

RESOLUTION AUTHORIZING FINANCING FOR DEVELOPMENT OF 8 UNITS OF AFFORDABLE HOMEOWNERSHIP IN HAPPY HILL BY PROSPERITY ALLIANCE

WHEREAS, the City has a goal of providing permanent “gap” financing to leverage private and nonprofit resources and expand access to affordable homeownership opportunities; and

WHEREAS, the City of Winston-Salem, pursuant to G.S. 157-3(12) and other applicable community development statutes, is authorized to provide zero to low interest loans to support housing initiatives that increase the supply of housing for low- and moderate-income persons; and

WHEREAS, Prosperity Alliance, whose Managing Members are Marcus Kornegay and Shawn Kennedy, proposes the construction of eight (8) single-family homes on City-owned parcels located in the Happy Hill neighborhood (East Ward), to be sold to qualified homebuyers earning at or below 80% of Area Median Income (AMI); and

WHEREAS, the project will create new affordable homeownership opportunities, support neighborhood revitalization, and promote long-term housing stability and generational wealth for moderate-income families; and

WHEREAS, the City is conveying the subject parcels to the developer from the previous RFP, and this funding will support affordability, the completed homes will have a maximum sales price not to exceed \$240,000 and will be subject to a 15-year affordability period in accordance with the Housing Justice Act and Affordable Housing Ordinance; and

WHEREAS, a City investment of approximately \$30,000 per unit, for a total of up to \$240,000, is necessary to fund critical infrastructure improvements including site preparation, utility connections, and access improvements, thereby enabling development to proceed; and

WHEREAS, the project is required to be completed and receive certificates of occupancy within two (2) years of the fully executed award agreement; and

WHEREAS, a limited liability entity or affiliated ownership structure, as determined by Prosperity Alliance, its affiliates or assigns, will serve as the borrowing entity.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem hereby authorize up to \$240,000 in financing to support the development of eight (8) affordable homeownership units in the Happy Hill neighborhood by Prosperity Alliance, subject to the conditions contained in Exhibit A and related project documents.

BE IT FURTHER RESOLVED, that the Mayor and City Council authorize the City Manager to review and approve final funding terms and conditions, negotiate loan or subsidy agreements, and execute all contracts and documents necessary to carry out the activities herein authorized, in substantial accordance with applicable City guidelines and requirements.