

Davidson Housing Coalition/ The Affordable Housing Group

DAVIDSON, NC

Once fearful that affordable housing would become an ugly, boarded-up disaster, the residents of Davidson now embrace the Bungalows. With an attractive multiplex style that mimics the single-family houses so valued in adjoining communities, the project provides affordable rental units in a small town that hadn't built such housing for more than 20 years. With average home prices soaring beyond \$250,000, the residential market was shutting out many of the community's most dedicated citizens, such as teachers and police officers.

Acknowledging the housing shortage, the town of Davidson donated land for the new project, a former water tower site that was ideal for infill development. The effort strategically tapped into the developing partners'

strengths—immediate knowledge of the community from emerging Davidson Housing Coalition (DHC) and depth of expertise from veteran developer The Affordable Housing Group (TAHG).



When neighboring homeowners voiced considerable alarm about the proposal, the partners held a design charrette, a series of community meetings that brought the entire town into the creative process. As the development process unfolded, Davidson residents came to identify themselves as part of a team that had accomplished good things together.



The result represents a triumph of consensus. Building exteriors—including stoops, porches, and shade trees—mesh with the historic character of adjacent communities. Interiors sport ceiling fans, well-placed windows, and a range of features designed to reduce long-term maintenance. Bungalows applicants who have already established strong ties to the Davidson community are given preference for the coveted new homes.

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Affordable Housing Partners In Davidson Receive Fannie Mae Foundation's Top National Award

The Davidson Housing Coalition (DHC) and its partner organizations, The Affordable Housing Group (TAHG) and the Town of Davidson, have been honored by the Fannie Mae Foundation among six winners of its national Maxwell Award of Excellence for Affordable Housing.

The award, which carries a \$50,000 grant, recognizes efforts to maintain affordable housing in urban neighborhoods, metropolitan communities, small cities, and rural areas. This is the first time a North Carolina housing organization has ever won the Maxwell Award.

The award was presented to representatives of the three groups in a ceremony at the foundation's Washington, D.C., headquarters on March 5. The DHC was represented by its president, Marguerite Williams. Mayor Randy Kincaid represented the town, and Executive Director Dean Edwards represented TAHG.

The local coalition won for the design of their 32-unit rental housing project on Jetton Street in Davidson named "The Bungalows." Opened in November 2000, The Bungalows is the first affordable rental complex built in Davidson in more than 20 years, and serves families with income up to fifty percent of the area median income (Mecklenburg County's Area Median Income is \$64,000).

The DHC's Marguerite Williams said it is a humbling honor for the relatively young organization to have been chosen by the foundation as a winner among so many other long-established affordable housing groups. She said, "This sudden recognition links us to a wonderful network of new friends across the country we can call on when we face challenges, and it gives us credibility when we seek support for future projects from donors and lenders."

She also gave credit for success of the project to the people of Davidson. "One of the reasons we've been successful is because so many citizens believe in affordable housing as a core value. We haven't had to spend our energy persuading people that it's a good thing. They already know that, and are eager to support and participate in our work."

She also thanked town officials for municipal support of the project, which included donation of the land and sidewalks. "Our town board (of which she is a member) recognizes the importance of maintaining socioeconomic diversity. We believe in Davidson as a self-sustaining community where all citizens are important contributors, and don't want to neglectfully allow the suburbanization of this area to force out lower-income residents."

When the DHC began to plan for The Bungalows, it sought a partnership with TAHG in order to meet a state requirement that developers must have built 120 units to qualify for tax credit funding. Whereas DHC had built no units at that point, the 35-year-old TAHG had built several thousand in working statewide with other affordable housing organizations on such matters as funding, board development, education, programming, mission and vision statements, and project construction.

The partnering organizations planned The Bungalows as an opportunity to redefine affordable rental housing in Davidson. A few people worried that the project would destroy property values and ruin the neighborhood aesthetic. Instead, The Bungalows' careful design by Davidson architect John Burgess and quality craftsmanship by Crosland Builders have been warmly received by neighbors, and it has prompted a wave of other improvements in its area of town.

About \$1.9-million of the \$2.5-million cost of The Bungalows came from tax credit funding. Other funding came from the NC Housing Finance Agency, local churches and other donors, loans, and the in-kind gifts of The Town of Davidson. The local lender was First Charter Bank. The DHC has also received significant grants from the Z. Smith Reynolds Foundation and the Warner Foundation."

"The partnering organizations have addressed a critical need, and have made an invaluable contribution to affordable housing in Davidson," said Stacey Davis, president and CEO of the Fannie Mae Foundation. "It is important that we share their successes so that these projects may inspire and help improve other community development efforts."

The DHC is currently building 10 homes for land-lease sale to qualified buyers in the new Deer Park development in Davidson. Davidson College has also donated to it properties in the Ralph Johnson estate around Mock Circle and Sloan Street, which the DHC plans to use for construction of about 11 rental and land-lease sale units.

The Fannie Mae Foundation, a private nonprofit organization supported solely by Fannie Mae, creates affordable homeownership and housing opportunities through innovative partnerships and initiatives. It has bestowed the Maxwell Awards since 1988 in honor of former Fannie Mae chairman and CEO David O. Maxwell, in recognition of commitment to the housing needs of low-income families.