

## City Council – Action Request Form

**Date:** September 11, 2023

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

**From:** Patrice Toney, Interim City Manager

**Council Action Requested:**

Resolution authorizing permanent financing and conveyance of a City-owned lot, near the intersection of Motor Rd and Old Walkertown Rd. to Wynnefield Properties, Inc. for the purpose of increasing the supply of affordable housing for low- and moderate-income persons by development of 216 affordable rental units known as The Lofts at Motor Road, in the Northeast Ward, as permitted by S.L. 2021-44; S.B.145 and N.C.G.S. § 157-3(12).

**Strategic Focus Area:** Livable Neighborhoods

**Strategic Objective:**

**Strategic Plan Action Item:**

**Key Work Item:**



**Summary of Information:**

The City of Winston-Salem, acting as a housing authority pursuant to G.S. 157-3(12), and pursuant to additional community development related statutes, has the authority to make low interest loans for a housing initiative that provides or increases the supply of housing for low-and-moderate persons.

Wynnefield Properties, Inc. located at 5614 Riverdale Dr. Jamestown, NC 27282 is applying to the North Carolina Housing Finance Agency (NCHFA) for Low Income Housing Tax Credits for development of the affordable rental project known as The Lofts at Motor Road.

The City of Winston-Salem will loan \$6,579,000 from ARPA revenue replacement funds as permanent debt for a term of 40-years at 2% with principal and interest payments payable from Cash Flow to that project known as the Lofts at Motor Road. Such financing is necessary to make the project viable and is otherwise not available.

**Committee Action:**

<b>Committee</b>	CD/H/GG, FC-9/12/2023	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	
<b>Remarks:</b>			

Further, under S. L. 2021-44; S.B. 145, the City of Winston-Salem has the authority to convey City-owned real property for the purpose of increasing the supply of affordable housing for low-income and moderate-income persons.

Wynnefield Properties, Inc. has offered to purchase, for the total of \$1, +/- 18.5 acres of a City-owned lot located near Motor Rd near Old Walkertown Rd., as delineated on the attached map, for the development of the project known as Lofts at Motor Road. The subject lot is vacant and recently placed back on the market after being returned to the City.

Execution of the loan agreement for allocation of the funds and purchase agreement for conveyance of the subject lot will be on or before December 31, 2024.

The Lofts at Motor Road, owned and developed by Wynnefield Properties, Inc., will be required to adhere to the City's Affordable Housing Ordinance (AHO), Housing Justice Act, and the Declaration of Deed Restrictions with respect to the development of the property, adherence to the affordability period (30 years), identify prospective renters in accordance with the AHO, and for the use stipulated in the purchase and development agreement.