

## City Council – Action Request Form

**Date:** February 11, 2019

**To:** The City Manager

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

**Council Action Requested:**

Ratify action taken on November 15, 2018 allowing S.G. Atkins Community Development Corporation to repay \$113,760 of the \$125,090 construction loan for 3248 Ridgeback Drive, and making a grant to the development project in the amount of \$11,300, which is the repayment shortage of the construction loan.

**Strategic Focus Area:** Livable Neighborhoods

**Strategic Objective:** Expand Housing Assistance Programs

**Strategic Plan Action Item:** No

**Key Work Item:** Yes



**Summary of Information:**

The City of Winston-Salem entered into a development agreement with S.G. Atkins Community Development Corporation (CDC) for development of single-family housing in the Ridgewood Place subdivision. Under the agreement, the City sells a lot to the CDC, finances the lot sale for a period of up to one (1) year, and loans the CDC funds to construct a house. The CDC is to repay the construction loan on sale of the house to a homebuyer.

A house in the subdivision located at 3248 Ridgeback Drive was under contract and scheduled to close on November 16, 2018. While the total due to the City was \$125,090.00, the closing statement indicated that the proceeds from the sale, after subtracting closing costs paid by the seller, would be \$113,760. Staff requested from Council authorization to provide a pay-off quote to the closing attorney for the proceeds from the sale, and forgive the CDC for the shortfall—approximately \$11,300.

Council granted this request on an emergency basis, and the closing took place as scheduled. Staff now requests that the Council ratify the action taken on an emergency basis.

**Committee Action:**

<b>Committee</b>	<u>Finance 2/11/19</u> <u>CDHGG 2/12/19</u>	<b>Action</b>	<u>Approval</u>
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<b>For</b>	<u>Unanimous</u>	<b>Against</b>	<u></u>
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**Remarks:**