



Community Housing, Neighborhood Development and Public Safety Committee

Chaired by Council Member Golden

Committee Members: Golden, Peters, Scarborough, and Williams

April 2, 2019 – 10:00 a.m.

3rd Floor Lobby Conference Room

MINUTES

Present:

Chairman Jeff Golden, Committee Member Monica Peters, and Committee Member Don Scarborough [arrived at 10:19 a.m.]

Absent:

Committee Member Chris Williams

Staff Present:

Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; Mike McNair, Director of Community Development & Housing; Thanena Wilson, Assistant Director of Community Development; Michelle McNair, Community Resources Manager; Lori Loosemore, Local Codes Enforcement Manager; Jeron Hollis, Director of Communications & Public Engagement; Roslyn McNeill, Budget Analyst; Mary Brooks, Deputy City Clerk; and Lisa Vierling, City Clerk

Others Present:

Torian Morrow, UNC- Greensboro

News Media Present:

Pat Kimbrough, *High Point Enterprise*

Note: The following handouts were distributed during the meeting and are hereby attached as a permanent part of these proceedings.

- ✓ PP Presentation: Community Development & Housing Department, 2019-2020 Annual Action Plan
- ✓ The Coltrane Project, Proposed Organizational Structure

Chairman Golden called the meeting to order at 10:07 a.m.

1. Preview of the FY 2019-2020 Annual Action Plan

Mike McNair, Director of Community Housing and Development Department provided an overview of the FY 2019-2020 Annual Action Plan (AAP). The AAP is a 5-year consolidated plan that HUD requires annually. All entitlement cities and participating jurisdictions are required to prepare an AAP annually that describes sources, uses, and beneficiaries. It also contains an Analysis of Impediments to Fair Housing. The AAP is accessible to the public and is posted on the city's website.

The focus of the Annual Action Plan is **Strengthening Neighborhoods** and staff accomplishes this by setting goals that:

- ✓ Provide decent, affordable housing for low-to-moderate income families;
- ✓ Promote neighborhood and economic development;
- ✓ Assist with the provision of services for homeless populations; and
- ✓ Provide Strategic Code Enforcement

The **Annual Funding Sources** are:

1. The **CDBG Program** provides funding to develop viable communities by:
 - Providing decent housing,
 - A suitable living environment, and
 - Opportunities to expand economic opportunities, principally for low/mod persons.
2. The **HOME Program** funds housing activities that:
 - Build, buy, and/or rehabilitate affordable housing for rent, or homeownership, or
 - Provides direct rental assistance to low-income people.
3. **Core City Redevelopment Fund**
 - Operation Inasmuch
 - Core City Homebuyer Incentive Program

Mr. McNair then shared that these programs and goals are carried out according to HUD Income Guidelines and take into consideration the number of persons in a household as well as income in the household and are broken out into the following income levels:

- ✓ Extremely Low Income (30% of the Median)
- ✓ Very Low Income (50% of the Median)
- ✓ Low Income (80% of the Median), and
- ✓ Area Median Income (100% of the Median).

Mr. McNair provided an overview of the budget and project list and shared a graphic of the proposed sources (estimated at \$3,814,563) and uses (estimated at \$3,814,563). The estimated funding from the **proposed sources** is broken down as follows:

Funding Sources	Amount
Federal	\$2,584,236 (70%)
Local	\$975,299 (25%)
State	\$175,000 (5%)
TOTAL	\$3,814,563

Community and Neighborhood Development activities are provided through Community Capacity Building and Core City Redevelopment Activities. One of the aspects of the Community Capacity building is the Public Service Grants that are vetted and awarded by the Citizens Advisory Council. The total funding requested from various agencies in the community for the 2019 Public Services Grant requests is \$56,700.

The **Neighborhood Leaders Council** plays a major role in the success of the neighborhood development activities. The Neighborhood Leaders Council was started in 2006 to help neighborhoods come together to make a difference in their communities. Leaders meet once a month and often receive presentations of interest of things that will benefit the community. Presently, there are about 11 active neighborhood associations/watch groups.

Mr. McNair advised this is a powerful way to connect people in their communities and helps to break down barriers as people interact together.

Mr. McNair reported that the **Volunteer Income Tax Assistance (VITA) Program** continues to be extremely successful and has set another record. So far in the 2018 tax year, individuals who took advantage of the free income tax preparation services provided by VITA volunteers received \$1,108,665 in tax refunds.

Regarding **Housing Activities**, Mr. McNair pointed out that blighting influences weaken neighborhoods and the city continues to be proactive by putting resources into cleaning up the blighted neighborhoods because of the negative impacts that blighted houses have on the community. He shared that he often gets positive comments that the community is visibly cleaner.

Mr. McNair reported on the Affordable Housing Activities that are supported through the HOME Program funds as follows:

- ✓ Emergency/Urgent Repair;
- ✓ Operation Inasmuch (The next scheduled OIAM event will be on April 27th in the Southside community. OIAM targets neighborhood areas of greatest need through partnerships with the City of High Point, Community Housing Solutions, Housing Consultants Group, churches, and volunteers);
- ✓ CHDO Homeownership Development

- ✓ Homebuyer Assistance (the incentive amount was lowered this year from \$7,500 to \$5,000; about 39 applications for assistance have been received as of February; most activity is north of Martin Luther King Blvd.);
- ✓ Construction Training Program;
- ✓ Rental Housing Development;
- ✓ Pinnacle Bank Partnership (The city provides city-owned lots for development of affordable single-family housing units; Pinnacle Bank has committed to investing \$5 million in High Point for the construction of these housing units.)

Mr. McNair then shared some photographs showcasing some of the housing development in the Southside subdivision. Eleven homes are proposed in Phase I and two additional homes constructed in Phase II. Four homes have been built on Mobile Street; three homes are currently under contract with CHS.

Housing units have also been constructed in the Washington Terrace neighborhood. These houses were built and sold by Habitat for Humanity; 35 houses have been completed to date. Habitat issues and services their own mortgages and they expect to build 3-5 units in the coming year.

Mr. McNair advised that a new housing project is underway: The Townhomes @ Meredith. New Paths Development and Consulting, Inc. is proposing to build 42 townhomes at 515 Meredith Street (the site of the former Meredith Street apartments that were demolished). Three bedroom, 2.5 bath units are proposed and will encompass 1,360 sq. ft. with an estimated rent of \$850 per month which is based on an approximate \$34,000 household income. The estimated cost for the project is \$4.2 million and the primary funding will come from a HUD 221(D)(4) loan. New Paths Development and Consulting will be asking for \$650,000 in a loan request from the city that will come from HOME funds. The project is currently under review by HUD and New Paths currently has a similar development underway in Columbia, SC. Mr. McNair shared some photographs of the project currently underway in Columbia, SC.

Torian Morrow, who was attending the meeting, interjected regarding the proposed rent of \$850 and pointed out this seems to be a lot for people who are underprivileged and cannot afford \$850 a month, especially based on a \$34,000 household income. He felt the rent should be focused on the people with extremely low incomes because they have a real need and cannot get affordable housing. Mr. McNair explained that the city is involved in different projects that are targeted at different levels while they are all within HUD guidelines. Committee Member Peters asked if staff could share about the income-based rent for Kirkwood Crossing. Mr. McNair explained that Kirkwood Crossing's rent is based on income and family size and pointed out that it is different because of the tax credit equity that drives the rent prices down.

Chairman Golden noted it would be hard to get \$850 a month for most of the properties in the radius of Meredith Street. Mr. McNair replied that HUD would require a market study/market analysis and it would have to be demonstrated that there is a market for this out there and HUD would have to be convinced.

Mr. McCaslin asked if HUD would require that this group manage it and if they would have to keep it for a certain period of time. Mr. McNair replied that HUD would certainly require they remain affordable.

A question was posed as to if the city owns the Meredith Street property where this housing project is proposed. Mr. McNair noted New Paths Development and Consulting, Inc. owns the property and stated they are totally committed to the project. This developer is doing a similar project in Columbia, SC; Mr. McNair shared some photos of the development site in Columbia which is very similar to what is being proposed for High Point. Mr. McNair advised that while they have not yet submitted a site plan, he thought there would be 6-7 buildings consisting of 42 units.

Annual Action Plan Schedule

Mr. McNair shared the 2019 Annual Action Plan Schedule. The first presentation and public hearing will be heard by the City Council on April 15th, with approval anticipated at the May 6, 2019 City Council meeting. The Annual Action Plan must be submitted to HUD by May 15th.

2. Update- The Coltrane Project

Randy Hemann, Assistant City Manager, distributed a handout identifying the proposed organizational structure for the committees associated with The Coltrane Project. He reported they had a good meeting where lots of ideas were shared and they realize that much more work needs to be done to refine the ideas.

Mr. Hemann recommended that Phyllis Bridges and Cyril Jefferson be appointed as co-chairs on the Oversight Committee.

Chairman Golden asked which subcommittee would be responsible for finding funding and Mr. Hemann replied it would be the Site/Function subcommittee as possibly the Preservation subcommittee. He advised there may be some grants, as well as some funding from the State.

Committee Member Peters reported that Phyllis Bridges has started a FaceBook page that contains a lot of information on the Coltrane Project.

There being no further discussion, the meeting adjourned at 10:33 a.m. upon motion duly made and seconded.

Respectfully submitted,

Lisa B. Vierling, City Clerk

Jeff Golden, Chairman