



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2021-350

Agenda Item# E.5.

Agenda Date: 10/19/2021. **Department:** Neighborhood Development
Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2021 - 350 Resolution Approval a \$3,030,700 Loan to Partnership Homes, Inc., for Acquisition of 2701 N OHenry Blvd

Council Priority: Place an 'x' in the box.

- ☐ Create an Environment to Promote Economic Development Opportunities and Job Creation
- ☐ Maintain Infrastructure and Provide Sustainable Growth Opportunities
- ☒ Promote Public Safety & Reduce Crime
- ☐ Exceptional Customer Service and a Diverse City Government Workforce
- ☐ Ensure Fiscal Stewardship, Transparency, & Accountability

Council District: 2

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Michelle Kennedy, Ext 2509

Contact 2 and Phone: Cynthia Blue, Ext 7376

PURPOSE:

City Council is requested to consider a \$3,030,700 loan of 2016 Housing Bond funds to Partnership Homes, Inc., for acquisition of the Regency Inn and Suites motel located at 2701 N OHenry Blvd for use as affordable housing.

BACKGROUND:

Partnership Homes, Inc., has submitted a proposal to acquire the Regency Inn and Suites motel located at 2701 N OHenry Blvd to be operated as a motel providing affordable housing including non-congregate shelter. Supportive services and housing support through the cold weather season will be provided through the Winter Emergency partner agencies including the Interactive Resource Center, YWCA, and Greensboro Urban Ministry.

Due diligence has been completed related to the acquisition and continued motel use through the winter as a COVID-19 non-congregate shelter location. Appraised value of the property is \$2,410,000.

Additional planning work is underway regarding the future conversion of the site to permanent supportive housing. The City is contracting with the Corporation for Supportive Housing to provide technical assistance related to permanent supportive housing operations, supportive services, and options for rehabilitation financing.

The intended use of the property is for permanent supportive housing for chronically homeless and disabled individuals who have the highest acuity needs and are high frequency utilizers of emergency, health and homeless system resources. National studies and data have shown substantial decreases in costs for emergency room, detox center, psychiatric inpatient, incarceration, police/fire response calls, and shelter system resources as a result of housing those with the highest need.

<https://www.csh.org/wp-content/uploads/2020/08/CSH-Lit-Review-All-Papers.pdf>

Project rehabilitation needs assessment and preliminary site design work have been completed by Teague, Freyaldenhoven, Freyaldenhoven Architects and Planners, LLP. Final designs will be dependent on the space needs of on-site services providers and potential final funding sources including North Carolina Housing Finance Agency.

The City funding for acquisition will be provided in the form of a twenty year, zero percent interest, deferred payment loan, for the duration of the use as affordable housing or non-congregate shelter.

BUDGET IMPACT:

2016 Housing Bond funds are available to support the project.

ACCOUNT NUMBER:

1,000,000	483-2201-02	Special Populations
1,467,577	483-2201-07	Supportive Housing
<u>563,123</u>	483-2201-08	Emergency Repair
3,030,700		

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve a \$3,030,700 loan of 2016 Housing Bond funds to Partnership Homes, Inc., for acquisition of the Regency Inn and Suites located at 2701 N OHenry Blvd for use as affordable housing and authorize the City Manager to execute the loan documents.