the power of affordable housing
[ a·ble ] adjective

having the power, skill, means, or opportunity to do something, capable of, competent to, equal to, up to, fit to, prepared to, qualified
With access to affordable housing, an individual is able to nurture family, maintain employment, stabilize financially, and thrive.

With the availability of adequate affordable housing, a community is able to attract new business, provide jobs, invest in its infrastructure, and thrive.
able
to engage the community
Where have we been? Where are we going?
Where do we want to be?

When a struggling community asks itself important questions and commits to positive change, it is empowered. Seversville was a deteriorating mill village when neighborhood leaders began working with The Housing Partnership to create a new “brand” and chart a course for the future. An explosion of creative energy and civic pride has been the result, along with a Housing North Carolina Award. With strong leadership, a desirable mixture of home ownership and rental, and a vibrant community association and community center, Seversville’s resilience demonstrates how sustainable and important community development investments can be.

Neighborhood leaders recently participated in a retreat facilitated by the City of Charlotte on further improving quality of life in the community. A vision and plan were crafted, capitalizing on Seversville’s close proximity to Johnson C. Smith University and also the development of Mosaic Village, an outdoor venue with farm vendors, a café, art gallery and small business incubator.

Seversville was one of 17 communities across the nation recently selected by NeighborWorks® America to participate in the national Neighborhood Marketing Program. Under the program, The Housing Partnership received $50,000 in grants, consulting services, marketing tools and assistance to work alongside neighborhood stakeholders to enhance and promote Seversville’s brand and attract sustainable homeowners.
We want people know about this historic, hidden treasure a stone’s throw from Uptown. So many positive things are happening in Seversville, symbolized by the new logo at the neighborhood entrance and on street signs. But that is just the surface.

“When I moved to the neighborhood, there were a lot of blighted buildings and the main thoroughfare was rundown, but the heart of Seversville was still ticking. We needed to band together and baptize this space with positive energy. That’s how Historic West End Partners began. Together with 5Points Community Collaborative and the Seversville Community Organization, and in line with the City’s plans for revitalization along the entire corridor, we are making a real difference. One of the most exciting accomplishments is the Lakewood Trolley project. It will be back on track soon, running along the Greenway from Cedar Yard behind the Panthers stadium to Savona Mill in Seversville, which is on the National Register of Historic Places.

“The Housing Partnership helped us look at the neighborhood with fresh eyes and see the possibilities. Deciding what we wanted and setting goals to get there was a powerful experience. Seversville has good things to build on, as most places do, but we had to go about it in an intentional way. This is a community of caring people who want the best for each other. I think most neighborhoods are that way at heart. I wish they could all go through the process we did.
able to lead
Druid Hills was developed in the 1940s for returning GI’s and their families. Slightly northwest of Uptown Charlotte along the Statesville Avenue Corridor, it used to be a thriving, diverse neighborhood of pretty bungalow homes where breadwinners worked at the nearby industrial manufacturing plants. Decades of decline began when the factories closed and today the needs of the Druid Hills community are vast and complex.

With CMHP’s leadership and guidance from an outside consultant, residents developed a plan with goals to improve quality of life. Partially as a result of that plan, CMHP won a $500,000 Catalytic Grant from NeighborWorks® America to help stabilize and transform Druid Hills. This has included building senior housing and a seven-acre park, demolishing uninhabitable properties and rehabbing others, acquiring a vacant factory site for adaptive reuse and establishing Empower U, a youth leadership development program. The Catalytic Grant is being used to help bring more residents to the area, which will in turn kindle important retail development.
“Neighborhoods are the building blocks of any city. A healthy neighborhood isn’t merely a solid infrastructure of housing, sidewalks, streets and lighting. It’s more complex and intangible than that. We can build all we want, but if residents aren’t able to meet basic needs of transportation, job training, healthcare and childcare, cycles of distress can develop. We have to address housing in a holistic way because healthy spills over, the same way that distress does.

“There will always be a need for quality affordable housing across Charlotte. More than 5,000 units have been built since 2002, but we’re not keeping up with the demands of our dynamic, rapidly growing community. We’re employing new strategies, such as the combined commercial and residential revitalization along the Statesville Avenue Corridor and the transformation of Druid Hills. We need to develop more true mixed-income communities like Brightwalk and focus on trends in senior living as well as the housing needs of veterans locating to this area. It’s an exciting and challenging time and affordable housing is more critical than ever. It’s a cornerstone of a strong city.

“We collaborate with The Housing Partnership because they are as passionate about Charlotte’s neighborhoods as we are and have the real experience to make them successful and sustainable.”
able to create holistic change
As The Housing Partnership has evolved, the emphasis on homeownership education has expanded to include broader programming and even advocacy as we partner with groups across North Carolina to lobby for important housing-related issues. From the Urban Land Institute to housing policy meetings in Washington, we are taking part in pivotal discussions involving affordable housing.

We’re also part of the bigger conversation taking place in our community and our country on the subject of economic mobility. A task force was recently established to study Mecklenburg County’s position at the bottom of national economic mobility rankings and to determine how to deal with the widening opportunity gap. Solutions include many of the strategies we are working on at The Housing Partnership to ensure that all neighborhoods in Charlotte have affordable housing options and a vibrant mix of incomes.
Affordable housing is a regional topic because economic development needs are regional. Rather than strictly Charlotte, we need to be studying and planning for housing solutions in Davidson, Cornelius, Mooresville, Matthews, Pineville and beyond.

“Rather than simply building individual houses, The Housing Partnership is concerned with building well-rounded and self-sustaining communities. Our country’s classic failures in affordable housing happened because there was no sense of community. People were warehoused in high-rise towers with no connection to their surroundings or to each other. Thoughtful planning was missing. We know so much more now. We must do better.

“Whether it’s market rate or affordable housing, everyone has the same basic needs for safety, quality, good design, social connection. Site selection is key. Affordable housing should be integrated into the community, not exist on the fringes without access to basic things like transportation or a grocery store. That sets people up for failure.

“Whether we want to build, save or enhance a neighborhood, the answer is in partnership and planning. Done right, affordable housing can be a real gift to a community.
For an organization to remain strong, it must be able to adapt. The Housing Partnership is constantly responding to new needs in the community and adjusting to current economic and funding conditions. In 2014, the Housing Partnership, with external partners and the Board of Directors, entered into an extensive planning process which culminated in a refocused mission statement and a new 3-year strategic plan. The most critical elements: grow in size and capacity.

At the Partnership, this means we will attract new sources of equity and funding through tools such as crowd funding, REITS, and equity pools. Over the next six years, our portfolio of rental units will double in size through both acquisition of existing and development of new units. We will remain responsive to customer needs in homebuyer education and financial literacy and will expand into financial coaching.

What do we have that allows such growth? ABILITY.

In 2014 the Housing Partnership developed 86 new units of affordable housing, developed 100 lots in our Brightwalk development and provided homebuyer education to 278 individuals. Under the House Charlotte and LIFT programs, we provided downpayment assistance to 529 individuals and families. Thanks to a $500,000 Catalytic Grant from our partners at NeighborWorks® America, the Housing Partnership began carrying out the Druid Hills’ comprehensive revitalization plan which includes new and rehabbed homes, a revitalized park, a community garden, economic development and safety programs. We acquired a blighted industrial building and started environmental clean-up. We have the ability to do more and there is increasing need in our community!

It is because of the Housing Partnership’s key capacities in real estate development, economic development, neighborhood revitalization and education that we are able to address new challenges through an aggressive growth track and strategic plan. It is because of funders like you who are committed to the Housing Partnership’s mission that we have the opportunity to more strongly serve Charlotte and the surrounding region.

Thank you for your continued support!
## Financials

### Assets

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<th>Item</th>
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<td>Restricted Cash</td>
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**Total Assets** $143,614,459

### Liabilities and Net Assets

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<td>Non-controlling Interest</td>
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**Total Liabilities and Net Assets** $143,614,459

### Revenue and Support

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<td>Grants &amp; Contributions</td>
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<td>Rental Income</td>
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<td>Interest Income</td>
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<td>Home &amp; Single-Family Lot Sales</td>
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<td>$2,833,321</td>
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**Total Revenue and Support** $26,893,145

### Expenses

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<td>Interest Expenses</td>
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<td>Administration</td>
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**Total Expenses** $25,945,475

### Change in Net Assets

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<td>Permanently Restricted Net Assets</td>
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<td>Unrestricted Net Assets</td>
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**Total Change in Net Assets** $3,524,429
Revitalization Report 2014

- Donated 8 lots to Habitat for Humanity in the Wingate neighborhood.
- Remediated Double Oaks inactive landfill for park use.
- McColl Center for Art + Innovation partnership completed 2 art installations in Brightwalk at Historic Double Oaks with events celebrating the work including a CPCC student-created art auction.
- Developed over 100 Brightwalk lots to be sold to homebuilder Standard Pacific.
- Applied for and received funding for 130 units of affordable housing in Brightwalk.

Revitalization Agenda 2015

- Complete construction of 3 homes for sale in the Druid Hills neighborhood and start construction on at least 3 additional homes. Sale and/or donated at least 5 lots to partner agencies.
- Complete negotiations with the County Park and Recreation Department regarding pool site.
- Identify a sponsor to complete Brightwalk stream restoration.
- Make Statesville Avenue between Woodward and Atando more commercially viable by:
  - Executing a sale or lease contract for a new grocery store in Brightwalk.
  - Acquiring at least 1 additional property on the east side of Statesville and demolishing blight.
  - Completing a land swap with Mecklenburg County to allow the construction of a new public pool.
  - Engaging a planning firm for development of the east side of Statesville between Woodward and Atando.
  - Exploring an adaptive reuse of the Precision Dynamics building.

Real Estate and Economic Development Report 2014

- Began Tyvola Crossing Phase II Supportive Housing construction.
- Began developing 3 new single family homes in Druid Hills.
- Created a structured process for development of revitalization and multifamily projects.
- Received zoning approval for Weddington Road parcel and applied for tax credits.
- Staffed a commercial real estate development department and commenced a new line of business, including the sale of 3 Greenway Business Park parcels and accelerated Statesville Avenue commercial activity.

Real Estate and Economic Development Agenda 2015

- Increase affordable multi-family portfolio.
- Place under contract one existing multi-family expiring use and/or naturally affordable apartment community for acquisition.
- Purchase at least 42 acres of land at Cindy Lane for a new mixed-income master development. Substantially complete site planning and a market study. Establish a plan for financing.
- Create a Business Process Management system to coordinate real estate development activity across departments.
- Conclude a first and secure a second City contract for economic development through revitalization of targeted commercial corridors.
- Sell 2 parcels at Greenway Business Center to appropriate users.
- Lead a planning process in partnership with the City of Charlotte’s Economic Development Department to target a third area for redevelopment per our contract. Once all agree on general target area, complete a market study for area and identify priority properties for acquisitions.
- Begin exploring ways to lead efforts on small business lending, entrepreneurship, and application for allocation of New Markets Tax Credits for Capital magnet Fund (both of which require CDFI reinstatement) in partnership with the City. Research best practices from other cities.
Programs Report 2014

EDUCATION AND LENDING:
• Counseled 394 customers to bring their mortgage current.
• 529 homes closed under the House Charlotte and Wells Fargo LIFT programs.
• 376 customers participated in financial literacy classes.
• 278 customers participated in homebuyer education classes.
• Completed research into coaching models and methods to track outcomes using best practices.

COMMUNITY ENGAGEMENT:
• Received 1 of only 10 NeighborWorks America Catalytic Grant awards around the country.

Programs Agenda 2015

PARTNERSHIPS:
• Meet with Goodwill Industries and one other agency to discuss partnership on job development.
• Meet with at least two major employers to discuss education programs and downpayment assistance as a benefit to their employees for a fee.

EDUCATION AND LENDING:
• Continue to annually close 300 loans by administering the City’s HouseCharlotte program.
• Implement a coaching model and system to track outcomes.
• Win a technical assistance grant from NeighborWorks America to regain CDFI status.
• Continue to manage highly effective programs that improve the net worth of residents and improve their ability to purchase and/or keep a home by providing foreclosure counseling, homebuyer education programs and financial literacy through production as follows:
  - 125 families will buy a home using our counseling services and/or classes.
  - 250 customers will attend financial literacy classes.
  - 250 customers will complete homebuyer education classes.
  - 350 customers will receive foreclosure prevention counseling.

COMMUNITY ENGAGEMENT:
• Implement, via neighborhood training, formal neighborhood watch programs in Druid Hills, Seversville and Brightwalk.

Asset Management Report 2014

• Managed/Own 1,467 units of affordable rental homes across 38 developments.
• Achieved 95%+ occupancy, on average and turnover below 40%.
• Chambers Point reached 100% occupancy 45 days after being placed in service.
• Thirty rental residents attended Homebuyer Education and/or financial literacy classes.
• Completed 38 property site inspections.
• Completed 362 reports to investors and partners.

Asset Management Agenda 2015

• Define and adopt business process management system.
• Develop a model to analyze existing projects for long-term financial viability and profitability.
• Continue to manage existing properties in a highly professional manner such that:
  - Occupancy, on average, is greater than 95% and turnover is below 40%.
  - Complete inspections.
  - Retain above average rating from HPIEx.
  - Lease up Catawba Seniors and Tyvola Crossing II (supportive).
  - Promote Homebuyer Education and financial literacy classes to rental residents.

[ CAPABLE • SUSTAINABLE • INVALUABLE • QUANTIFIABLE ]
J’Tanya Adams, Secretary
Neighborhood Representative

Ailen J. Arreaza*
City of Charlotte

Toby Bartlett
JE Dunn Construction

Gene Bodycott **
New Forum

Rev. John Cleghorn
Caldwell Memorial Presbyterian Church

Brian Collier
Foundation for the Carolinas

Nancy Crown
Banc of America CDC

Amanda K. DeWeese
Carolina PR/Chernoff Newman

Bernard Felder
Sanctuary Housing

Harvey Gantt (a)
Gantt Huberman Architects

Tom Ingram, Vice Chair
The Ingram Group, LLC

Patsy Kinsey (a)
Charlotte City Council

James Mitchell
Community Leader

Lance L. Pritchett
Pesta, Finnie & Associates

Betty Chafin Rash
Community Leader

Douglas Robertson
Fifth Third Bank

Sharika Richardson Shropshire
Legal Services of Southern Piedmont

Eileen Stenerson, Chair
Wells Fargo Bank

John Stokes **
BB&T Community Development

Darren Swanson
Bank of America

Darryl White, Vice Chair
Habitat for Humanity

Shawn Williams
Neighborhood Representative

Mary Wilson
Community Leader

* Retired
** Newly Elected Member
(a) Appointed Member
DEDICATION:

HOME was a great thread woven through the life of John Crosland, Jr., in whose memory this annual report is dedicated. His name is synonymous with housing in Charlotte and beyond. Mr. Crosland was the founder of Crosland LLC, which developed hundreds of affordable housing units across the Southeast. He served as chairman of both Charlotte-Mecklenburg Development Corporation and the North Carolina Housing Finance Agency (NCHFA). He was president of Charlotte Home Builders Association and the North Carolina Home Builders Association, as well as Vice President and Life Director of National Association of Home Builders. He was also the Founding Chairman of Habitat for Humanity of Charlotte.

For his lifetime of work in the housing industry and among his many honors, Mr. Crosland was named to the National Housing Hall of Fame. We are grateful for his legacy of excellence in affordable housing.

[ CAPABLE + SUSTAINABLE + INVALUABLE + QUANTIFIABLE ]

MISSION STATEMENT:

The Charlotte Mecklenburg Housing Partnership develops affordable housing, creates vibrant communities and provides opportunity for strong futures.

VISION STATEMENT:

Everyone lives in a safe, affordable home in a vibrant community that supports independence, opportunity and advancement.