

City of High Point

*Municipal Office Building
211 S. Hamilton Street
High Point, NC 27260*



Minutes

Tuesday, March 2, 2021

4:00 PM

Council Chambers

Community Development Committee

*Christopher Williams, Chair
Wesley Hudson
Cyril Jefferson
Tyrone Johnson
Mayor Jay Wagner (Alternate)
Mayor Pro Tem Britt Moore (Alternate)*

As part of the city of High Point's on-going COVID-19 mitigation efforts, in-person attendance will not be allowed at this meeting. Instead, the meeting will be live-streamed and the public can listen to the meeting as it is being live-streamed by clicking on the following link www.HighPointNC.gov/VirtualPublicMeeting.

Community Development Committee - Council Member Williams, Chair

CALL TO ORDER

Chairman Chris Williams called the meeting to order at 4:00 p.m. Following a virtual roll call, the following attendance by committee members was duly noted.

Physically Present (4):

Chairman Chris Williams, Committee Member Cyril Jefferson, Committee Member Wesley Hudson, and Committee Member Tyrone Johnson

Also Participating Remotely:

Council Member Monica Peters

Staff Present: Randy McCaslin, Interim City Manager; Greg Ferguson, Assistant City Manager; Eric Olmedo, Assistant City Manager; Jeron Hollis, Managing Director; Mike McNair, Director of Community Housing & Development; Mary Brooks, Deputy City Clerk

Staff Participating Remotely:

JoAnne Carlyle, City Clerk; Thanena Wilson, Assistant Director- Community Development & Housing; Michelle McNair, Community Resource Manager; and Lisa Vierling, City Clerk

Also Participating Remotely:

Dr. Pamela Palmer, Chair- Guilford County Continuum of Care
Brian Hahne, Executive Director- Partners Ending Homelessness
Craig Stone- Wynnefield Properties
Davis Ray- Wynnefield Properties

Present 4 - Chair Christopher Williams, Council Member Tyrone Johnson, Council Member Wesley Hudson, and Council Member Cyril Jefferson

PRESENTATION OF ITEMS

[2021-86](#)

Update-Homeless Services-Guilford County Continuum of Care

Staff and Officers of the Guilford County Continuum of Care will provide an update on Homeless Services.

Dr. Pamela Palmer, Guilford County Continuum of Care Board Chair, advised that they continue to partner with Guilford County assisting in the work by serving as the collaborative applicant on record with HUD. She reported that the job description that was created for the Continuum of Care Program Manager has been agreed upon and the County has received applications and set up interviews scheduled for March 19th. Once the position is filled, this person will begin working with all parties involved. She then recognized Brian Hahne to provide an update on homelessness services.

Brian Hahne, Executive Director for Partners Ending Homelessness, added that as of yesterday, they were able to successfully register with HUD as the collaborative applicant on behalf of the Guilford County Continuum of Care, which was no easy feat. He spoke to much of the work being done by Dr. Palmer has stemmed from the "Stronger Together Task Force" which has been pretty focused on keeping the CoC intact as one body and the fact that Guilford County played in this role has been critical to that success. Another key task force that has been put into place is the Guilford County COVID-19 Response Task Force, of which Michelle McNair, the City of High Point's Community Resource Manager, serves on. Mr. Hahne shared that he has been facilitating this task force for the past year and shared the following highlights:

It has pulled together a network of shelter providers, city leaders, county leaders, funders, health care support, etc.....

They have moved 1,000 clients safely into shelter in the past year

They have accomplished this while the shelter system operates at 50% capacity or less

He expressed concern that while this is good, it has created a situation where folks are now either awaiting shelter placement or awaiting housing placement. He asked the Committee to be thinking collaboratively in partnership to come with other ways to help support the shelters, which are already at capacity. He stressed the need to start thinking more proactively because we are getting closer to recovering from COVID-19. He mentioned this as a future opportunity to engage the leadership and key stakeholders in High Point.

Following the update, Chairman Williams asked if there were any questions. Hearing none, he thanked Dr. Palmer and Mr. Hahne for the update and sharing the good news.

For Information Only

[2021-87](#)

Discussion-Affordable Housing, Tax Exempt Bond Funded Projects

Staff will provide information and discuss the Affordable Housing, Tax Exempt Bond funded projects.

Attachments: [4%BondUpdate_CityofHighPoint final](#)

Mike McNair, Director of Community Development & Housing, advised that this would be a dual presentation and recognized Craig Stone with Wynnefield Properties who is participating remotely.

Mr. Stone spoke to this being an extension of a number of the 9% tax credit communities they have presented over the years starting with Admiral Point, Addington Ridge, Kirkwood, Hartley Ridge, and Avondale. Wynnefield Properties is presenting two sites utilizing the 2021 4% LIHTC Bonds: Wendover Heights located at 5000 Wendover Avenue and a site located at 3023 S. Main Street.

He shared the following information on these proposed sites.

Wendover Heights, 5000 Wendover Avenue

216 units

Mix of 1, 2, and 3 bedroom units

Proposed Unit Mix

1 BR/1BA; 36 units; Rents up to \$807

2 BR/2BA; 108 units; Rents up to \$965

3 BR/2BA; 72 units; Rents up to \$1,111

Wendover Heights was submitted in the preliminary NC Housing Finance Agency (NCHFA) application round in January 2021

Final application will be submitted to NCHFA in May 2021

Mr. Stone explained these rents would actually range in the low \$500 range with some of the Department of Health and Human Services clients and would be upward to \$1,100. He spoke to these rents not yet being finalized; to them moving through the process for affordable rents; how the 9% tax credit competition is configured differently; and that they may have a better shot competitively in the process with this particular site.

3023 S. Main Street

Site is under contract with sellers

Up to 175 units (mix of 1, 2, and 3 bedroom apartments)

Site will be submitted in the second round (May 2021) of the NCHFA application process

Mr. Stone spoke to them targeting a similar rent structure for these units; to them working to finalize the rent structure; to there being a second round in May or June of this year for the 4% that they are targeting for this particular application; the time and effort that has been put into locating this site; and their hope that these will be competitive as they move through the process and being mindful of the city and its affordable housing goals.

Chairman Williams asked if there were any questions for Mr. Stone. Hearing

none, he turned the floor over to Mr. McNair to present information about the process, the credits, and the financing for multifamily housing revenue bonds.

Mr. McNair advised that housing revenue bonds are essentially bonds that are tax exempt because the interest from the bonds are exempt from income tax from the Internal Revenue Service (IRS) and explained it is a funding mechanism allowed by the State and the IRS to issue these bonds. He stressed that these are not General Obligation (GO) Bonds; they do not affect the city's credit rating; are not bond debt to the city; and the bond debt actually comes from the State but has to be issued by a local entity. He spoke to this being the same type of funding being used in the Daniel Brooks project; to the issuance of these bonds by the Housing Authority; to the Housing Authority not taking on the debt but being the conduit for the bonds to come through.

Mr. McNair emphasized these projects would be affordable housing and that the Housing Urban Development (HUD) guidelines would apply. He spoke to the fixed 4% rate in the legislation; how this makes a big different in projects of this size; how this makes it more usable for a developer; how this is good for the city because of the fierce competition on the 9% side; and how this gives the city another opportunity to get affordable housing into High Point on a larger scale than in the past.

The next steps in the process would be for the City of High Point to issue an Inducement Resolution which would let the State know that the city would issue the bonds if it is approved; May would be the target date for this. The players in the process would be the issuer (in this case the city); purchaser; underwriter; trustee; bond counsel; issuer's counsel; purchaser's counsel; underwriter's counsel; and borrower's counsel. Mr. McNair stated he would get confirmation that this would not be a financial liability to the city, that it does not affect the city's credit rating nor debt capacity, and there would be no claw-back clause in the case there is a default because that would be between the developer and the NC Housing Finance Agency. Mr. McNair explained the multifamily housing revenue bonds are not near as competitive of a process as the tax credits.

Chairman Williams inquired about the comparison of the applicants and the number of applicants for both processes. Mr. McNair explained the complicated nature of these deals, so a lot more of the applicants are going for the 9% tax credits, and although the bond side is also complicated, it allows for the ability to control costs to a certain degree. Mr. Stone confirmed this is correct and expounded on Mr. McNair's response.

Mr. Stone spoke to the equity being brought to the deal to be able to afford the affordable rent structures is ultimately multiplied by a factor related to the 9% or the 4%; there is less equity with the 4% which means it is a larger transaction to carry overhead costs; the competition is smaller on the 4% side; the deals are a

little more difficult and cumbersome as far as the guarantees, etc.... from the developer's standpoint; the competition with the bond allocation is a bit easier to work because it is a barrier of entry that is a little more difficult; the 9% side has become really competitive over the last several years to the point of having a very narrow window to achieve success; and working on the 4% side, while more difficult, allows more flexibility and a little more assurance moving through the process to be able to bring something across the finish line for the people in the community.

Chairman Williams asked about allowances for increased costs with the amount of issue for these bonds. Mr. Stone replied mentioned that the cost of wood right now has increased tremendously and explained such costs are moving targets in the current COVID situation; however, they continue to move through the process looking at rents, etc....in preparation of the final application. There are checks and balances built into the system to review the process as a whole.

Mr. McNair reiterated the complexity and complicated nature of tax exempt bonds. He referenced the flow chart contained in the presentation. He spoke to the city being the authority and once the bonds are sold, the funds come into the project as equity; to continuing the monitoring throughout the process by receiving, reviewing monitor reports regarding compliance with income requirements and confirming that the people living in the apartments are income eligible.

He then reviewed the Issuer's Responsibilities:

Adopt inducement or reimbursement resolution

Hold public hearing on proposed project and bonds

Adopt findings resolution making findings required by the Local Government Commission (LGC), if LGC approval is required

Adopt final resolution approving documents and financing (often done at the same time as the findings resolution)

Sign documents at closing

Post issuance: receive and review monitoring reports regarding compliance with low income requirements

Following his presentation, Mr. McNair stated staff would like to gauge support for them to continue pursuing these efforts.

A motion was made by Council Member Hudson, seconded by Council Member Jefferson, to forward a recommendation to Council to receive the report and any

additional information. Following a roll call vote by Chairman Williams, the motion carried by the following unanimous 4-0 vote:

Aye: 4 - Chair Williams, Council Member Johnson, Council Member Hudson, and Council Member Jefferson

2021-88

Update-Greater High Point Food Alliance

Carl Vierling will provide an update for the High Point Food Alliance.

Attachments: [GHPFA Summary of Accomplishments](#)

Carl Vierling, Executive Director- Greater High Point Food Alliance, shared some updates on how the Food Alliance has responded to COVID-19 in the last 12 months. He pointed out that food insecurity is one of the areas that has been impacted by the pandemic and shared the following statistics.

Prior to the pandemic, the food insecurity rate in NC was 12%;
A study was conducted in April/May that showed the food insecurity rate had increased to 41%;
High Point's food insecurity rate had been averaging around 24%;
A study conducted by the Chamber of Commerce this past Fall showed a food insecurity rate of 31%

He then briefly reviewed some of the projects that came out of their response to food insecurity and the pandemic as well as some upcoming projects.

Capacity Building Project (working with 24 different agencies to determine their needs so they can serve more people in the community) with the assistance of the Capacity Building Team who still meets on a weekly basis.

Emergency Food Boxes (GHPFA applied to become a disaster relief organization so they could purchase emergency food boxes from Second Harvest Food Bank of Middle Tennessee). They worked through Guilford County Schools, various community youth agencies, Senior Resources of Guilford, and with smaller independent local food pantries, Hayworth Cancer Center to get food into the community where that might not normally be the case.

Purchased grocery bags, hand sanitizer, masks, for agencies to use and distribute while serving people in the community.

Purchased food for HPCAV through the CARES ACT Grant through Guilford County.

Purchased culturally appropriate food for the refugee and immigrant population throughout the city with funding from the United Way of Greater High Point.

Continuing with the Food Security Fund to award grants in that program which has proved to be a tremendous impact to organizations and agencies that do not normally get funding, especially some of the smaller community gardens.

Pilot Project for NC called "Walk to the Store Day" scheduled to take place in May.

Working with NC State University to develop Standard Operating Procedures for

food recovery and working with the NC Legislature to obtain funding for this project through the Department of Health and Human Services.
Commissioned High Point University to do another food security survey similar to the one that was done five years ago.
Working with the Urban Agriculture Team, the Food Education Team to get information out and continuing food education classes.

Mr. Vierling recognized and expressed appreciation to the following agencies/entities/organizations who have contributed to the tremendous success of the GHPFA by providing funding, grants, assistance, volunteers, etc.....

Numerous volunteers
Numerous donors
Congdon Family Foundation
High Point Community Foundation
Foundation for Healthy High Point
Second Harvest Food Bank
Guilford County
Guilford County Department of Health and Human Services
Local Food Pantries
Wake Forest Baptist Health
Hayworth Cancer Center
Guilford County Schools
Senior Resources of Guilford
High Point Community Against Violence
United Way
Foster Caviness
Urban Agriculture Team
Food Education Team

In closing, Mr. Vierling mentioned the Food Finder App and the Community Resource Guides that are distributed and widely used as tremendous resources throughout the community. He shared that the Food Finder app has proved to be a phenomenal tool in the success of the GHPFA and the Greater High Point community. He asked for the city's continued support in helping the GHPFA continue to connect resources and people and noted they are now connecting to resources outside of High Point and that the work of the Food Alliance is being replicated in other communities.

Chairman Williams recalled when the GHPFA was first formed and started working on food insecurity. He attributed the GHPFA with raising much needed awareness of a critical issue in High Point surrounding food insecurity and successfully changing the tide. He shared that the transformation and impacts to these neighborhoods has been remarkable and that it was more than just meeting the food needs, but actually the joining together of the community members. He

thanked Mr. Vierling for his leadership role to help combat food insecurity in High Point and praised the GHPFA for its work.

For Information Only

[2021-89](#)

Discussion-Cassell Street Greenway

Staff will discuss the Cassell Street Greenway.

Chairman Williams advised that this matter would be removed from the agenda to allow time for staff to gather more information. There were no objections.

Family Justice Center

Chairman Williams mentioned that he met with Catherine Johnson, Executive Director for the Family Justice Center of Guilford County, and that there would be a need for presentations at future meetings in the Community Development Committee and the Public Safety Committee.

ADJOURNMENT

Chairman Williams asked if there were any objections to adjourning the meeting. Hearing none, the meeting was adjourned at 4:54 p.m.

Respectfully Submitted,

Chris Williams, Chairman

Attest:

Lisa B. Vierling, City Clerk