

Resolution #22-0256
2022 Resolution Book, Page 124

RESOLUTION AUTHORIZING PERMANENT FINANCING FOR A 62-UNIT FAMILY RENTAL DEVELOPMENT KNOWN AS THE FLATS AT PETERS CREEK

WHEREAS, the City’s Consolidated Plan has a goal of providing permanent “gap” financing to leverage private mortgage funds; and

WHEREAS, Shelter Investments Development Corporation, Sylvan Road Partners, LLC, and The Shalom Project, Inc. are applying to the North Carolina Housing Finance Agency for 2022 Low-Income Housing Tax Credits to construct a 62-unit family rental development at 600 Peters Creek Parkway, known as The Flats at Peters Creek; and

WHEREAS, a limited liability company, to be known as No Hotel, LLC, its affiliates or assigns, will be the borrowing entity; and

WHEREAS, the City of Winston-Salem granted \$600,000 to PCCI Land, Inc., an entity of The Shalom Project, Inc., to purchase The Budget Inn and recorded a Declaration of Restrictive Covenants and Conditions at Book 3459, Page 971 of the Forsyth County Registry; and

WHEREAS, delays in project financing and construction necessitate amending the Declaration of Restrictive Covenants and Conditions and any accompanying agreements as follows: 1) the development will consist of at least 62 dwelling units, 2) the development will consist of at least 16 units affordable to households at or below 30% of the area median income and the remaining 46 units to households at or below 60% of area median income, 3) construction shall be complete and ready for occupancy within six years of the execution of the Declaration (May 8, 2025), and 4) the 50-year affordability period shall terminate on May 8, 2071.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem authorize up to \$500,000 in permanent financing for The Flats at Peters Creek, subject to award of 2022 Low Income Housing Tax Credits from the North Carolina Housing Finance Agency and the conditions contained in Exhibit A, attached hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED, that the Mayor and City Council authorize amending the Declaration of Restrictive Covenants and Conditions as provided herein.

BE IT FURTHER RESOLVED, that the Mayor and City Council authorize the City Manager to review and approve final loan terms and conditions, negotiate permanent loan and subordination agreements, and execute contracts and documents necessary to carry out the activities herein authorized in substantial accordance with the form and guidelines attached hereto and incorporated herein by reference.