



City of Greensboro

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

Agenda Report

File Number: 2025-54

Agenda Item# I.7.

Agenda Date: 3/4/2025. **Department:** Housing and Neighborhood Development
Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2025 - 54 Resolution to Authorize Additional \$1,000,000 to Community Renewal Corporation for 1632 Ball Street Multi-family Development

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

- | | |
|---|--|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input checked="" type="checkbox"/> Abundance of Attainable Housing | <input type="checkbox"/> Other/Admin <u>Briefly Explain 3 word maximum</u> |

Council District: 2

Public Hearing: No

Advertising Date: N/A

Contact 1 and Phone: Nasha McCray, Ext. 2002

Contact 2 and Phone: Sue Schwartz, Ext. 2149

PURPOSE:

City Council consideration is requested for an additional allocation of \$1,000,000 in City ARP-enabled local funds to support the development of 24 affordable multi-family apartments at 1632 Ball Street, known as Solomon's Plaza Apartments.

BACKGROUND:

On July 17, 2018 Council authorized a commitment of funds of \$855,000 for two East Greensboro Housing Development Projects known as Solomon's Plaza and Richardson Village. In February 2019, a loan agreement was executed between Trinity Consulting and Development, LLC for \$700,000 in order to construct 24 family apartment units at 1632 Ball Street (Solomon's Plaza).

Due to the rising cost of construction, labor, and COVID-19, Trinity Consulting and Development, LLC approached the City Manager's office regarding an additional \$1,000,000 to be loaned to a non-profit, Community Renewal Corporation, affiliated with the members of Trinity Consulting & Development LLC.

The City has reviewed the updated financial documents for the proposed project. The project meets the City Housing and Neighborhood Development underwriting standards with the

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exception of a lower vacancy rate assumption and a lower Debt Service Coverage Ratio (DSCR) than typically required for the life of the loan. Loan terms consist of a 30-year loan with a 0.5% interest rate. Units are affordable at 80% of area median income.

Senior lending of \$3.3 million will be provided by M&F Bank. The current City \$700,000 loan with Trinity Consulting & Development LLC is expected to be assumed by the non-profit entity Community Renewal Corporation at property transfer. The total City investment will be \$1.7 million.

MWBE goals have been established for the project at 18% MBE and 15% WBE.

BUDGET IMPACT:

At the January 3, 2023 City Council Meeting, members of Council requested the City Manager allocate \$1,000,000 from the American Rescue Plan enabled fund source for the purpose of Affordable Housing Program Support and \$250,000 for Tornado Reinvestment. Available funds are budgeted in City ARP-enabled local fund accounts.

ACCOUNT NUMBER:

\$ 250,000 411-21-2180001 Tornado Reinvestment
\$ 750,000 411-21-2180004 Program Support
\$1,000,000

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council authorize financing commitments, including an amended second position City lien for Community Renewal Corporation, totaling \$1,700,000 for the Solomon's Plaza project and authorizes the City Manager to waive underwriting deficiencies and execute loan closing and assumption documents for this multi-family affordable housing development project in conformity herewith the applicable City regulations associated with the source of funding.