** that are forgiven over a set number of years; often up to 15 or 20 years, and only require repayment if owner sells or refinances.

Employer Assisted Housing

Employer-assisted housing refers to any housing program – rental or homeownership – that is financed or assisted by an employer.

Employers have a vested interest in making sure their workers can afford decent homes close to the workplace, which can help them attract and retain necessary employees.



NC Local Government Programs

Employer Assisted Housing

Town of Chapel Hill

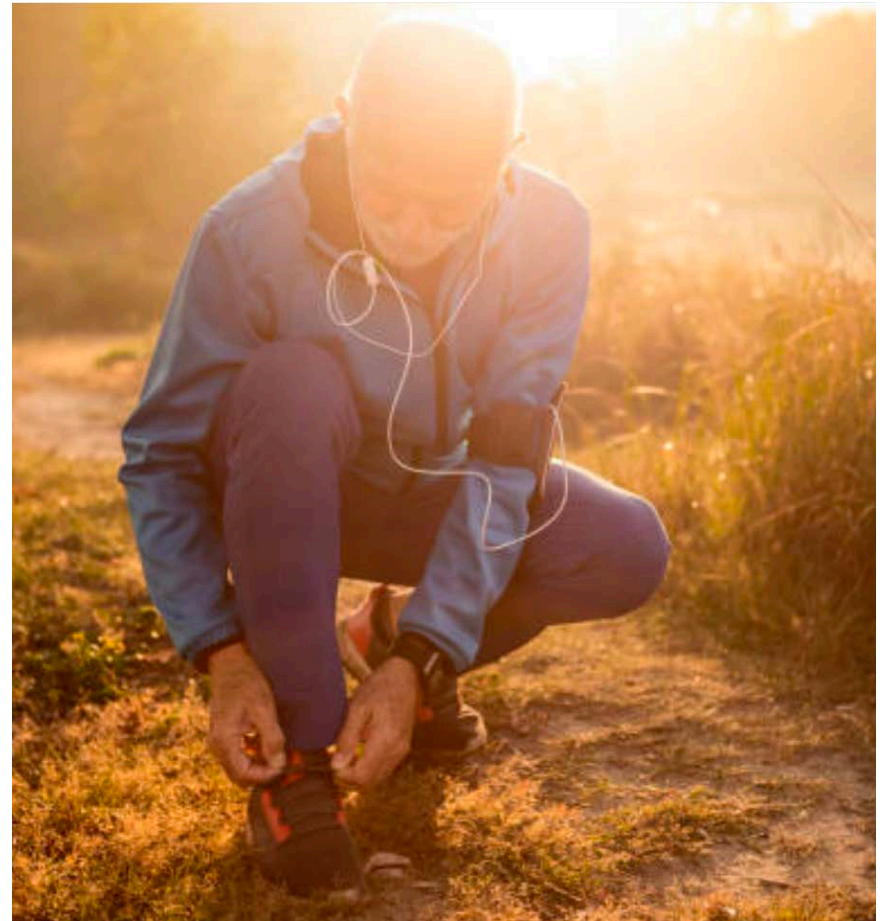
- Home Buyer Assistance
 - Up to \$7,500 for down payment or closing costs
- Rental Assistance
 - One-time payment for assistance with security deposits, utility connection fees, and other applicable fees.

City of Monroe

- Monroe Workforce Housing
 - Is for employees who do not own their primary residence in Monroe to have access to down payment assistance to purchase a home.

Aging in Place Home Repair Programs

- These programs help to sustain housing stock
- Typically geared towards homeowners age 60 and older, with incomes at 80% area median income
- Focuses on:
 - accessibility improvements
 - mobility modifications
 - Weatherization enhancements
 - critical home repairs that are crucial to help older homeowners live in their own homes longer



Housing Trust Funds

Housing trust funds are distinct funds established by city, county or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing and increase opportunities for families and individuals to access decent affordable homes.

Housing trust funds shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue.



Land Banking

- **What is a land bank?**
Land banks are governmental entities or nonprofit corporations that are focused on the conversion of vacant, abandoned, and tax delinquent properties into productive use.
- **How are land banks created?**
Typically, land banks are created as public entities by a local ordinance, pursuant to authority provided in state-enabling legislation. Land banking programs can also be developed within existing entities, such as redevelopment authorities, housing departments, or planning departments.
- **How many land banks are operating?**
Approximately, 170 land banks and land banking programs in the U.S. (2018)
- **How does land banking work?**
Designed to acquire and maintain problem properties, transfer them back to responsible ownership and productive use in accordance with local land use goals and priorities, creating a more efficient and effective system to eliminate blight.
- **How are land banks funded?**
Through a variety of sources: revenue from the sale of properties, foundation grants, general fund appropriations from local governments, and federal and state grants.
- **Competing with the private market?**
Land banks are a direct response to a growing inventory of problem properties that the private market has rejected.



HUD Funding

Funding Resources

HOME Investment

City of Charlotte 's Program

- Cornelius is a member
- FY 21 allocation \$3,241,207
- Funds can be requested for eligible uses on a rolling basis

Program Activities

- Homeowner rehabilitation
- Homebuyer activities
- Rental Housing
- Tenant-based rental assistance



Community Development Block Grant Program

- Mecklenburg County is the recipient of CDBG funds
- Cornelius is a member
- Applications for eligible projects are accepted annually (Feb/March)
- CDBG Advisory Committee made up of the County and members select projects
- All activities must benefit low-to-moderate income residents



Eligible CDBG Activities

Must support one or more of the goals defined in the Five-year Consolidated Plan

1. Housing
2. Public Services
3. Public Improvements and Community Facilities
4. Economic Development

- Acquisition of real property;
- Relocation and demolition;
- Rehabilitation of residential and non-residential structures;
- Construction of public facilities such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- Public services, within certain limits

Local Government

Regulatory Obstacles

Obstacles

How local governments can ensure removal of regulatory impediments

- Rezoning Requirements
- District Dimensional Standards
- Use Prohibitions/Permitting
- Response to Design Control Limits
- Incomplete Housing Types
- Limits on ADUs
- Definitions
- Off-Street Parking Requirements
- Restrictive Home Occupation Standards
- Lack of Intent Statements

THANK YOU

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