

Exhibit A
A Summary of Citizen Comments and Responses
2024-2025 Annual Planning Process
(Questions and Comments in *bold italics*)

Is technical assistance available for homeowners to obtain funding under the Inflation Reduction Act (IRA)? Is the Housing Authority pursuing IRA funding?

The City, County, and Housing Authority would be interested in pursuing IRA funding.

What is the need for affordable housing? Has it gone up or down recently?

The Winston-Salem/Forsyth County Housing Study and Needs Assessment completed in 2018 cited a demand for 14,000 new housing units. The City has not completed an affordable housing assessment recently. The focus is on undertaking development projects.

What is the status of Cleveland Avenue Homes and Crystal Towers?

Redevelopment of the Cleveland Avenue Homes (CAH) public housing development is the focal point of the Choice Neighborhoods Initiative (CNI). Phase 1 of CNI, construction of 81 rental units on the former Brown Elementary site, is nearly complete. Phase 1 will provide offsite housing for some CAH residents. Redevelopment of the CAH property is in the planning and design stage.

The Housing Authority receives approximately \$4 million Capital Fund funding from HUD. Of that, \$1 million is used to cover the deficit to operate public housing, \$1.2 million is being used for repairs at Crystal Towers, and the remaining funds for repairs at other public housing developments. At Crystal Towers, funds have been used to relocate the laundry room, which was causing problems with the functioning of the elevators. One elevator is projected to be fully repaired at the end of January 2024, and the other elevator 2-3 months later.

Are funds available for operational costs to assist non-profits to develop affordable housing?

The annual community agency application process is open through Friday, January 26, 2024.

Please provide an update on permanent supportive housing (PSH).

The City is looking at various opportunities to develop affordable housing. The City is looking at acquiring property, such as vacant apartments, motels, and warehouses, to convey to an entity that would operate it as PSH. The City would also need a non-profit agency to provide wrap-around services to the residents. Last year the City issued a request for proposal to develop a City-owned property as PSH and got no responses.

Developers are frustrated because there is not a central development office at the City.

Noted.

Food insecurity is a real need in the community. The speaker has tried to obtain funding from the City for a community garden. Why is it so difficult to get funding for a community garden?

All federal funds have regulations outlining the requirements that must be followed when using the funds, including eligible activities, eligible costs, and who may benefit from the activity. If the City cannot document that it has followed the regulations, the City would have to repay funds to the federal government from local funds. The City will not fund community gardens with federal funds due to the risk on non-compliance. Organizations interested in operating a community garden may apply through the City's annual application process. Neighbors for Better Neighborhoods has a small grant program, and the North Carolina Cooperative Extension Service has programs on community gardens.

How have funds been used in the NRSA? Must projects be located in the NRSA to receive funding?

The Neighborhood Revitalization Strategy Area (NRSA) is a function of the Community Development Block Grant (CDBG) program and offers flexibility in some CDBG regulations. HUD encourages grantees to target funding in a geographic area to support community revitalization efforts. HUD's focus is on affordable housing and economic development, by which HUD means jobs. The City of Winston-Salem has two NRSAs – NRSA-North and NRSA-South. The Choice Neighborhoods Initiative is in NRSA-North, including the Brown School Lofts and the revitalization of Cleveland Avenue Homes, as well as infill housing in the Northeast Ward. Projects do not have to be located in the NRSA to receive funding.

A Section 8 voucher holder was contacted by a private company and wanted to know why.

The Housing Choice Voucher, or Section 8, program has had difficulty leasing vouchers since the Covid-19 pandemic. Part of this is due to internal issues at HAWS, including that half of the HCV intake specialists have left and hiring and training qualified staff has been challenging. To be more responsive, HAWS has engaged a private company to help keep up.

How do we know when applications for funding are available, what types of projects are eligible, and when applications are due? There is a perception that only people who are part of the network are considered.

The City acknowledges that the process and communication around applying for funds needs improvement and is reviewing its application processes for public services and housing development. The Continuum of Care application for homeless programs is a separate process with specific HUD requirements.

The City has an ordinance prohibiting sleeping in public spaces. What is the City doing to address homelessness? What happened to the hotel money?

The City Council approved HOME-ARP funds for supportive services at a hotel that Step-Up America would convert into permanent supportive housing. That project will not move forward, and the funds can be used for other eligible projects. Households that are homeless or at risk of homelessness are extremely low income, meaning their income is below 30% of the area median income (currently \$24,450 for a 4-person household and \$17,150 for a 1-person household), and rental units that are affordable to them are hard to find. In addition, developers find it hard to build

rental housing for extremely low-income households because the rental income would not be enough to cover the cost of building and maintaining the units. The City is looking for properties that could be converted to project-based units, such as apartments, motels, office buildings, and warehouses. A project-based unit is where the rental voucher is attached to the unit, not the tenant. The City would then need to identify an entity that would develop, own, and operate the units. The biggest need now is housing for families, and families are being sheltered in motels.

Accessory dwelling units (ADU) can help increase affordable housing.

It is difficult to use federal funds for ADUs since they must meet the definition of housing. ADUs can give a homeowner the opportunity to earn money by renting out the unit but also increase density in a neighborhood. The Winston-Salem City Council continues to have discussion on the issue.

There is a lack of investment in neighborhoods and understanding of what resources are available. The desires of the neighborhood are not being considered. How do we get more people working together? Decisions should be “bottom up.”

We get the community working together by communicating concerns, innovating new ideas, and implementing new strategies to address the concerns. Although we are limited on funding, if new strategies are feasible and in alignment with the City’s vision, it could potentially be implemented in the future. Staff operates at the highest level to serve the community, and communication of wanted or needed services by the community is the best way to ensure we keep the high level of service.

The City needs a Comprehensive Housing Plan.

A Comprehensive Housing Plan is a great idea. The plan should serve as a guiding document for the City Council, staff, and community to identify and address housing needs within the City of Winston-Salem. If a plan process is initiated, it is critical that the community is open, transparent, and realistic about what is needed. When creating a plan, the information included must be attainable and measurable.

How well is Section 3 doing?

Section 3 requires that contractors on construction projects where the amount of federal funds exceeds \$200,000 use low-income individuals and businesses to the greatest extent feasible. Brown School Lofts in the Choice Neighborhoods area had to comply with Section 3 and did very well.

What does the City’s street outreach worker do?

The City’s street outreach worker works in collaboration with other community partner organizations to provide engagement and resources to those who are living unsheltered. This can include information and referrals to local wrap around and supportive services as well as referrals and connections to emergency shelters.