

## City Council – Action Request Form

**Date:** May 12, 2025

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

**From:** Shantell McClam, Neighborhood Services Director  
Angel Wright-Lanier, Assistant City Manager

**Council Action Requested:**

Review and Approve the FY26 Consolidated Housing and Community Development Program and the Proposed 2025-2026 Annual Plan Submission of the Consolidated Housing and Community Development Plan (CHCD) to the U.S. Department of Housing and Urban Development (HUD)

**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 second year of its 2024-2028 Consolidated Housing and Community Development Plan. This Council Action contains the proposed Annual Plan for the third year of the five-year plan (2025-2026). Normally the Annual Plan is due to HUD no later than May 15<sup>th</sup>. However, submission has been delayed this year because Congress was late passing the government's budget. The Annual Plan will be submitted to HUD no later than June 30, 2025.

Since HUD has not published Federal Fiscal Year (FFY) 2025 allocations, the budget in this plan is based on current-year amounts for Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funds: CDBG funds of \$2,021,331; HOME funds of \$1,207,604.75, of which the City will receive \$990,604.75 and Forsyth County \$217,000; ESG funds of \$178,127; and HOPWA funds of \$846,384. The City expects to receive \$2,746,359 in Continuum of Care funds, on behalf of local agencies providing homeless program services beginning in April 2026. The City also expects to receive \$204,421 in additional ESG funds from the State of North Carolina during FY26.

**Committee Action:**

**Committee**

**Action**

**For**

**Against**

**Remarks:**

Estimated level funding in CDBG, ESG, HOME, and HOPWA entitlement funds still provide for funding projects. The results are: 1) consistent funding for public service and homeless programs; 2) maintaining services to persons living with HIV/AIDS; and 3) adequate funding to meet single-family production, homebuyer assistance, and multifamily housing commitments. The budget provides appropriations for the rehabilitation program and for financial and technical assistance to small businesses. Special project and financing commitments for FY26 are summarized as follows:

- Choice Neighborhoods Initiative (CNI) - The City is committing \$500,000 in CDBG funds per year for six years, and FY26 is the sixth year of the commitment. The City will also provide additional CDBG funds for Phases CNI 2 and 3 to help cover a financing gap. Funds will be used for publicly owned infrastructure in support of the development of affordable rental housing.
- The City has committed \$1,500,000 in HOME-ARP funds to Family Services, Inc. toward replacement of its congregate emergency shelter for victims and survivors of domestic violence with a non-congregate shelter.

Multifamily housing production and programs for the homeless have become forefront categories of program activity relative to allocation of funds. Financing is in place to meet homeowner rehabilitation and first-time homebuyer demand as well as activity projected to take place 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. A review committee reviewed and rated proposals.

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 January 10, 2025 and April 23, 2025 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.

The 2025-2026 Consolidated Housing and Community Development Annual Plan complies with all federal submission requirements as well as the CDBG, ESG, and HOPWA statutory requirements for local entitlement communities and the HOME program for Consortia. Attached are an appropriate resolution, the proposed Annual Plan revenue and expenditure projections and program summary.

The full draft Annual Plan will be posted on the City's website for public review and comment beginning May 22, 2025 at <https://www.cityofws.org/2823/Planning-and-Reporting>.