

Resolution #20-0441
Resolution Book, Volume 2, Page 215

RESOLUTION AUTHORIZING FINANCIAL ASSISTANCE FOR PROPOSED MULTI-FAMILY HOUSING DEVELOPMENT AT WHITAKER PARK

WHEREAS, city staff has been approached by C.A. Harrison Cos. LLC (CAH) with a request to provide gap financing to support the development of the Whitaker Park Lofts, a 160-unit multi-family housing project in two of the historic former R.J Reynolds Tobacco Co. buildings located in the Whitaker Park complex; and

WHEREAS, the development will consist of 82 one-bedroom units, 60 two-bedroom units, and 21 three-bedroom units; and

WHEREAS, unit sizes will range from 595 to 1,283 square feet for the one-bedroom units, 1,035 to 1,848 square feet for the two-bedroom units, and 1,196 to 1,593 square feet for the three-bedroom units; and

WHEREAS, staff discussed with the developer the Mayor and City Council's desire to expand housing opportunities for persons of low and moderate income throughout the City; and

WHEREAS, as a result of those discussions, the developer has committed to set aside a minimum of 10% of the 160 units (16 units) as workforce housing units for households earning 80% and 120% of the area median household income for a 15-year period; and

WHEREAS, the set-aside units will consist of eight one-bedroom units renting for \$950 per month and eight two-bedroom units renting for \$1,250 per month; and

WHEREAS, the total projected project cost is approximately \$42 million and the developer is seeking gap financing from the City in the amount of \$1 million; and

WHEREAS, the developer requests that half of the assistance requested from the City be offered in the form of a grant and the remaining half be offered in the form of a loan to be amortized over a 20-year period at a 2% interest rate; and

WHEREAS, staff requests the flexibility to substitute any federal funds that the project is deemed eligible for funds approved from the Housing Finance Assistance Fund.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Winston-Salem that the City Council hereby authorizes a contribution of up to \$1,000,000 , in the form on a \$500,000 loan subordinate to a the construction loan at an interest rate of 2% and a \$500,000 grant pursuant to G.S. 160A-456, to CAH, its affiliates and assigns, for the Lofts at Whitaker Park, subject to obtaining all other sources of financing to complete the project and to the conditions contained in Exhibit A, “City of Winston-Salem Guidelines for Affordable Housing Assisted with City Funds: , attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED, by the Mayor and City Council of the City of Winston-Salem that the City Manager be authorized to review and approve , not inconsistent herewith, the final loan terms and conditions, negotiate permanent loan agreements, and execute contracts and documents necessary, subject to approval as to form and legality by the City Attorney, to carry out the activities herein authorized in substantial accordance with the form and guidelines attached hereto and incorporated herein by reference.