

City Council – Action Request Form

Date: April 12, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Tasha Logan Ford, Assistant City Manager
Marla Y. Newman, Community Development Director

Council Action Requested:

Resolution Approving the FY 22 Housing and Community Development Program and Authorizing Submission of the 2021-2022 Annual Plan to the U.S. Department of Housing and Urban Development

Strategic Focus Area: Livable Neighborhoods

Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The Winston-Salem/Forsyth Housing Consortium is currently completing the third year of its 2019-2023 Consolidated Housing and Community Development Plan. This Council Action contains the proposed Annual Plan for the fourth year of the five-year plan (2021-2022). The Annual Plan is due to HUD no later than May 15, 2021.

The City's allocation of CDBG grant funds is \$2,136,671 (a 3.4% decrease (\$-74,282)), \$1,348,537 (a 1.9% increase (\$25,163)) in HOME funds, \$188,585 in ESG funds (a 1.6% decrease (\$-3,032)), and \$710,304 in HOPWA funds, for an overall allocation increase of 17.7%. The City will receive \$1,072,137 of the HOME funds, and the County \$276,400. The City will receive an additional \$2,383,000 in Continuum of Care funds on behalf of local agencies providing homeless program services beginning in April 2022. The City also expects to receive \$212,500 in additional ESG funds from the State of North Carolina during FY22.

Committee Action:

Committee	Finance 4/12/2021 CDHGG 4/13/2021	Action	Approval
For	Unanimous	Against	

Remarks:

The City of Winston-Salem will become an entitlement grantee of the Housing Opportunities for Persons with AIDS (HOPWA) program effective July 1, 2021. HOPWA provides housing assistance and related supportive services to meet the housing needs of low-income persons and their families living with HIV/AIDS. Funds may be used to provide tenant based rental assistance, short-term rental assistance, and housing referrals, tenant counseling, and costs associated with locating housing. The City's HOPWA program will serve clients in Forsyth, Davie, Davidson, Surry, Stokes, and Yadkin Counties.

Program activities in this plan also represent the continuation of ongoing programs and previously approved project activities as well as the appropriation of funds to initiate other recommendations contained in the 2019-2023 Five-Year Plan. An increase in HOME funds, a decrease in CDBG funds and projected CDBG program income, and the addition of HOPWA funds provide opportunities for funding projects. The results are: 1) consistent funding for public service and homeless programs; 2) increasing services to persons living with HIV/AIDS; and 3) adequate funding for single-family production and homebuyer assistance. The budget maintains appropriations for the rehabilitation program and for financial and technical assistance to small businesses. A special project and financing commitment for FY22 are summarized as follows:

- Choice Neighborhoods Initiative (CNI) - The City is committing \$500,000 in CDBG funds per year for six years. FY22 is the second year of the commitment. Funds will be used for clearance and publicly owned infrastructure in support of the development of affordable housing.
- The City has created the Permanent Supportive Housing (PSH) Development Program to increase housing options for Winston-Salem residents who are low income and/or are currently experiencing homelessness.

Housing rehabilitation is the forefront category of program activity, relative to the allocation of funds, totaling \$3,117,118, or 34.8%, of total projected expenditures. Financing is in place to meet first-time homebuyer demand in redevelopment areas and City assisted subdivisions and locations where activity is projected to take place and in scattered site infill locations to be developed by Habitat for Humanity and other approved community development corporations (CDCs) and developers.

Subgrantee agency requests are being finalized for funding consideration as a part of the City's annual budget review process. Review committees reviewed and rated proposals. A list of their recommendations, on which the CHCD Annual Plan budget is based, is attached.

An ongoing review and assessment of housing needs and program responsiveness is included in the CHCD and public review process. As a part of the Continuum of Care application process, an update of homeless and special population housing needs is undertaken each year. The City also consults with the Continuum of Care and its providers to discuss potential changes to homeless assistance programs, including the best use of Emergency Solutions Grant and Continuum of Care funds.

This Annual Plan was prepared with public input, relative to needs, obtained through public hearings on October 22, 2020 and March 18, 2021 held virtually due to COVID-19 restrictions, and an ongoing series of consultations with supportive service providers, advocacy groups and coordinating bodies. Notices for these meetings were published in *The Chronicle* and the *Winston-Salem Journal* and on the City's website and social media. Citizen comments and questions expressed at the public hearings were on the Choice Neighborhoods Initiative, the availability of affordable rental housing, including for persons with barriers such as felonies, eviction moratoriums, and street outreach.

The 2021-2022 Consolidated Housing and Community Development Annual Plan complies with all federal submission requirements as well as the CDBG and ESG statutory requirements for local entitlement communities and the HOME program for Consortia. Attached are an appropriate resolution and the proposed Annual Plan revenue and expenditure projections and program summary.

The full draft Annual Plan is posted on the City's website for public review and comment beginning April 8, 2021 at <https://www.cityofws.org/2906/Annual-Action-Plan>.