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PLANNING & DEVELOPMENT SERVICES

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MEMO

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To: Affordable Housing Loan Committee Members

From: Gayla Johnson, Planner I 

Date: August 27, 2021

CC: Thomas Barnett, Planning and Development Services Director

Re: Affordable Housing Loan Committee Meeting

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The Affordable Housing Loan Committee Meeting will be held on Wednesday, September 8, 2021 at **4:00 PM** via Zoom Video Communication Application.

Please call (252) 329-4481 or e-mail [cwallace@greenvillenc.gov](mailto:cwallace@greenvillenc.gov) by 5:00 PM, Tuesday, September 7, 2021 to confirm your attendance.

Thank you for your time and effort in helping to move our housing programs forward!



PLANNING & DEVELOPMENT SERVICES

**Affordable Housing Loan Committee Virtual Meeting**

**Wednesday, September 8, 2021**

**Zoom Video Communication Application**

**4:00 PM**

**Agenda**

- A. Roll Call**
- B. Approval of Agenda**
- C. Approval of meeting minutes from August 11, 2021**
- D. Old Business**
  - None**
- E. New Business**
  - 1. Down Payment Assistance**
    - a. 20% HOME Grant – 901 Douglas Avenue**
  - 2. CAPER Public Meeting**
- F. Staff Report**
- G. Other**
- H. Adjournment**

**DRAFT OF MINUTES PROPOSED FOR ADOPTION  
THE AFFORDABLE HOUSING LOAN COMMITTEE**

**Meeting Minutes  
Wednesday, August 11, 2021  
Greenville, North Carolina**

**Present:**

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Jack Brock    | <input type="checkbox"/> Ronita Jones    | <input checked="" type="checkbox"/> Martin Tanski |
| <input checked="" type="checkbox"/> Derick Cherry | <input type="checkbox"/> Deborah Spencer | <input type="checkbox"/> Judy Wagner              |
| <input checked="" type="checkbox"/> Anne Fisher   | <input type="checkbox"/> Kevin Howard    |   |

**Absent**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Jack Brock    | <input checked="" type="checkbox"/> Ronita Jones    | <input type="checkbox"/> Martin Tanski          |
| <input type="checkbox"/> Derick Cherry | <input checked="" type="checkbox"/> Deborah Spencer | <input checked="" type="checkbox"/> Judy Wagner |
| <input type="checkbox"/> Anne Fisher   | <input checked="" type="checkbox"/> Kevin Howard    |   |

**Staff:**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Thomas Barnett            | <input checked="" type="checkbox"/> Gayla Johnson | <input type="checkbox"/> Monica Daniels<br>(City Council Liaison) |
| <input checked="" type="checkbox"/> Tiana Berryman | <input type="checkbox"/> Christine Wallace        |   |
| <input checked="" type="checkbox"/> Sylvia Brown   | <input type="checkbox"/> Renee Skeen              |   |
| <input type="checkbox"/> Phoenix Hinson            | <input checked="" type="checkbox"/> Lori Guttman  |   |

**A. Roll Call**

Ms. Fisher called for a roll call. Ms. Brown did the roll call.

**B. Approval of Agenda**

Ms. Fisher called for a motion and a roll call. Motion was made by Mr. Brock and seconded by Mr. Cherry to approve the amended agenda. Ms. Brown did the roll call. Motion carried unanimously.

**C. Approval of meeting minutes from July 14, 2021**

Ms. Fisher called for a motion. Motion was made by Mr. Brock and seconded by Mr. Cherry to approve the meeting minutes. Ms. Fisher called for a roll call. Ms. Brown did the roll call. Motion carried unanimously.

**D. Old Business**

None

**E. New Business**

**1. CDBG-CV Funding Request**

**a. Community Crossroads Center**

Ms. Johnson informed the committee that Community Crossroads Center is requesting \$132,000 to conduct assessments and VI-SPDAT, addressing the needs of the homeless population in the City of Greenville and apply the funds to labor, supplies and non-congregant housing. Their primary location is 207 Manhattan Avenue.

Ms. Wanda Montano, Interim Executive Director was present to answer questions from the committee.

Ms. Fisher asked what is non-congregant housing?

Ms. Johnson stated that staff has been informed that they can pay for hotel stay for the homeless who are unable to stay within the shelter.

Ms. Berryman stated that non-congregant housing is spaces allowed for individuals and families to use that is not general space.

Ms. Fisher asked what is that because of?

Ms. Berryman stated that it allows for social distancing as it relates to the CDBG-CV funding making it an eligible expense.

Ms. Montano informed the committee about the services of Community Crossroads and stated that they can only serve four (4) families at a time. However, due to COVID, they have been unable to serve families. The grant will allow them to meet the need of the community and the families that they were not able to shelter. Therefore, they will be able to place families in hotels for up to thirty (30) days while Community Crossroads staff look for permanent housing. While families are in the shelter they will take advantage of the same case management services that they would normally have if they were housed in their building. The case management services include Medicaid, food stamps, and other social services along with helping them find placement. If they qualify, there is a corresponding program that is funded by DSS that will allow the assistance with security deposits and first month rent once they organization finds them a place. The goal is to be able to serve the families since they have been unable to do for over a year due to COVID.

Mr. Cherry asked if that was families only or can it be just individuals that are single that might be homeless or is it specifically geared to families.

Ms. Montano responded that the grant will allow them to serve individuals. At the moment they have capacity at the shelter for them. There are open beds. If the beds full up then the grant will be used to put individuals in the shelter. Their family units are closed due to the structure of the building which has a central living room and there is no way to social distance in the central living room. Ms. Montano also informed the committee that Pitt County Planning has been doing some of this through a FEMA grant that expired on June 30<sup>th</sup>. Therefore, there has been an unmet need in the community from June 30<sup>th</sup> until now.

Mr. Cherry asked what if someone is not homeless but living with family, currently displaced, and does not have anywhere permanent to stay at the present time.

Ms. Montano stated that there is a verification of homelessness that they go through when they do the intake. If a person can say that the family they are staying is putting them out of the home and they are homeless then that person will be put into the program.

Mr. Cherry asked if they would have to reside in the shelter.

Ms. Montano stated that since they do not have space in the shelter for the families, then they would go into a hotel. If they are an individual then they would go into the shelter.

Staff recommends full funding for Community Crossroads Center CDBG-CV request.

Ms. Fisher called for a motion. Motion was made by Mr. Cherry and seconded by Mr. Brock to approve the staff recommendation. Motion carried unanimously.

## **2. Low-Income Housing Tax Credit Supplemental Funding**

Ms. Berryman informed the committee that NC Housing Finance Agency administers tax credits through a competitive process. Developers agree to keep rents affordable for a period between 15-30 years for low-to-moderate income families and individuals. Developers are eligible to take a tax credit equal to approximately 9% of the qualified cost of building or rehabilitating a property. The tax credit is available each year for 10 years, as long as the property is in compliance. Owners are able to lower debt financing by exchanging the tax credits for equity investments from financiers.

The City is seeking to increase the supply of affordable rental housing for low-to-moderate income residents by providing supplemental financing to affordable housing. This would attract developers and assist with their ability to operate below market rents for vulnerable tenants. Staff will accept applications from qualified developers using HOME funds to support eligible projects.

Ms. Berryman stated that the City receives half of a million dollars in HOME funds each year. Last year, the City was able to participate in managing four (4) single family homes in the Lincoln Park area. With the Lincoln Park project, staff was able to fund the development using HOME dollars and then at the sale of each of the units, the City received program income. For every dollar the City puts into the program, the City receives that money back which is an opportunity for the City to reinvest those funds into the community. There will be up to a \$1 million dollars available for the most attractive project submitted. Roughly \$500,000 for developments serving families or individuals incomes between 55-60% of area median income with the possibility of an additional \$500,000 for projects accommodating those at risk of homelessness or facing unique barriers to housing with at least 10% set aside for that population. Unique barriers include domestic violence survivors, veterans or populations who have unique challenges and may be more likely to experience homelessness. The City will consider construction-to permanent financing which means the City is flexible in offering access to financing earlier in the project through completion of the project. The terms would be 20-years, or as long as affordability is maintained and this will be deferred repayments. There may be opportunities to extend the 20-years term of the loan if the developer would extend affordability period.

Ms. Berryman also stated that staff would evaluate a variety of criteria including developer experience, financial feasibility, site control, quality of design, proximity to community assets,

supportive services that are appropriate for the clientele and project readiness to aid in timely grant commitment and expenditure of funds. Supportive services may include afterschool care, on-site financial literacy courses and/or counseling depending on the population.

Timeline:

**Aug. 21** - Issue call for developers

**Sept. 21** - Proposals received from developers,

**Nov. 21** - AHLC review of proposals for recommended award (Developers will be asked to present a summary of their proposal to the Affordable Housing Loan Committee at the regularly scheduled meeting.)

**Dec. 21** - AHLC recommendation of funding award to the Greenville City Council for final award approval and authorizing the issuance of a letter of support or award pending project readiness.

**Jan. 22** - NCHFA Preliminary Application deadline

**Mar. 22** - Notification of site score

**Apr. 22** - Project revisions due to NCHFA

**May 22** - Full application due to NCHFA

**Aug. 22** - Notification of awards

Ms. Fisher asked how many developers would you anticipate in supporting.

Ms. Berryman stated that she anticipate supporting one (1) application through this process.

Mr. Brock asked does the grant money go towards land acquisition as well or just development costs for the construction.

Ms. Berryman stated that it is negotiable. Typically, land acquisition is not included. Finance is made available at the end so that would not be helpful if they are looking for an acquisition. However, it would be negotiable if it is something of interests.

Ms. Fisher requested that Ms. Berryman forward the committee the PowerPoint with this information.

Ms. Berryman agreed.

Mr. Cherry asked if this is looking like a year project according to the timeline.

Ms. Berryman stated potentially if the developer has not already received an award from the State then we are looking at a notification of a final award this time next year. However, if staff move forward after the recommendation from the committee, a developer should be ready by the first of the year. The City will be open to funding projects that were awarded in 2021 or 2022. However, they both would be required to submit similar documents and staff would access them equally understanding that there are points for project readiness. The City has an obligation to get money out the door, therefore, it would be more attractive to make those funds available now and have them committed and expended.

Ms. Fisher asked how many developers would apply.

Ms. Berryman stated that it is hard to say. There are a lot of factors right now and a lot of change over the past year that may have or may not have been anticipated in applications that were submitted last year. Therefore, there may be interest from developers who are experiencing unique challenges who may need support.

Mr. Cherry asked if the City would be willing to split the funds if there are multiple developers that meet the criteria and you see the need in the investment and proposal of what they are trying to do. There may be more than one applicant coming in that can benefit from the City.

Ms. Berryman stated that the State will not issue tax credits to more than one project in our City for the year. However, the City is split between 2021 and 2022 applicants. If we have a very strong candidate for 2021 and a strong candidate for 2022, then we could make a hard commitment to the one that has already received tax credit and a soft commitment to a 2022 applicant pending that they do receive an award from the State.

## **F. Staff Report**

### **a. COVID-19 Emergency Rental Assistance Program**

Ms. Guttman informed the committee that the City of Greenville has received a total of 332 applications of which 194 have been approved and the funds have been distributed. The range of payments made were from \$129 up to \$1,500. The grant paid up to three months of back rent and not to exceed \$1,500 which ever came first. Ms. Guttman stated that although the City was not able to help everyone, she worked with other programs to assist citizens with receiving as much assistance with their rent as possible. The City allotted \$225,600 to distribute and the total awarded to applicants was \$238,879.

Ms. Guttman informed the committee about the Emergency Business Assistance Program. This program has been moving slow due to businesses having access to other funds that were available prior to the City's program. The program had 26 applicants and 9 was approved. The criteria for this program is stricter and the award is larger in the amount of \$15,000. The total grant amount awarded to date is \$122,462. However, this program is still available due to funds currently available.

Ms. Fisher asked if the program will continue to run until the funds are exhausted.

Ms. Berryman stated that we have exceeded our budget for the rental assistance program. Staff is preparing a substantial amendment to the Annual Action Plan to create flexibility to utilize the funds elsewhere. The City has three (3) years to expend 80% of the funds. Staff anticipate opening additional programs to allow flexibility. Staff will address the committee in the future with a plan on how staff anticipate to utilize the funds.

### **b. Lead Hazard Control/Healthy Homes Program**

Ms. Johnson informed the committee that applications are still available for the program and gave the contact information for those interested in applying for the Lead Hazard Control & Healthy Homes Program. Citizens units must be located in the City limits of Greenville, built before 1978, owner occupied as well as rental housing units, must be occupied or visited frequently by a child under the age of six (6) or a pregnant woman. Some effects of lead poisoning include developmental delays, learning difficulties, premature births and low birth rates as well as slowed growth. There are health issues for adults as well but this program targets homes of young children. What we would do is work with a third party to test the housing unit for lead, abate lead in the home and replace contaminated topsoil as well as address healthy housing hazards such as damp & mold growth, entry by intruders, lighting and falls associated with baths (etc.). For more information, please contact Sylvia Brown at 252-329-4509.

**c. Homeownership Education Workshop**

Ms. Johnson informed the committee about the Homeownership Education Workshop. Below is the posted schedule for those interested in attending the workshop that there will be limited seating so an RSVP is required and due to COVID-19, temperature checks will be done at the door and is required for all. A mask is also required and will be provided if needed. If anyone is interested in signing up for the workshop, please call 252-329-4056.

Homeownership Education Workshop Schedule 2021

- January 16, 2021
- February 20, 2021
- March 20, 2021
- April 17, 2021
- May 15, 2021
- June 19, 2021
- July 17, 2021
- August 21, 2021
- September 18, 2021
- October 16, 2021
- November 20, 2021
- December 18, 2021

**d. City Offices open to the public**

- Monday through Friday (8 a.m. – 5 p.m.)
- Please wear a mask unless fully vaccinated & maintain social distance (6ft)

**e. Next AHLC meeting**

- September 8, 2021
- 4:00 p.m.
- City Hall Council Chambers

Ms. Berryman addressed the concerns about meeting face-to-face. The current resolution states there is not flexibility to meet virtually. Understanding the need to maintain health and safety of the committee members, we do have flexibility on how we meet physically to allow proper



spacing and social distancing. Staff is willing to do what they can to ensure the physical space when meeting meets the level of safety and security.

**G. Other**

Affordable Housing Loan Committee 2021 Meeting Schedule:

January 13	July 14
February 10	August 11
March 10	September 8
April 14	October 13
May 12	November 10
June 9	December 8

**H. Adjournment**

Ms. Fisher called for a motion. Motion was made by Mr. Cherry and seconded by Mr. Brock to adjourn. There were no objections to adjournment.

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Ronita Jones, Chairman

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Gayla Johnson, Staff Liaison