

City Council – Action Request Form

Date: May 20, 2019

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

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

Council Action Requested:

Approve revised boundaries for two HUD Neighborhood Revitalization Strategy Areas (“NRSAs”) and authorize their submission to HUD.

Strategic Focus Area: Livable Neighborhoods
Strategic Objective: Expand Housing Assistance Programs
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:

According to recent U.S. Department of Housing and Urban Development (HUD) guidance, the City of Winston-Salem must submit a new Neighborhood Revitalization Strategy because of the age of the existing strategy. The City submitted a new strategy as part of the 2019-2023 Consolidated Plan that uses the existing Neighborhood Revitalization Strategy Area (NRSA). Based on a HUD program audit in April 2018, the Community Development Department has learned that the submitted Area is not acceptable to HUD and proposes a change to the boundaries of the NRSA, which will allow for a more targeted investment of Community Development Block Grant and HOME Investment Partnership funds from HUD.

The Mayor and City Council considered revised boundaries at the November 26, 2018, meeting and referred the item back to the Community Development/Housing/General Government Committee. Since then, in February 2019, HUD published new data on which an NRSA must be based. Based on the new data, the Community Development Department is proposing two NRSAs, an NRSA – North and an NRSA - South.

Committee Action:

Committee	<u>CDHGG 5/21/19</u>	Action	<u>Approval</u>
For	<u>Unanimous</u>	Against	<u></u>
Remarks:	<u></u>		

The NRSA is a way to target CDBG resources in support of community revitalization efforts. The NRSA design should provide viable solutions that address affordable housing and economic opportunity needs, as well as other long-term community improvements. In addition, improvements should be apparent to the intended beneficiaries, which are principally the low- and moderate-income residents of the specific neighborhoods.

As set out by HUD, an NRSA must be contiguous, primarily residential, and encompass a minimum percentage of low- and moderate-income residents. According to the new data, the minimum percentage is 69.7%. The two proposed NRSAs each meet these requirements. By concentrating the investment of federal funds in these neighborhoods, the City is more likely to achieve a higher level of visible improvement and impact. Such targeted investments will not only support enhancing the overall well-being of the neighborhoods, but can also serve as a catalyst for additional neighborhood improvements by area homeowners, affordable housing investors and businesses.

The attached resolution adopts the proposed revised NRSAs and authorizes their submission to HUD. The proposed revisions will be submitted to HUD as part of the 2019-20 Consolidated Plan and must then be approved by HUD. A map of the existing NRSA and the two proposed NRSAs are attached.