

City Council – Action Request Form

Date: August 12, 2024

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

From: Aaron King, Assistant City Manager
Shantell McClam, Neighborhood Services Director
Samuel Hunter, Assistant Neighborhood Services Director

Council Action Requested:
Resolution approving the forgiveness of the remaining Housing Finance Fund Loan balance of \$156,869.89 for the property at 207 N. Spring Street. (Northwest Ward)

Strategic Focus Area: Livable Neighborhoods
Strategic Objective: Character and Condition of Neighborhoods
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:
 On July 6, 2001, the Housing Partnership of Winston-Salem/Forsyth County was provided with a Housing Finance Fund Loan in the amount of \$426,400 for the property located at 207 N. Spring Street. Currently, the remaining balance of the loan is \$156,869.89. By resolution on November 18, 2019, the Mayor and City Council agreed to forgive said outstanding balance as a part of a prospective sale of the property. That sale fell through, and the prior resolution needs to be forgiven.

The request from the new prospective property owners is for the City to forgive the remaining loan balance of \$156,869.89 and remove the existing lien in exchange for a fully renovated property that is made affordable for a 30-year period to individuals whose incomes are between 30% and 50% of the area median income (AMI).

Spring Street Co-Op, LLC (the prospective new owners) affirms the property will have the same unit count with two (2) studio and three (3) 1-bedroom units, while still offering ample off-street parking. All renovations and repairs to the property will be completed within a year with no other financial investment from the City. The LLC will encumber the property with restrictive covenants to ensure that the property remains affordable to households earning between 30% and 50% of the AMI for at least 30 years. Supporting documents are included as Exhibit A.

Committee Action:

	Committee of the Whole		
Committee	8/12/2024	Action	Approved
For	3-Adams, Scippio, Mundy	Against	
Remarks:		Abstain - 1 - Clark	