Narrative Exhibit C: NEED

Housing Authority of Charlotte, NC

FILE NAME:

CharlotteNCExCNeed.pdf
EXHIBIT C: NEED

Boulevard Homes is the second largest and the most distressed of CHA’s communities. Recognizing the obsolete conditions of the Boulevard Homes community, CHA submitted a Demolition Application to the Special Application Center (SAC) of HUD and received approval on July 24, 2009. Boulevard Homes’ needs were extreme at the time of the demolition application and remain so in accordance with all requirements of Section 24(j)(3) of the 1937 Act which defines severely distressed public housing. In spite of CHA’s diligent efforts over the years to maintain the buildings and site in functioning condition, the fundamental flaws in the original design of the structures and layout of the site simply cannot be overcome through maintenance, adaptation, or rehabilitation. The demolition of all the structures on the site is justified based on the extreme physical obsolescence of the units, buildings and systems, and on the cost-prohibitiveness of a modernization (over 88.1% of HUD’s Total Development Cost Limits) that would entail curing substantial construction deficiencies, correcting original design problems and restoring/replacing outdated infrastructure. Further, its presence in this sector of the City serves as a deterrent to neighborhood investment and change, as evidenced by the prevalence of deteriorated, underutilized, and vacant commercial properties, and houses that are clearly in various stages of neglect and deterioration, in the site’s immediate vicinity.

C.1 Need for Revitalization: Severe Physical Distress of the Public Housing Site

Boulevard Homes contains 301 existing units in 121 separate, single- and two-story buildings of wood frame construction and brick veneer inclusive of a 7,750 square foot community center housing administrative offices, a community room, a learning center and maintenance office and storage. On site amenities include two children’s playgrounds and two basketball courts.
Generally, the property was constructed within Federal standards in force at the time of construction, which have been superseded many times since then. Boulevard Homes' severe distress is evident in significant building deficiencies, deteriorated systems, major site and design deficiencies, inaccessibility, concentration of poverty, and isolation. While CHA has made every attempt to keep these buildings in service, there are design and physical conditions that are deemed unacceptable under the City's minimum standards for housing (Code of Ordinances, Ch11, article 3, section 11-76 thru 11-85). The extent and nature of infrastructure, project site, and fundamental design flaws preclude these facilities from rehabilitation (see Attachment 15).

**Major Infrastructure Deficiencies** - Designed in 1969 and completed in 1970, all existing apartment buildings are one and two-story conventional wood-framed structures with brick masonry veneer that are nearing the end of their forty year life cycle and cannot be expected to remain viable in the future without significant physical improvements and modernization.

Physical distress, attributable to the structures' intrinsic design deficiencies, is visible in several building components. Gabled roofs finished with asphalt shingles have active roof leaks, further exacerbated by damaged gutters and downspouts, and are in need of replacement; roof soffits and fascia are rotted and falling off and the exterior building envelope assembly presents signs of distress with damaged brick masonry veneer, rotten wood trims and fascia boards, cracking in sealants and paint finishes, and open joints. Interior stairs in two-story units are constructed of wood and have closed risers and damaged wood treads with missing handrails that represent a safety hazard for residents. Interior ceiling heights have been lowered in many units to less than standard height (below 7'-0'') to allow for retrofit ductwork.

**Heating, Cooling and Electrical Systems**: There are major deficiencies in the existing mechanical and plumbing systems. The heating and ventilation equipment was poorly designed
and is completely antiquated causing higher than usual heating bills. Ductwork was retroactively installed during rehabilitation of the units causing some of the ceilings to be lowered below 7'-0” (minimum housing code). The ducting serves zones rather than rooms and the units have hot and cold spots that do not meet Housing Quality Standards for the thermal environment. Further, the ducts require substantial cleaning to meet reasonable indoor air quality standards. The thermal performance of the buildings is further degraded by the metal windows, which contribute to heat loss and cold penetration. The units lack air conditioning, which renders them extremely uncomfortable in the summer in the southern US and could allow the formation of mold due to the high level of humidity in the North Carolina climate (74% relative humidity average). Some residents have added window air conditioning units, which can pose safety and moisture problems. Air conditioning units block unit egress in violation of fire code requirements.

**Plumbing:** The original plumbing building systems in all Boulevard Homes apartments are in need of extensive repair and/or replacement. All copper pipes and drains are as originally installed in 1970 and are beginning to show signs of deterioration as they approach the conclusion of their designed 40-year life cycle. The water distribution system has a history of recurring problems with original pipes bursting within the walls. The original sanitary sewer collection system is often clogged due to grease and damaged, deteriorating lines and is in need of replacement. Waste vent pipes are reportedly clogged with leaves and debris throughout the property causing the interior waste lines to stop up or drain slowly.

Showerheads, sink faucets, and toilets are all old models, devoid of standard water limiters with reports of leakage causing damage to adjacent floors and ceilings below.

**Major Site Deficiencies** - The Boulevard Homes site was not properly prepared for development. The site has poor drainage for storm water, and major drainage ponding, erosion,
silt build-up and backups occur. The property topography required stone masonry, brick, and timber retaining walls located at grade changes throughout the site that are exhibiting damage at some locations and will be in need of extensive repair and/or replacement. Cast iron drain lines have deteriorated to the point that emergency repairs are required to address collapsing lines. The landscape materials are in poor overall condition. Barren areas and trees growing over roofs and under slabs were observed and require removal. Site lighting is inadequate and the Police Department has stated that there are numerous areas throughout the property that require additional lights. The property’s proximity to the Charlotte-Douglas International Airport results in a minimal level of noise pollution spillage, which is sufficiently buffered by a tree barrier.

While parking for the complex is close to adequate at 1.23 spaces per apartment unit, parking areas are in poor condition with extensive broken and cracked asphalt and localized depressions. A related problem is handicap accessibility across the site. Accessible parking spaces are not located within a reasonable distance of accessible units, and some parking areas adjacent to accessible units have no access ramps. In addition, paths that should be accessible present cross-bare ground conditions or are less than the required 36-inch width. Dumpsters are located in parking lots, with no enclosures, so that the trash containers are highly visible throughout the site. Current City of Charlotte codes require that each dumpster has a source of water for clean-out and a pad with a drain connected to the sanitary sewer system. None of the on-site dumpsters meets these basic health and safety requirements.

Major Design Deficiencies

Unit Size and Configuration: The units at Boulevard Homes are extremely small and undersized relative to other apartments in the city. These conditions can be attributed to a design and layout that met the minimal standards and needs at the time of construction, but which are
substandard by today’s norms, and are not easily correctable without major demolition and/or reconfiguration of the buildings. The typical one-bedroom unit is approximately 519 square feet compared to the minimum square footage area requirements of the North Carolina Housing Finance Authority (NCHFA) for one-bedroom units at 660 square feet. Two-bedroom units provide approximately 754 square feet of habitable space compared to NCHFA two-bedroom unit area requirements at a minimum of 900 square feet. Three-bedroom units are approximately 890 square feet of habitable space compared with NCHFA three-bedroom units at a minimum of 1,100 square feet. Bedrooms are extremely small, with sizes ranging between 9’ to 10’ by 10 to 12’, barely enough to accommodate a normal size bed and dresser, nor would it meet many current building codes that require bedrooms to have a minimum width of 8 feet and area of 100 square feet. Closets are minimal and in many instances undersized at less than 5 square feet with many of them lacking doors. Bathrooms, kitchen layouts, some bedrooms and many circulation spaces are small by current market standards. Approximately 95% of all kitchen appliances are original and in need of replacement. Other deficiencies include the lack of space for a washer and dryer in any of the units. The only place to put them is in the already cramped kitchen space and while hook-ups are provided for a washer, appliances are not provided.

Isolation: The site’s development pattern was conceived as an internally oriented, single entry point community with a large centralized “superblock” surrounded by a loop road fronted by additional housing. This layout lacks functional connections to the adjacent streets and neighborhoods and is inconsistent with and stands in stark contrast to the overall character of the surrounding area. The poor site layout is restrictive: a single circulation pattern throughout the site creates many indefensible spaces that foster criminal activity and a sense of insecurity for
residents of Boulevard Homes. Buildings are generally clustered around outdoor spaces that are distinctly undifferentiated and create a seemingly unconnected and isolated environment.

**Indefensible Space:** At Boulevard Homes, buildings have no patios, terraces, nor balconies and no proper landscaping and therefore no defensible private or even semi-private spaces on the site. Apartment units face large parking lot areas that end up as generic, lifeless outdoor spaces useful only for parking cars or for trash dumpsters. While the grouping of structures may have been an attempt to create a residential scale and feel to the development, the size and use of these areas and the spacing between groupings of buildings further isolates residents from each other and from the overall community. With few exceptions, these interior parking lot spaces are difficult to differentiate from each other and are not visible from the street, making policing of the site difficult. The community’s main centralized open space provides areas for a playground and basketball courts but also remains isolated and inaccessible due to its location.

**Inaccessibility for Persons with Disabilities:** Given the topography of the Boulevard Homes site, numerous site deficiencies prevent access for persons with disability including parking areas far from units and narrow sidewalks with steps. The appearance of cracks in sidewalks and asphalt due to settling present an additional hazard for mobility-challenged residents.

Many buildings do not conform to the American Disabilities Act, the Fair Housing Act and the NC Accessibility Act. Doorways, passages, kitchens, and bathrooms do not provide adequate clearance for wheelchairs. Exterior doors leading into ground floor units are not at grade level and most have at least one-step entering the units. While CHA has modified 10 units to provide accessibility to the elderly and people with disabilities, the second floor spaces in two-story structures - hallways, bathrooms, bedrooms - do not meet ADA requirements for clear floor
space or door openings. The riser height in all of the two-story buildings' interior stairs is greater than 7” clearly inconsistent with both the International and Standard Building Codes.

**Other Potential Hazards:** While abatement has consistently taken place to minimize hazards to health, EMG Corp, reported in 2006 the positive identification of suspect moisture and/or mold growth and presence through a limited visual assessment of apartment units at Boulevard Homes and recommended that a mold abatement assessment be conducted. Shield Engineering, Inc reviewed 1994 asbestos samplings conducted by others and performed numerous asbestos tests in March of 2009, through which the firm positively identified the presence of asbestos in the flooring materials (tile and linoleum), floor tile mastic, joint compound at Boulevard Homes. None of the asphaltic roofing materials analyzed contained detectable concentrations of asbestos. Demolition of these building components will necessitate the use of safeguards to prohibit the escape of these hazardous materials and to protect the health and safety of construction workers.

**C.2 Need for Revitalization: Severe Distress of the Surrounding Neighborhood**

Boulevard Homes is located on the West Boulevard Corridor, one of five growth corridors originally established in 1994 for organizing and guiding growth within Charlotte. Extending five miles from Center City to the edge of Charlotte's jurisdiction, the West Boulevard Corridor has been identified as having at least three high capacity transportation facilities – interstate / expressway, major thoroughfares, existing or planned rapid transit and/or a freight rail line – and appropriate locations for significant new growth and redevelopment. The corridor serves as an important transportation link between the airport and uptown Charlotte. The future vision for the corridor is for West Boulevard to be, "**A place where it is pleasant to live, where residents can obtain basic services and access employment opportunities, and where business owners can operate productive enterprises.**"
The westernmost section of West Boulevard continues to be in a state of decline. Numerous neighborhoods make up the corridor - some are stable, moderate income communities with good housing stock and high degree of homeownership but most neighborhoods in the corridor are characterized by distressed low income residential areas, dilapidated neighborhood commercial services, and a surprising amount of vacant land (nearly 35.6% ) for a mature, urban area. These variations are distinctly evident the closer one gets to Boulevard Homes. While the revitalization of CHA’s Dalton Village (now Arbor Glen) in 1996 with 305 new units of mixed-income housing has done much to change the landscape and character of this community, the economically and socially distressed 34.10 acre Boulevard Homes site continues to set the standard of the surrounding neighborhood causing broad disinvestment and decreased property values. There are 301 units at Boulevard Homes, but the social and physical problems such as low homeownership, elevated school dropout rates, high teen pregnancy, low school competency, high substandard housing, and high crime extend beyond the public housing site and still plague the area.

It is clear that the revitalization of this critical growth corridor will take decisive action and a continued, focused commitment over the course of the next several years. CHA believes that the outcome will be strongly influenced by what happens to Boulevard Homes and Little Rock Apartments. The revitalization of the Boulevard Homes site with its Educational Campus with the infusion of 332 new units, comprised of public housing rental units, affordable tax credit units, senior units, and market rate rental units will not only reverse the downward spiral and begin a much needed upward momentum in this fragile area but will remove the last stigma of severely distressed public housing from the community, as well as increase wealth and diversity in the surrounding neighborhoods, leading them toward a positive and sustainable future.
Contributing factor to physical decline and disinvestments – The detrimental effect of the
distressed condition of the Boulevard Homes public housing site on the surrounding
neighborhoods is readily evident along West Boulevard and within a one-mile radius of the site.
Immediately to the east and south of the site are privately owned apartment buildings in disrepair
and need of investment and numerous vacant parcels. The area between Billy Graham Parkway
and Clanton Road on both sides of West Boulevard has seen the abandonment and demolition of
hundreds of older single- and multi-family properties. Extending a few blocks south, towards
Clanton Park, triples the number. Today, there is enough vacant land in these once stable
neighborhoods to develop hundreds of new housing in single-family and multifamily structures.
Socio-economic Data - As early as 1993, the City of Charlotte has routinely assessed the quality
of life in its neighborhoods and produced a bi-annual study, the Neighborhood Quality of Life
(QOL) Index, in order to monitor progress towards the goals of improving, sustaining and
renewing all Charlotte neighborhoods. Boulevard Homes falls within two of the City of
Charlotte’s 173 Neighborhood Statistical Areas (NSA) in the QOL. Twenty neighborhood
variables measuring social, crime, physical and economic conditions classify Boulevard Homes
as one of 27 NSAs listed as “Challenged”, representing “at risk” neighborhoods with below
average quality of life indexes compared to citywide values. Although the number of
Challenged NSAs dropped citywide between 2002 and 2008, the concentration of poverty and
distress in the Boulevard Homes NSAs remains high. The following 2008 socio-economic data
was taken from the City’s Quality of Life Study and includes NSA 4 and NSA 10 which contain
the Boulevard Homes site as well as NSAs 2, 7 and 9 within the West Boulevard Corridor
boundary lines and one-mile radius of the site. The referenced NSA boundaries are shown on
the maps contained in Attachment 11: City Map and in Attachment 16: Neighborhood
Conditions. A review of the 2008 data convincingly shows the severe socio-economic problems of the West Boulevard Corridor neighborhoods surrounding Boulevard Homes relative to the City of Charlotte as a whole. Families are predominantly very low-income with children, with almost half the heads of household unemployed. CHA’s own database shows that 58 families, or 20.4% of Boulevard Homes households have income earned from wages and that the median income for a Boulevard Homes family is $8,088, far below the MSA median of $66,500. In fact, 63 households report no income at all. The rate of unemployment for Boulevard Homes residents is approximately 71%, compared to 11% for the City of Charlotte. Close to 46% of persons receive food stamps, (75% of Boulevard Homes residents) compared with the city average of 8.9%. The rate of children (18 years of age or younger) having children is distressingly high: 20.1% compared with 6.6% in the City. The educational attainment is very low: nearly 51% of residents in the Boulevard Homes area failed to obtain high school diploma, in a city with one of the nation’s highest percentages of college graduates. A summary of NSA data is below:

<table>
<thead>
<tr>
<th>Boulevard Homes and Surrounding Neighborhood Statistical Areas (NSA)</th>
<th>NSAs within West Blvd Corridor &amp; One-Mile Radius of Boulevard Homes Site</th>
<th>2008 City-wide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating</td>
<td>NSA 4</td>
<td>NSA 10</td>
</tr>
<tr>
<td>Population</td>
<td>987</td>
<td>1,066</td>
</tr>
<tr>
<td>Youth/ % of Population</td>
<td>460/ 46.61%</td>
<td>556/ 52.16%</td>
</tr>
<tr>
<td>Housing (du)</td>
<td>337</td>
<td>378</td>
</tr>
<tr>
<td>Median HH Income</td>
<td>$27,688</td>
<td>$14,034</td>
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<td>------------------</td>
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</tr>
<tr>
<td>Dropout Rate</td>
<td>8.3%</td>
<td>14.1%</td>
</tr>
<tr>
<td>% of Births to Minors</td>
<td>16.7%</td>
<td>25.0%</td>
</tr>
<tr>
<td>% of Persons on Food Stamps</td>
<td>51.2%</td>
<td>75.3%</td>
</tr>
<tr>
<td>% Homeowners</td>
<td>11.6%</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

**Crime** – The most recently available crime rates for the referenced NSAs, including Boulevard Homes, are shown in the following table. While data available from the Charlotte-Mecklenburg Police Department indicates a decrease in overall crime (-44.9% percent for Boulevard Homes, -31.9 percent in NSA 10 between 2002 and 2008), violent crimes including homicides, rapes, robberies and aggravated assaults are today over five times that of the rest of the City. Juvenile crimes are overall up to 2.8 times higher and the property crime rate, including burglaries, larcenies, vehicle thefts, arsons and vandalism is close to two times higher than citywide. Under the crime hot spot ratings, the proportion of a NSA that has a durable concentration of violent crime indicates that 100% of the Boulevard Homes site is covered by a durable violent crime hotspot – a location with five or more overlapping, monthly incidences of violent crime.

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**Boulevard Homes and Surrounding Neighborhood Statistical Areas (NSA)**
(Source: City of Charlotte 2008 City Within a City (CWAC) Quality of Life Study)

<table>
<thead>
<tr>
<th>Rates of Crime</th>
<th>NSAs within West Blvd Corridor &amp; One-Mile Radius of Boulevard Homes Site</th>
<th>2008 City-wide</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NSA 4</td>
<td>NSA 10</td>
</tr>
</tbody>
</table>

43
<table>
<thead>
<tr>
<th>Violent Crime</th>
<th>3.3</th>
<th>5.5</th>
<th>1.8</th>
<th>3.1</th>
<th>2.6</th>
<th>1.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Juvenile Crime</td>
<td>1.7</td>
<td>2.8</td>
<td>0.7</td>
<td>1.2</td>
<td>2.2</td>
<td>1.0</td>
</tr>
<tr>
<td>Property Crime</td>
<td>1.4</td>
<td>1.7</td>
<td>1.4</td>
<td>3.2</td>
<td>1.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Crime Hot Spots</td>
<td>0.3</td>
<td>1.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>NA</td>
</tr>
</tbody>
</table>

**Trends in Property Values**—Though Charlotte experienced a tremendous economic boom over the past two decades, property values in the NSA areas surrounding the Boulevard Homes site still fall well below the median for the city and remain depressed relative to other city neighborhoods. Despite a 30.2% increase in value between 2000 and 2008, an average owner-occupied unit located in the referenced NSAs was still only 30.4 percent of the value of an average owner-occupied unit in the city as a whole. Today, the average house value is $63,153 compared to a City average of $207,627. In addition, there is less reinvestment in existing properties than is seen in other neighborhoods throughout the city. The percentage of substandard housing is 2.88%, four times the city average in 2008. The referenced NSA communities remain a predominantly rental area, while the City reflects a closer split between rental and owner-occupied units. The percentage of resident homeowners is 33 percent compared to a City average of 55.4 percent.

**Property deterioration and abandonment**—As of the 2000 Census, the median age of structures in the Census Tract containing Boulevard Homes was approximately 33 years, compared to the City’s average of 22 years. There has been negligible new construction of housing units between 2002 and 2008 within the NSA areas. There are many residential structures in the immediate vicinity of the site, particularly along West Boulevard to the east of the site, that are multi-family housing developments clearly in various stages of neglect and
deterioration. Commercial properties along West Boulevard are experiencing disinvestment (evidenced in the lack of maintenance), with numerous vacancies, and many abandoned, boarded up structures affecting the overall appearance of the corridor. This indicates the impact that the presence of the concentration of severe physically and economically distressed public housing and economically distressed multi-family housing immediately adjacent to the site has on this area as a whole. As a consequence, neighborhoods cannot attract new businesses, nor can it support existing. Of the five NSAs referenced, all indicated that 0% of residents living in these neighborhoods are within walking distance (1/4 mile) to a grocery store and/or a pharmacy and thereby do not have appropriate access to retail and basic neighborhood services, although the City and CHA are working to bring a major grocery chain to the West Boulevard Corridor.

Underutilization of Surrounding Properties - There are numerous underdeveloped properties around Boulevard Homes and along West Boulevard Corridor. Most commercial property along West Boulevard is not only underdeveloped, but the buildings/uses that occupy them are marginal and in poor condition. Many sites are individually large enough to provide much needed convenient neighborhood services, contribute to the community’s tax base, and promote the development of additional new housing in the area.

Disinvestment - The detrimental effect of the distressed condition of the Boulevard Homes site on the surrounding neighborhood is readily evident in driving through the West Boulevard Corridor in its immediate vicinity. Numerous vacant parcels and boarded-up properties front West Boulevard as illustrated in Attachment 16. Immediately adjacent to the Boulevard Homes is the distressed Little Rock Apartments complex, which contains 240 units of housing built in 1970. Little Rock contributes to the distress of Boulevard Homes due to the large amount of crime allowed to occur on the site, the absence of supportive services for families to assist in
seeking or securing employment, and the predominance of very low-income families without opportunities to enable them to seek success in their lives. CHA recognizes this disinvestment and distress and has determined to resolve the conditions at Little Rock and has the site under contract for acquisition as a part of the HOPE VI Revitalization Plan. CHA will invest in the site and in the lives of the families to minimize the detrimental conditions that exist at the site today. CHA will make Little Rock a part of the Educational Campus at the center of the revitalization.

C.3 Need for HOPE VI Funding - CHA has obligated 100 percent of its FY2004-2008 Capital Funds to CHA development and modernization projects, evidenced by CHA’s Obligations in LOCCs and the FY2010 MTW Annual Plan, as submitted to HUD on January 15, 2009. CHA has very limited capital funds and lacks funds to undertake the revitalization without HOPE VI.

C.4 Sites Previously Funded - CHA has not received a HOPE VI Grant for Boulevard Homes.

C.5 Need for Affordable Accessible Housing in the Community

**Housing Choice Voucher Plan Utilization:** CHA is a Moving to Work (MTW) Agency and does not report into SEMAP. Charlotte’s significant need for additional project-based housing is demonstrated by CHA’s Housing Choice Voucher (HACV) utilization rate of 98%, excluding its very recently received special voucher allocation for the Family Unification Program (FUP) and Veterans (VASH) Vouchers in HUD’s Voucher Management System (VMS).

**Public Housing Occupancy Rate:** As of September 2009, CHA’s public housing occupancy rate is 100% with 37 of the 3,122 public housing units owned and operated by CHA being turned and reoccupied this month. This excludes Boulevard Homes and adjustments for units in on-schedule modernization or approved for demolition or disposition and non-dwelling units.