

FINAL

**CONSOLIDATED HOUSING AND
COMMUNITY DEVELOPMENT PLAN**

**2014-2018 FIVE-YEAR PLAN
(INCLUDES 2013 – 2014 ANNUAL PLAN)**

**WINSTON-SALEM/FORSYTH HOUSING CONSORTIUM
May 15, 2013**

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CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN

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Executive Summary

Introduction

The Consolidated Housing and Community Development (CHCD) Plan integrates the assessment of need, program planning, program fund requests, and performance reporting into an integrated, collaborative process for jurisdictions eligible to receive one or more of the four formula entitlement programs. Under the Consolidated Plan, the City of Winston-Salem receives Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funds, and the combined city-county Winston-Salem/Forsyth Housing Consortium receives HOME Investment Partnership (HOME) funds.

The five-year CHCD plan, with annual action plan submissions, is a comprehensive planning tool for the definition of lower-income and special population housing needs, by type and scale, with accompanying priorities, strategies and programs to address the identified housing and other supportive service needs. The CHCD also contains non-housing community development needs and activities, traditionally eligible under the CDBG program. The purposes and advantages of the consolidated plan are as follows:

- To enable communities to develop a comprehensive housing and community development vision and to address local needs in an integrated manner with HUD funded program resources.
- To integrate planning and implementation of related needs – infrastructure, environmental protection, fair housing, supportive services and economic growth coordinated with human development.
- To allocate resources addressing physical and support needs of the homeless and populations with special needs along the "continuum of care."
- To facilitate "bottom-up" planning, collaboration, and public-private community partnerships.
- To reduce paperwork, improve accountability and measurable performance reporting and measurement.
- To provide a single grant submission which describes the annual investment plan, containing proposed activities and proposed expenditures within the context of the five-year strategies.

This CHCD plan complies with consolidated plan submission requirements contained in the January 5, 1995 final rule, as amended, as well as compliance with the statutory requirements of CDBG and ESG for local entitlement communities and the HOME program for Consortia. It is also consistent with the Consolidated Plan template introduced by HUD in summer 2012.

In 1992 the Winston-Salem/Forsyth Housing Consortium was formed by resolutions of the City of Winston-Salem as the lead entity, Forsyth County, and all of the other municipalities of the County to enable the entire county to qualify as an entitlement "participating jurisdiction" under the HOME Investment Partnership Program. The Consortium has been renewed every three years, most recently in spring 2013, and consists of the City of Winston-Salem, Forsyth County,

and the cooperating municipalities of Bethania, Clemmons, Kernersville, Lewisville, Rural Hall, Tobaccoville and Walkertown.

Summary of Objectives and Outcomes

The heart of the Consolidated Housing and Community Development Plan are the Goals (referred to by HUD and priority needs), Strategies (referred to by HUD as goals), and Programs. The 2014-2018 CHCD Plan retains the Goals of the current plan with a focus on development of the overall community environment in a holistic manner to achieve safe, sound, viable and enriching neighborhoods. Strategies related to the Continuum of Care to address homelessness have been updated to reflect changes required by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH) Act, and other Strategies have been revised to improve clarity. A primary focus of the Plan is toward maintaining core programs. The Goals and Strategies are as follows:

Goal 1: Housing Conservation and Neighborhood Revitalization

Strategies include: housing code enforcement, assistance to neighborhoods; owner-occupied housing rehabilitation programs, including acquisition/rehab; multi-family rental rehabilitation; physical improvements to neighborhoods; vacant lots and units for in-fill redevelopment.

Goal 2: Neighborhood Development and Housing Production

Strategies include: assistance to homebuyers, assistance to developers, redevelopment; multi-family rental production; energy efficiency and green building.

Goal 3: Expanding Access and Opportunities

Strategies include: housing and services for the homeless; coordination of funds and activities related to homelessness; fair housing; public services for economic self-sufficiency.

Goal 4: Expanding Economic Opportunities

Strategies include: entrepreneurial development; employment training opportunities; neighborhood commercial revitalization; downtown revitalization.

Goal 5: Expand Coordination and Accountability

Strategies include: coordination and partnerships with non-profits and regional bodies; performance benchmarks and reporting.

Nearly all of the City's Programs fall under four of the objective/outcome combinations in the HUD outcome performance measurement system:

- **Affordability for the purpose of providing decent affordable housing**
Single-family and multi-family rehabilitation, single-family and multi-family production, homebuyer assistance, tenant-based rental assistance
- **Accessibility for the purpose of creating suitable living environments**
Case management and counseling for self-sufficiency, emergency shelter and transitional housing for the homeless, homelessness prevention and rapid re-housing
- **Accessibility for the purpose of creating economic opportunities**
Financial and technical assistance to businesses, job training

- Sustainability for the purpose of creating suitable living environments
Redevelopment, enforcement, capacity building for neighborhood organizations

Summary of 2009-2013 Consolidated Plan Accomplishments

The following table summarizes progress in accomplishing the goals of the 2009-2013 Five-Year Plan. It consists of actual accomplishments in the first four years, through June 30, 2012, and an estimate for the fifth year. The recession and slow housing market were the primary reasons for the shortfall in New Construction Owner. Rental Rehab and Special Needs Projects suffered from a lack of interest by multi-family rental property owners and non-profits, although the Lead Hazard Control and Healthy Homes Housing Program Grant increased the number of single-family rental units completed. New Construction Rental benefited from the completion of two Low-Income Housing Tax Credit developments. Rising costs and houses in more severe condition, causing an increase in the cost per unit but with level funding, are the primary reasons for the shortfall in Owner Rehabilitation.

2009-2013 CONSOLIDATED PLAN PROJECTED FIVE-YEAR ACCOMPLISHMENTS						
		5-Year Goals	No. Completed	No. In Process	No. Cumulative	% of Goal
New Construction:	Owner	306	160	12	172	56.2%
	Rental	250	155	76	231	92.4%
Rehab/Repair:	Owner	390	227	48	275	70.5%
	Rental	450	191	0	191	42.4%
Existing:	Owner	182	139	10	149	81.9%
	Rental	250	232	50	282	112.8%
Special Needs Projs:	Rental	60	18	0	18	30.0%
Total Units		1,888	1,122	196	1,368	72.5%

Multifamily Rental. The City completed nine multifamily rental projects totaling 404 units during the 2009-2013 plan period, some of which were approved during the prior plan period. Two of the projects were rehabilitation projects totaling 155 units. Five of the projects totaling 231 units were new construction projects, and all included Section 202 from HUD or Low-Income Housing Tax Credits or Supportive Housing Development Program funds from the North Carolina Housing Finance Agency. Another two projects totaling 18 units were transitional housing special needs projects. The low number of rental projects accounted for the lower than expected accomplishments.

Owner-Occupied Rehab. The City completed 139 owner-occupied rehabs, and the County completed 88 owner-occupied rehabs during the 2009-2013 plan period. The City had 37 units in process at the end of the period, and the County had eleven units in process. A total of 25 of the completions were acquisition/rehab units in which the City or County assisted with both the purchase and rehab of the property, primarily with Neighborhood Stabilization Program funds. As was stated above, the cost of labor and materials has increased while the amount of available

funding has not kept pace. In addition, applicants' homes seemed to need more extensive repairs than before. This resulted in an increased cost per unit and a decrease in the number of units completed. City staff continued to maintain certification to provide inspection, testing and risk assessment for lead-based paint. Construction Training and Work Crew participants continued to work on City cases.

Single-Family Homeownership. The City and County completed (sale closed) 172 units of newly constructed housing and 149 units of existing housing to first-time homebuyers during the 2009-2013 five-year plan period. The number of families assisted for acquisition-only decreased steadily over the plan period, particularly for the County, and reflected not only the slow housing market and recession but also Neighborhood Stabilization Program funds that were available in 2010. New construction in the City was almost entirely houses completed by Habitat for Humanity.

Redevelopment. Progress in redevelopment areas has been slow due to the housing market and recession. In Liberty-Patterson #2, Goler Community Development Corporation built and sold the final two townhouses and arranged for Northwest Child Development Center to construct a day care center in the area. In Old Cherry #2, Habitat for Humanity built and sold 16 houses on Cherry Street and 14 houses in Glenn Oaks, which is the single-family subdivision of the Kimberly Park Terrace HOPE VI project. In addition, Habitat has begun a Neighborhood Revitalization Initiative to construct and rehabilitate homes in Old Cherry #2. In Happy Hill, Habitat completed its work by building and selling six houses. The City made homebuyer assistance funds available for up to 33 homebuyers in College Park, the single-family subdivision of the Happy Hill HOPE VI; however, only five houses were built and sold due to the collapse of the housing market, of which one was City-assisted. There was no development activity in Northeast Winston #2; however, the area was included as part of a master plan that HAWS completed. Finally, Partners for Homeownership went out of business in 2010 as a result of the recession and deeded Sunbridge, Ridgewood Place, Esquire Place, and a house in Liberty-Patterson #2 to the City in lieu of foreclosure. Unity Builders, Inc., a community development corporation, was approved in 2013 to construct houses in Ridgewood Place.

Homelessness. The City continued to play a leading role in the Continuum of Care. Approximately 25 agencies received Supportive Housing Program and Shelter Plus Care funds annually for transitional and permanent supportive housing. The City provided Emergency Solutions Grants (ESG) funding to homeless shelters primarily for maintenance and repairs to shelter facilities. The City of Winston-Salem and Forsyth County, in cooperation with the Ten-Year Plan Commission on Homelessness and the Council on Services to the Homeless, are working on moving to a "housing first" model and coordinated intake to assist the homeless, as mandated by the HEARTH Act. The City and County are implementing the changes with the help of a Ten-Year Plan director employed by the United Way of Forsyth County. The City provided funds for two 12-unit apartment buildings to provide permanent supportive housing for chronically homeless persons. The City also served as the collaborative applicant for the Continuum of Care applications for 17 additional permanent supportive housing units for chronically homeless persons through leasing and rental assistance projects.

Economic Development. The Small Business Loan program completed eight loans, which proposed to create 93 full-time and part-time jobs. Infrastructure in the Brookwood Business Park is complete.

Community Development Capacity Building. The City continued to support Neighbors for Better Neighborhoods in working with neighborhood and tenant groups and providing training to these groups, community development corporations (CDC) and other community development entities (CDE). The City and County also continued to participate in the Winston-Salem Community Development Support Collaborative, which provides funding for capacity building and operations to up to six CDC/CDEs.

Development Process and Citizen Input

Preparation of the Consolidated Plan began in the summer of 2012 and continued through April 2013. Staff collected data regarding housing, homelessness, non-homeless persons with special needs, and non-housing community development. Sources included the 2010 Decennial Census, the 2010 American Community Survey, State of North Carolina, published reports and studies, and consultations with local persons considered experts in their fields as well as agency service providers.

To obtain input on strategies, the City held a kick-off community meeting on November 1, 2012 and two community workshops on February 7, 2013, one morning and one evening, for interested organizations and members of the community. Notices for all meetings were published in *The Chronicle* and the *Winston-Salem Journal*, advertised on TV-13 and posted on the City's web site, and notices were emailed to over 250 individuals, organizations, and agencies including over sixty neighborhood groups. The kick-off event was attended by 68 people, and a total of 37 people attended the two community workshops.

A Public Hearing was held on March 19, 2013 to present the draft Annual Plan and Draft Five-Year Plan Summary and receive comments. Notice of this meeting was included in the notice described above and published in *The Chronicle* and the *Winston-Salem Journal*, as well as on cable TV-13 and the City's web site.

Consolidated Plan Framework

The 2014-2018 Consolidated Plan contains the following sections:

Community Profile, including Needs Assessment and Market Analysis – This section describes demographic, economic, and housing conditions in Forsyth County in terms of housing, homelessness, and persons with special needs, such as the elderly, disabled, HIV/AIDS, and public housing.

Strategic Plan – This section sets priorities and outlines a strategy to meet the identified needs over a five-year period.

Annual Action Plan – This section outlines the Consortium's plan to use funds HUD has awarded to the Consortium for FY14 (July 1, 2013 to June 30, 2014).

Appendices – This section contains certifications, policies and procedures required by HUD, and the Analysis of Impediments to Fair Housing Choice.

**SECTION I: COMMUNITY PROFILE AND NEEDS
ASSESSMENT**

SECTION I: COMMUNITY PROFILE

PART A: POPULATION TRENDS

1. TOTAL POPULATION

Forsyth County, the fourth largest county in North Carolina by population, is located in the Piedmont Triad area of North Carolina, which includes the cities of Greensboro, High Point, and Winston-Salem. Forsyth County contains eight municipalities including Winston-Salem, which is the largest city in the county and the fourth largest city in North Carolina (NC State Data Agency).

Between 2000 and 2010 the total population of Forsyth County grew from 306,067 to 350,670, an increase of 14.6% (see Table 1.01). The City of Winston-Salem grew from 185,776 in 2000 to 229,617 in 2010. This included an annexation of nearly 20 square miles as of September 30, 2006, adding 20,727 to the City's population. Approximately 65.5% of Forsyth County's population lives in the City of Winston-Salem. The population of Forsyth County is expected to grow more slowly in the next 20 years and will be an estimated 406,197 by 2030.

Table 1.01
Population Trends and Forecasts
Forsyth County, 1990-2030

Year	Population	Population Change	
		Number	Percent
1990	265,878		
2000	306,067	40,189	15.1%
2010	350,670	44,603	14.6%
2020	381,660	30,990	8.8%
2030	406,197	24,537	6.4%

Source: U.S. Census 1990, 2000, 2010; North Carolina Office of State Budget and Management

2. POPULATION BY AGE

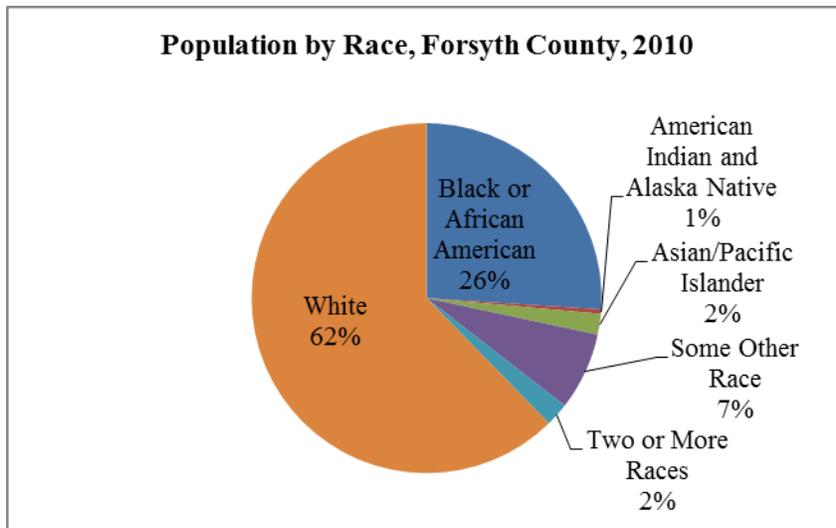
The Baby Boomer generation continued to have a large impact in Forsyth County demographics. The largest changes in population occurred in the 45-64 year old group from 1990-2010 and are projected to occur in the 65-84 year old group from 2010-2030 (see Table 1.02). In 1990, 67.8% of the population was under 45 years of age, and in 2010 that figure had declined to 60.7%. By 2030, the population of residents under the age 45 in Forsyth County is expected to decline further to 58.6%. On the other hand, the senior population (65 and older) of Forsyth County rose from 12.2% to 13.0% of the total population from 1990 to 2010 and is projected to account for 19.1% of the population by 2030.

**Table 1.02
Population Trends and Forecasts by Age
Forsyth County, 1990-2030**

<i>Age</i>	<i>1990</i>	<i>2000</i>	<i>2010</i>	<i>2020</i>	<i>2030</i>	<i>Change</i>		<i>Change</i>	
						<i>1990-2010</i>	<i>2010-2030</i>	<i>1990-2010</i>	<i>2010-2030</i>
0-17	60,704	73,220	85,401	90,659	97,424	24,697	40.7	12,023	14.1
18-24	29,659	29,313	35,263	35,050	35,585	5,604	18.9	322	0.9
25-34	48,132	45,667	44,931	52,507	52,253	-3,201	-6.7	7,322	16.3
35-44	41,840	49,574	47,142	45,754	52,887	5,302	12.7	5,745	12.2
45-54	28,602	42,531	50,959	46,869	45,516	22,357	78.2	-5,443	-10.7
55-64	24,561	27,213	41,463	48,917	44,884	16,902	68.8	3,421	8.3
65-74	18,758	21,000	24,280	36,697	42,651	5,522	29.4	18,371	75.7
75-84	10,209	13,012	15,307	17,676	26,273	5,098	49.9	10,966	71.6
85+	3,413	4,537	5,924	7,531	8,724	2,511	73.6	2,800	47.3
Total	265,878	306,067	350,670	381,660	406,197				

Source: U.S. Census 1990, 2000, 2010: North Carolina Office of State Budget and Management

3. POPULATION BY RACE



The racial composition of Forsyth County has experienced consistent change since 1990, as shown in table 1.03 below. The proportion of Whites to the overall population in Forsyth County decreased from 68.5% in 2000 to 62.3% in 2010, while the proportion of the county's Black population held steady at 26%. The largest increase in population has been the Other Race category, of which 97% is of Hispanic

Figure 1

origin according to the Census Bureau. This group increased from 3.3% of the population in 2000 to 7.2% in 2010. The Asian/Pacific Islander population continued to experience a high rate of growth, although their numbers still remain small. In the City of Winston-Salem in 2010, Whites accounted for 51.2% of the total City population, Blacks for 34.7%, and Some Other Race for 9.2%.

**Table 1.03
Population Trends by Race
Forsyth County, 1990-2030**

	1990	2000	2010	2020	2030	Change 1990-2010		Change 2010-2030	
						#	%	#	%
White		209,552	218,517	247,735	253,522	21,177	10.7%	35,005	16.0%
Black or African American	65,923	78,388	91,227	108,480	119,375	25,304	38.4%	28,148	30.9%
American Indian and Alaska Native	453	923	1,457	4,651	6,242	1,004	221.6%	4,785	328.4%
Asian/Pacific Islander	760	3,268	6,718	10,710	13,872	5,958	783.9%	7,154	106.5%
Some Other Race	281	9,962	25,167	n/a	n/a	24,886	8,856.2%	n/a	n/a
Two or More Races	n/a	3,974	7,584	10,084	13,186	n/a	n/a	5,602	73.9%
Total	264,757	306,067	350,670	381,660	406,197	85,913	32.4%	55,527	15.8%

Source: U.S. Census 1990, 2000, 2010; North Carolina Office of State Budget and Management

NOTE: The question on race for Census 2000 was different from the one for the 1990 census in several ways. Most significantly, respondents were given the option of selecting one or more race categories to indicate their racial identities. Because of these changes, the Census 2000 data on race are not directly comparable with data from the 1990 census or earlier censuses. Caution must be used when interpreting changes in the racial composition of the U.S. population over time.

Source: Overview of Race and Hispanic Origin, *Census 2000 Brief, March 2001*

4. POPULATION BY HISPANIC ETHNICITY

The 2010 U.S. Census reported that 41,775 persons of Hispanic origin resided in Forsyth County, up from an estimate of 30,574 in 2005, and 19,577 in 2000 (U.S. Census). This was a 113.4% increase from 2000. Over 68% of the Hispanic population in Forsyth County identified their nationality as Mexican.

PART B. EMPLOYMENT

1. EMPLOYMENT BY INDUSTRY

According to the North Carolina Division of Employment Security, annual average employment decreased by 9,808 jobs, or -5.4% from 2000 to 2010, after increasing by 20.0% during the 1990s. The largest decrease was in manufacturing, which lost 12,175 jobs during the period. Industries that experienced smaller losses included Trade, Transportation and Utilities (-6,900), Construction (-2,970), and Finance, Insurance and Real Estate (-2,541). On the other hand, annual average employment in Education and Health Services increased by 15,035, or 40.5%.

**Table 1.04
Employment Trends by Industry Group
Forsyth County, 1990-2010**

Industry Group	1990	2000	2010	Change 1990-2000		Change 2000-2010	
				#	%	#	%
Construction	6,542	9,062	6,092	2,520	38.5	-2,970	-32.8
Manufacturing, Agriculture, Mining	29,787	30,723	18,548	936	3.1	-12,175	-39.6
Trade, Transportation, Utilities	35,444	38,033	31,133	2,589	7.3	-6,900	-18.1
Information	2,865	3,565	1,698	700	24.4	-1,867	-52.4
Finance, Insurance and Real Estate	9,091	13,609	11,068	4,518	49.7	-2,541	-18.7
Professional and Business Services	16,632	24,000	23,152	7,368	44.3	-848	-3.5
Education and Health Services	27,732	37,125	52,161	9,393	33.9	15,036	40.5
Arts, Leisure, Hospitality	13,315	14,292	16,970	977	7.3	2,678	18.7
Other Services	4,633	4,804	4,515	171	3.7	-289	-6.0
Public Administration	6,091	7,276	7,344	1,185	19.5	68	0.9
Total	152,132	182,489	172,681	30,357	20.0	-9,808	-5.4

Source: North Carolina Department of Commerce, Division of Employment Security
Based on 2012 North American Industry Classification System (NAICS)

**Table 1.05
Employment by Industry Group
Forsyth County, 2010**

Construction	3.5%
Manufacturing, Agriculture, Mining	10.7%
Trade, Transportation, Utilities	18.0%
Information	1.0%
Finance, Insurance and Real Estate	6.4%
Professional and Business Services	13.4%
Education and Health Services	30.2%
Arts, Leisure, Hospitality	9.8%
Other Services	2.6%
Public Administration	4.3%
Total	100.0%

Source: North Carolina Department of Commerce, Division of Employment Security

Table 1.04 and Table 1.05, which show the distribution of average annual employment by industry, illustrate the shift in employment from a manufacturing economy to a service-based economy. The largest industry group in 2010 was Education and Health Services. Its proportion of annual average employment was 30.2%, compared with 20.3% in 2000. By contrast, the proportion of Manufacturing, Agriculture and Mining decreased from 16.8% in 2000 to 10.7% in 2010.

Examples of this shift in employment by industry include continuing build-out of the Wake Forest Innovation Quarter (formerly Piedmont Triad Research Park), expansion of the area's two major hospital systems, and the future construction of a

Veterans Administration hospital. The City also will continue to recruit businesses in medical technology/biotechnology/medical research and development, information technology/telecommunications/design, plastics, medical products fabrication, electronic assembly, advanced manufacturing, and headquarters/services, which encourage capital investment and job creation.

The Piedmont Triad Regional Council will be leading the effort to develop the regional Comprehensive Economic Development Strategy (CEDS) for the Piedmont Triad region.

2. EMPLOYEE WAGES

Table 1.06 provides the average annual wage per employee by industry group. Since it is calculated by dividing the total annual wages paid by the average annual employment for each industry group, it masks the range of job types in each industry group and the salaries or wages they are paid. For example, Health Services would include surgeons as well as certified nursing assistants. Nonetheless, Manufacturing had among the highest average annual wage per employee, indicating that the county's manufacturing sector has transformed to advanced manufacturing. The industry groups with the lowest average annual wage per employee were Arts, Leisure and Hospitality and Other Services.

Table 1.06
Average Annual Wage Per Employee
By Industry Group
Forsyth County, 2010

Construction	\$40,598
Manufacturing, Agriculture, Mining	\$61,011
Trade, Transportation, Utilities	\$34,777
Information	\$48,278
Finance, Insurance, Real Estate	\$65,979
Professional and Business Services	\$45,485
Education and Health Services	\$45,994
Arts, Leisure, Hospitality	\$15,064
Other Services	\$23,452
Public Administration	\$41,442

Source: North Carolina Department of Commerce, Division of Employment Security

3. LABOR FORCE AND UNEMPLOYMENT

Table 1.07
Labor Force and Unemployment
Forsyth County, 2010

In Labor Force	173,257
Employed	156,401
Unemployed	16,856
Unemployment Rate	9.7%
Unemployment Rate for Ages 16-24	21.1%
Unemployment Rate for Ages 25-65	8.3%

Sources: 2010 American Community Survey

The labor force and unemployment rate in 2010 reflects the recession in Forsyth County. According to estimates in the 2010 American Community Survey, unemployment is a much larger issue for young people than for people ages 25-65.

Forsyth County has consistently maintained a lower unemployment rate than the State of North Carolina over the last 20 years. Both experienced an overall decline in unemployment during the 1990s and following the 2001 recession, only to experience the very high unemployment rates of the current recession.

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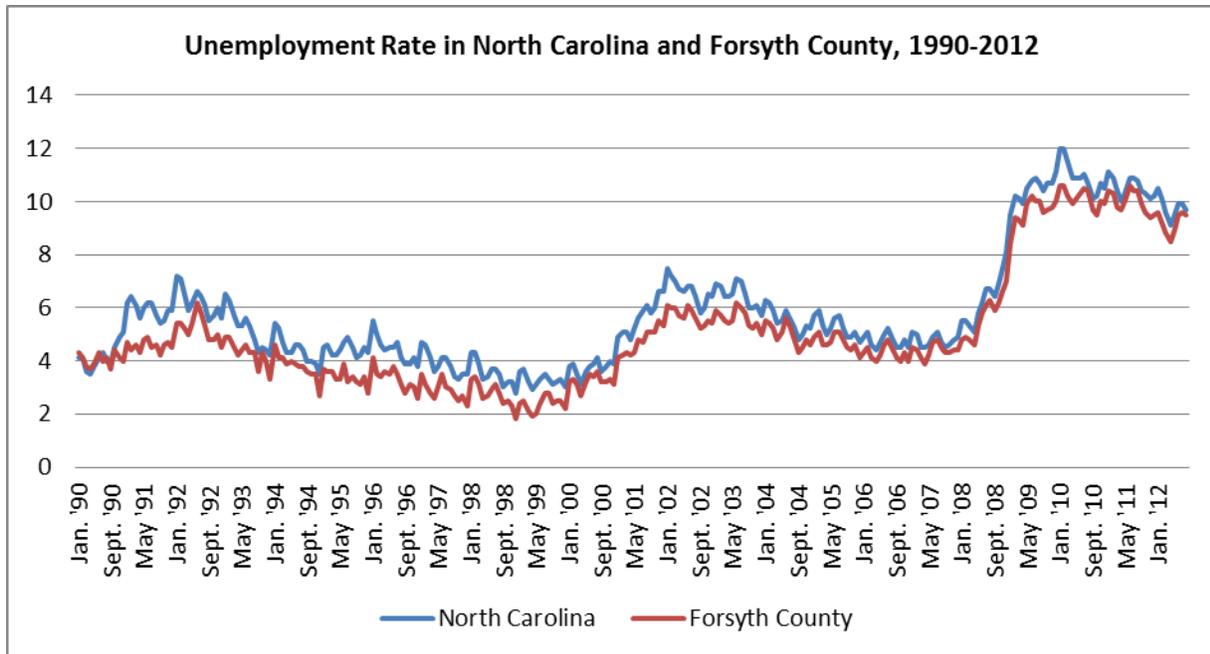


Figure 2
 Source: North Carolina Department of Commerce, Division of Employment Security

4. TRAVEL TIME

Winston-Salem and Forsyth County residents continued to be able to work relatively close to home. In 2010, 79.1% of workers had a travel time of less than 30 minutes, and the mean travel time to work was 20.6 minutes. In addition, 86.4% of workers drove alone to work in their own car, truck or van.

5. EDUCATIONAL ATTAINMENT

Recognition of the importance of education in expanding economic opportunities and creating a suitable living environment has increased significantly in recent years. As a result, data on educational attainment is being offered for the first time.

Table 1.08
Educational Attainment by Age
Forsyth County, 2010

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	1,479	1,873	2,553	2,754	3,502
9th to 12th grade, no diploma	5,835	4,267	4,159	4,754	5,056
High school graduate, GED, or alternative	11,070	11,845	11,400	25,609	16,988
Some college, no degree	12,032	10,209	9,464	20,767	7,362
Associate's degree	736	2,995	4,542	7,652	2,070
Bachelor's degree	3,419	9,131	11,464	20,201	6,714
Graduate or professional degree	304	4,832	4,221	10,640	3,967
Total	34,875	45,152	47,803	92,377	45,659

Source: 2010 American Community Survey

Table 1.08 shows educational attainment in Forsyth County in 2010 by age groups for people 18 years of age and older. For the age groups from 25 to 65 years of age, the percentage of people with a high school diploma/equivalency or less ranges from 35% to 40%, while the percentage of people with a bachelor's degree or higher ranges from 30% to 34%. For the oldest and youngest age groups, however, the percentage of people with a high school diploma/equivalency or less are both higher than 50%. For older people, this may reflect a time when no more than a high school diploma was needed to obtain a good-paying job. For younger people, the reasons are less clear, but the number of people who attended ninth to twelfth grade with no diploma is cause for concern.

Participation in the labor force increases as the level of education increases, and, as shown in Table 1.09, the unemployment rate is the highest for people with less than a high school graduation and the lowest for people with a bachelor's degree or higher. In addition, median earnings increased as the level of education increased.

**Table 1.09
Labor Force by Educational Attainment (25 Years and Older)
Forsyth County, 2010**

	In Labor		
	Force	Employed	UE Rate
Less than high school graduate	12,827	10,994	14.3%
High school graduate (includes equivalency)	35,566	31,657	11.0%
Some college or associate's degree	44,893	41,110	8.3%
Bachelor's degree or higher	51,839	49,420	4.5%

Source: 2010 American Community Survey
UE Rate – Unemployment Rate

**Table 1.10
Median Earnings by Educational Attainment
(25 Years and Older)
Forsyth County, 2010**

Less than high school graduate	\$18,463
High school graduate (includes equivalency)	\$24,947
Some college or associate's degree	\$30,853
Bachelor's degree	\$43,555
Graduate or professional degree	\$54,073

Source: 2010 American Community Survey

Efforts to increase educational attainment and workforce training in Forsyth County continue to move forward on several fronts. The Winston-Salem/Forsyth County Public Schools, in cooperation with The Winston-Salem Foundation, has implemented programs to increase the high school graduation rate. Forsyth Technical Community College offers a variety of highly recognized associates degree programs geared toward the needs of the business community. Forsyth Tech has also designed specialized training for certain businesses that located in the county. Finally, the City of Winston-Salem was awarded a Youth Build grant in October 2012 to help low-income young adults between the ages of 16-24 complete their education and develop marketable skills.

PART C. HOUSEHOLDS

1. HOUSEHOLD TRENDS

The growth in the total number of households in Forsyth County has consistently tapered since 1980, as exhibited in table 1.11. If current trends continue, the increase will continue to decline, and the number of households in Forsyth County should reach over 154,000 by 2020.

The total population in households has not experienced the same trend as the number of households. The population in households increased by 8.9% from 1980 to 1990 and then by 15.0% and 15.1% from 1990 to 2000 and 2000 to 2010, respectively, while over the same period the number of households increased at a slowing rate.

Table 1.11
Household Trends
Forsyth County, 1980-2010

Year	Total	Change	
		Number	Percent
1980	90,146	22,644	
1990	107,419	17,273	19.2
2000	123,851	16,432	15.3
2010	141,163	17,312	14.0

Sources: U.S. Census 1980, 1990, 2000, 2010

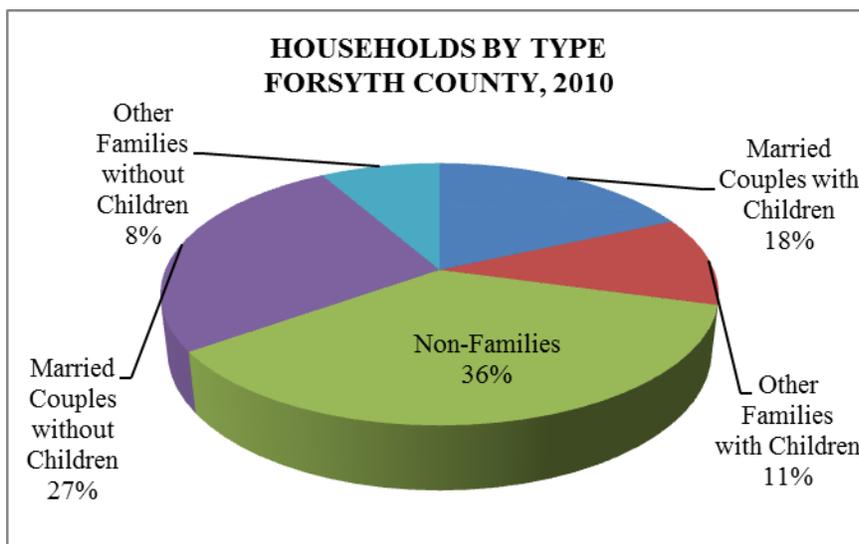
Table 1.12
Household Formation Trends
Forsyth County, 1980-2010

Year	Population			Households	Pop. per Household
	Total	Group Quarters	Households		
1980	243,683	7,252	236,431	90,146	2.62
1990	265,878	8,395	257,483	107,419	2.40
2000	306,067	9,949	296,118	123,851	2.39
2010	350,670	9,851	340,819	141,163	2.41

Sources: U.S. Census 1980, 1990, 2000, 2010

As a result, population per household dropped sharply during the 1980s, stabilized during the 1990s, and increased slightly during the 2000s.

1. A. HOUSEHOLD SIZE AND TYPE



The stabilization of the average household size is partially attributable to changes in the distribution of the population by household type, as smaller households continued to outnumber larger ones. In 2010, families made up 64% of households, although only 29% of all households had children under 18 years old present. Approximately 30% of households were people

Figure 3

living alone, and approximately 63% of households consisted of one or two persons. The trend is for an increase in non-families and a decrease in households with children present.

In terms of the rate of growth, non-family households, which include persons living alone, unmarried couples, and other non-family households such as roommates or borders, grew at a steady rate during the 1990s and 2000s. On the other hand, the rate of growth for married couples, both with and without children, slowed during the 1990s and 2000s, while the rate of growth for single parents increased. Overall, the changes in household type over the last decade point to a slight increase in household size. However, changes in other areas have helped to offset this trend. Trends are shown in Table 1.13.

Table 1.13
Household Type Trends
Forsyth County, 1990-2010

Household Type	1990	2000	2010	1990-2010 % Change
FAMILIES	72,621	81,693	90,462	24.6%
Married Couples	55,715	60,569	63,242	13.5%
with Related Children	24,604	25,458	25,777	4.8%
with No Related Children	31,111	35,111	37,465	20.4%
Other Families	16,906	21,124	27,220	61.0%
With Related Children	10,573	12,262	15,533	46.9%
Male Householder	1,401	2,155	3,100	121.3%
Female Householder	9,172	10,107	12,433	35.6%
No Related Children	6,333	8,862	11,687	84.5%
NON-FAMILIES	34,798	42,158	50,701	45.7%
Living Alone	29,870	35,821	42,541	42.4%
Not Living Alone	4,928	6,337	8,160	65.6%
TOTAL	107,419	123,851	141,163	31.4%

Source: U.S. Census 1990, 2000, 2010

According to the Census Bureau, a family household consists of a householder and one or more other people related to the householder by birth, marriage, or adoption.

1. B. HOUSEHOLD SIZE AND ETHNICITY

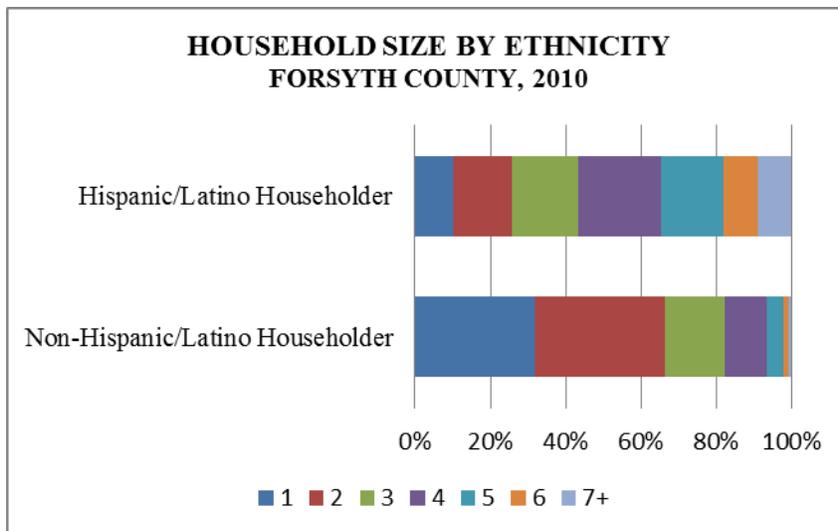


Figure 4

The breakdown of household size by ethnicity is exhibited in Figure 1.06.

Among the contributing factors in the increase in household size is the significant increase of the Hispanic/Latino population. Hispanic households tend to be larger than other households. In 2010, the average size of a household with a Hispanic householder was 3.92 persons compared with 2.36 persons for non-Hispanic households. In 2010, 83.3% of Hispanic households were family

households, compared to 64.1% for the rest of the

Moreover, 56.3% of Hispanic households were concentrated in the 3- to 5-person range, while 65.4% of non-Hispanic households were 1- or 2-person households.

1. C. HOUSEHOLD TENURE

Household tenure in Forsyth County has fluctuated since 1990. The percentage of owner-occupied housing units reached 67.0% in 2005, during the housing market bubble, and has since decreased to 63.9% as foreclosures increased and the recession deepened. Table 1.14 shows household tenure trends.

Table 1.14
Household Tenure Trends
Forsyth County, 1990-2010

Tenure	1990		2000		2010	
	#	%	#	%	#	%
Owner	68,185	63.5	81,233	65.6	90,188	63.9
Rental	39,234	36.5	42,618	34.4	50,975	36.1
Total	107,419	100.0	123,851	100.0	141,163	100.0

Source: U.S. Census 1990, 2000, 2010

1. D. HOUSEHOLD TENURE AND AGE

Data on household tenure and age are presented in table 1.15. As could be expected, more younger households are renters than owners. However, the number of owner households under age 45 decreased from 2000 to 2010, due to the recession and the collapse of the housing market. On the other hand, the number of owner households over age 55 increased, as Baby Boomers entered those years.

Table 1.15
Household Tenure and Age
Forsyth County, 2000-2010

Owner	% Change		
	2000	2010	
15-24	938	891	-5.0%
25-34	10,026	9,219	-8.0%
35-44	18,144	15,952	-12.1%
45-54	18,730	20,729	10.7%
55-64	13,440	19,390	44.3%
65-74	11,320	12,789	13.0%
75+	8,635	11,218	29.9%
Total	81,233	90,188	11.0%
Renter			
15-24	5,987	6,427	7.3%
25-34	13,151	13,073	-0.6%
35-44	9,338	10,127	8.4%
45-54	6,071	8,860	45.9%
55-64	3,064	5,928	93.5%
65-74	2,180	3,018	38.4%
75+	2,827	3,542	25.3%
Total	42,618	50,975	19.6%

Source: U.S. Census 2000, 2010

PART D: HOUSING MARKET ANALYSIS

1. OVERALL SUPPLY

1. A. HOUSING SUPPLY

As illustrated in Table 1.16, the number of housing units in Forsyth County increased by 17.9% between 2000 and 2010. The number of owner-occupied units grew by 22,003, or 32.3%, from 1990 to 2010. Overall vacancy grew from 6.9% in 2000 to 10.0% in 2010, with a strong trend in rental vacancy growth. Rental production and rental vacancy tend to run in cycles. For the historical cycle to hold, the vacancy rate should have peaked in 2001; however, high vacancy rates persisted through the mid-2000s due to the 2001 recession and the housing bubble, which encouraged home ownership. By 2010, after the housing bubble had burst and the recession had taken hold, vacancy rates for both for sale and for rent units increased.

Table 1.16
Housing Units by Occupancy Status and Tenure
Forsyth County, 1980-2010

Housing Units	1990			2000			2010			1990-2010 Change	
	#	%	VR	#	%	VR	#	%	VR	#	%
OCCUPIED	107,419	92.8		123,851	93.1		141,163	90.0		33,744	31.4
Owner	68,185	63.5		81,233	65.6		90,188	57.5		22,003	32.3
Renter	39,234	36.5		42,618	34.4		50,975	32.5		11,741	29.9
VACANT	8,296	7.2	7.2	9,242	6.9	6.9	15,709	10.0	10.0	7,413	89.4
For Sale	1,528	18.4	2.2	1,757	19.0	2.1	2,939	18.7	3.1	1,411	92.3
For Rent	4,245	51.2	9.8	4,531	49.0	9.6	7,384	47.0	12.6	3,139	73.9
All Others	2,523	30.4		2,954	32.0		5,386	34.3		2,863	113.5
TOTAL	115,715	100.0		133,093	100.0		156,872	100.0		41,157	35.6

VR= Vacancy Rate

Source: U.S. Census 1990, 2000, 2010

New housing construction – as measured through building permit activity shown in Table 1.17 – remained high during the 2000s through the housing market boom but dropped sharply with the onset of the Great Recession. This was particularly true for single-family housing. The number of single-family units issued building permits dropped by 33.2% from 2008 to 2009. As a result, the share of multi-family units as a percentage of total units has been greater during the recession. As shown in Table 1.18, the net increase to the housing stock was larger in the 2000s than in the 1990s, even with the slower building activity during the recession.

Table 1.17
Building Permit Activity by Structure Type
Forsyth County, 1995-2011

Year	Total Units	Single-Family	Multi-Family	
			Number	As % of Total
1995	2,396	1,668	728	30.4
1996	1,876	1,671	205	10.9
1997	1,943	1,717	226	11.6
1998	2,958	2,352	606	20.5
1999	2,451	2,142	309	12.6
2000	3,040	2,348	692	22.8
2001	2,125	1,643	482	22.7
2002	2,623	1,727	896	34.2
2003	2,724	2,143	581	21.3
2004	2,919	2,481	438	15.0
2005	2,885	2,399	486	16.8
2006	2,954	2,252	702	23.8
2007	2,937	1,874	1,063	36.2
2008	1,844	1,024	820	44.5
2009	1,024	684	340	33.2
2010	1,134	752	382	33.7
2011	1,276	789	487	38.2
Total	39,109	29,666	9,443	24.1

Source: City/County Inspections Division-Report of the Building Official

Notes: Includes both Winston-Salem and Forsyth County data.

Single-Family includes modular homes, manufactured homes, twin homes and townhouses. Multi-Family includes condos and duplexes.

Table 1.18
City-County Residential Building Permits Issued
Housing Stock Changes, Forsyth County: 1990-2010

Stock Changes	1990-2000	2000-2010	1990-2010
Building Permits	19,641	26,209	45,850
Add: Mobile Homes	1,370		1,370
Total Added	21,011	26,209	47,220
Less: Units Lost	3,633	2,430	6,063
Net Change	17,378	23,779	41,157
Percent Change	15.0%	17.9%	35.6%

Sources: City/County Inspections Division-Report of the Building Official and U.S. Census 1990, 2000

1. B. AGE OF STRUCTURE

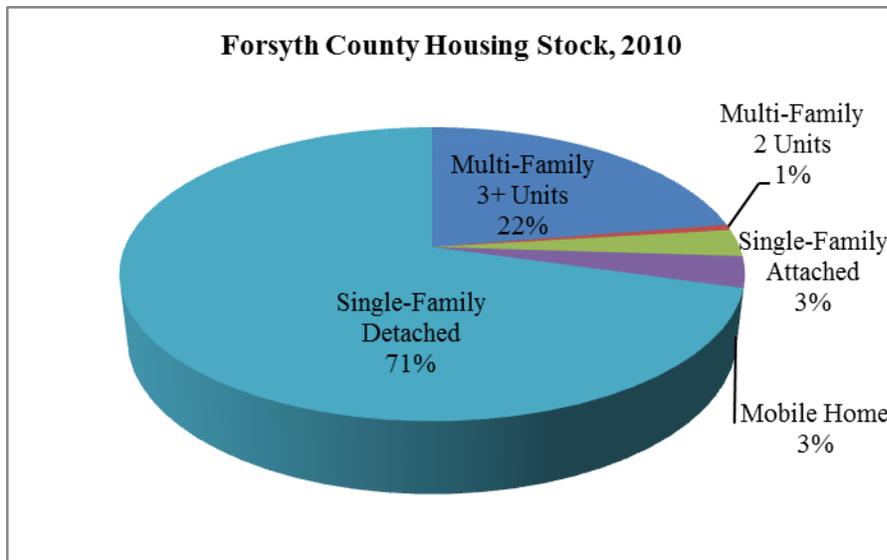
As shown in Table 1.19, over five in ten occupied housing units (51.9%) were constructed before 1980. This includes 48.0% of owner-occupied units and 59.3% of renter-occupied units. Furthermore, 37.8% of owner-occupied housing units were constructed in 1990 or later.

Table 1.19
Year Occupied Structure Built by Tenure
Forsyth County, 2010

Year Built	Own		Rent		Total	
	#	%	#	%	#	%
Pre-1940	5,462	6.1%	3,756	7.8%	9,218	6.7%
1940-1949	3,499	3.9%	2,597	5.4%	6,096	4.4%
1950-1959	10,972	12.2%	4,629	9.6%	15,601	11.3%
1960-1969	9,971	11.1%	6,866	14.3%	16,837	12.2%
1970-1979	13,172	14.7%	10,598	22.1%	23,770	17.3%
1980-1989	12,752	14.2%	7,139	14.9%	19,891	14.4%
1990-1999	17,561	19.6%	6,637	13.8%	24,198	17.6%
2000 or later	16,414	18.3%	5,752	12.0%	22,166	16.1%
Total	89,803	100.0%	47,974	100.0%	137,777	100.0%

Source: 2010 American Community Survey

1. C. TYPE OF STRUCTURE



Forsyth County's housing stock consists largely of single-family detached units, with 97,211 units in 2010, representing 70.6% of total units. If mobile homes are included, detached housing accounts for 74.0% of the 2010 housing stock. Of the 89,803 owner units, 79,380 (88.4%) were single-family detached units. Among the 47,974 renter units, 27,191 (56.7%) were in

Figure 5 structures with three or more units, and 17,831 (37.2%) were in single-family detached units.

Owner housing units are primarily three-bedroom units, which is typical of post-World War II suburban housing. Owner housing built earlier had a greater mix of two-bedroom, three-bedroom, and larger units. Two-bedroom units predominate in renter housing as the majority of units in multi-unit rental properties are two-bedroom and older single-family detached units, which are often two-bedroom, are used as rental housing.

Table 1.20
Number of Bedrooms by Tenure
Forsyth County, 2010

Bedrooms	Own		Rent		Total	
	#	%	#	%	#	%
No Bedrooms	257	0.3%	964	2.0%	1,221	0.9%
1 Bedroom	903	1.0%	10,629	22.2%	11,532	8.4%
2 Bedrooms	16,143	18.0%	21,821	45.5%	37,964	27.6%
3 Bedrooms	51,277	57.1%	12,214	25.5%	63,491	46.1%
4 Bedrooms	16,546	18.4%	2,227	4.6%	18,773	13.6%
5+ Bedrooms	4,677	5.2%	119	0.2%	4,796	3.5%
Total	89,803	100.0%	47,974	100.0%	137,777	100.0%

Source: 2010 American Community Survey

Table 1.21 shows occupied units in structure by tenure. The rate of growth in total housing units has slowed over the last 20 years, primarily reflecting the slower growth in single-family detached owner units, which is the largest category of housing units. Single-family detached renter units increased by 35.3% from 2000 to 2010. Single-family attached owner units and multi-family 3+ owner units both increased from 2000 to 2010, suggesting there is a growing interest in homeowners choosing townhomes and condominiums. Finally, while mobile homes have declined as a housing option, they have declined as a homeownership option but increased as a rental option.

Table 1.21
Occupied Units in Structure by Tenure
Forsyth County, 1990-2010

Property Type	1990			2000			2010		
	Total	Own	Rent	Total	Own	Rent	Total	Own	Rent
Single-Family Detached	71,612	60,077	11,535	84,891	71,708	13,183	97,211	79,380	17,831
Single-Family Attached	3,436	2,230	1,206	4,207	2,753	1,454	4,082	3,536	546
Total Single-Family	75,048	62,307	12,741	89,098	74,461	14,637	101,293	82,916	18,377
Multi-Family 2 Units	1,823	117	1,706	2,084	97	1,987	859	0	859
Multi-Family 3+ Units	24,598	1,175	23,423	26,292	1,640	24,652	30,903	3,712	27,191
Total Multi-Family	26,421	1,292	25,129	28,376	1,737	26,639	31,762	3,712	28,050
Mobile Home	5,232	4,218	1,014	6,372	5,049	1,323	4,722	3,175	1,547
Other	718	368	350	5	5	0	0	0	0
Total	107,419	68,185	39,234	123,851	81,252	42,599	137,777	89,803	47,974

Source: U.S. Census 1990 and 2000; 2010 American Community Survey

1. D. HOUSING CONDITIONS

In the City of Winston-Salem, housing units are defined to be substandard if they manifest any violations of the Minimum Housing Code (the “Code”). Furthermore, a substandard unit is considered “unfit for human habitation” when the condition of the unit threatens public health or safety. The “unfit” label is also used when a unit has six or more minor Code violations. Enforcement of the Code is limited to substandard units that are “unfit.” Substandard units that

are determined to be “unfit” may be suitable for rehabilitation if they are economically and physically feasible to rehabilitate. If the cost of removing the condition that renders the unit “unfit” exceeds 65% of the unit’s structural value and the owner refuses to correct the violations, then the unit may be identified for demolition.

Inspections are done in response to citizen complaints and in a strategic manner as determined by City officials. While every effort is made to find all Code violations, it is worth noting that substandard units are found only through inspections. If a violation is not reported or found as part of normal operations, it will not be included in the statistics given below. At the end of the 2010-11 fiscal year, 5,060 units or 4.9% of the total city housing inventory of 103,974 units was substandard. In the 2010-11 fiscal year, 50% of substandard units were concentrated in ten Census tracts. Forsyth County adopted a Minimum Housing Code in 1993 for residential structures in unincorporated areas. Enforcement of the Code is based on citizen complaints.

Compliance with the Minimum Housing Code is the responsibility of the property owner. The number of housing code violations and the age of the housing stock suggest a continuing need for housing rehabilitation. In fact, the City’s rehabilitation program accepts approximately 130 applications for assistance each year.

2. AFFORDABILITY

2. A. HOUSING COSTS

2. A.1. RENTAL UNITS

Between 2005 and 2010, the Consumer Price Index increased at an annualized rate of 2.3%. According to the 2010 American Community Survey, the median contract rent of occupied rental units in Forsyth County increased by 35.6% (from \$503 to \$682 per month), or an annual average percentage increase of 7.1% between 2005 and 2010. By comparison, the Consumer Price Index increased at an annualized rate of 5.2% between 2000 and 2005, and median contract rent of occupied rental units increased at an annual average percentage of 3.1% during the same period. Rent increases have consistently increased at a rate greater than the rate of increase in consumer prices, and this can reasonably expected to continue over the next five years.

Table 1.22
Contract Rent
Forsyth County, 2010

	#	%
Less than \$300	3,252	7.1%
\$300 to \$499	5,602	12.2%
\$500 to \$749	18,846	40.9%
\$750 to \$999	11,744	25.5%
\$1,000 to \$1,499	5,498	11.9%
\$1,500 or more	1,094	2.4%
	46,036	100.0%
No rent paid	1,938	
Total	47,974	

Source: 2010 American Community Survey

Table 1.22 shows the distribution of contract rents in Forsyth County in 2010. In 2010, two in ten units with cash rent (19.3%) rented for less than \$500 per month. An annual income of approximately \$27,280 would be required to afford the median contract rent of \$682 per month in 2010 (up from \$20,112 in 2005). This is 62.7% of the 2010 median household income of \$43,537 for Forsyth County. As described in more detail under Needs Assessment, extremely low- and low-income households have difficulty finding sufficient housing they can afford.

Fair Market Rents (FMRs) are gross rent estimates for an area that HUD primarily uses to determine maximums for its various rental housing programs. The FMR includes the contract rent plus an allowance for basic utilities (electricity, water, heating/cooking fuel). In 2010, the FMRs for Forsyth County were \$577 for a one-bedroom unit, \$669 for a two-bedroom, and \$912 for a three-bedroom. Subtracting \$50 from each FMR for a utility allowance, the resulting contract rents are comparable to area rents.

2. A.2. OWNER UNITS

Table 1.23
Value of Owned Units
Forsyth County, 2010

	#	%
Less than \$50,000	3,870	4.3%
\$50,000 to \$99,999	15,272	17.0%
\$100,000 to \$149,999	25,522	28.4%
\$150,000 to \$199,999	19,475	21.7%
\$200,000 to \$299,999	13,968	15.6%
\$300,000 to \$499,999	7,855	8.7%
\$500,000 to \$999,999	3,385	3.8%
\$1,000,000 or more	456	0.5%
Total	89,803	100.0%

Source: 2010 American Community Survey

Between 2005 and 2010, the Consumer Price Index increased at an annualized rate of 2.3%. According to the 2010 American Community Survey, the median value of owner-occupied units in Forsyth County increased by 11.1% (from \$135,500 to \$150,500), or an annual average percentage increase of 2.2% between 2005 and 2010. This reflects both the housing market boom and the housing market bust. By comparison, the Consumer Price Index increased at an annualized rate of 5.2% between 2000 and 2005, and median value of owner-occupied units increased at an annual average percentage of 4.9% during the same period. Housing prices have consistently increased at a rate less than the

rate of increase in consumer prices, and this can reasonably be expected to continue over the next five years.

Table 1.23 shows the distribution of owner-occupied units in Forsyth County in 2010. Two in ten owner-occupied units (21.3%) were valued under \$100,000, and one half (50.1%) were valued from \$100,000 to \$199,999. An annual income of approximately \$35,250 would be required to afford the median priced unit of \$150,500, an amount roughly equivalent to 80.9% of the 2010 county median household income of \$43,537. There appears to be sufficient owner housing at all income levels.

3. AREAS OF CONCENTRATION

3. A. LOW-INCOME CONCENTRATION

Figure 6 illustrates the distribution of low-income households in Forsyth County. Due to the way the Census Bureau reports income data, the definition of low-income used here is different from the one used by the U.S. Department of Housing and Urban Development (HUD). A low-income household is defined here as a household earning in the Census income categories that are at or below 80% of household median income for Forsyth County. Unlike HUD, these are not adjusted for household size. Since the median household income in Forsyth County was \$43,537, 80% would be \$34,830. The Census category breaks at \$35,000; therefore, the figure reflects the percentage of households earning less than \$35,000 by Census tract. Of a total of 136,612 households in Forsyth County in 2010, 51,687, or 37.8%, were low-income, and they are concentrated in the central and eastern sections of Winston-Salem.

In 2010, Forsyth County contained 93 census tracts. The average census tract had a low- and moderate-income population of 39.8%. Census tracts with concentrations of low- and moderate-income households, defined as a percentage greater than one standard deviation (18.6%) above that of the average tract, or 58.4%. Seventeen census tracts contained a concentration of low- and moderate-income households, ranging from a high of 87.3% to 58.6%.

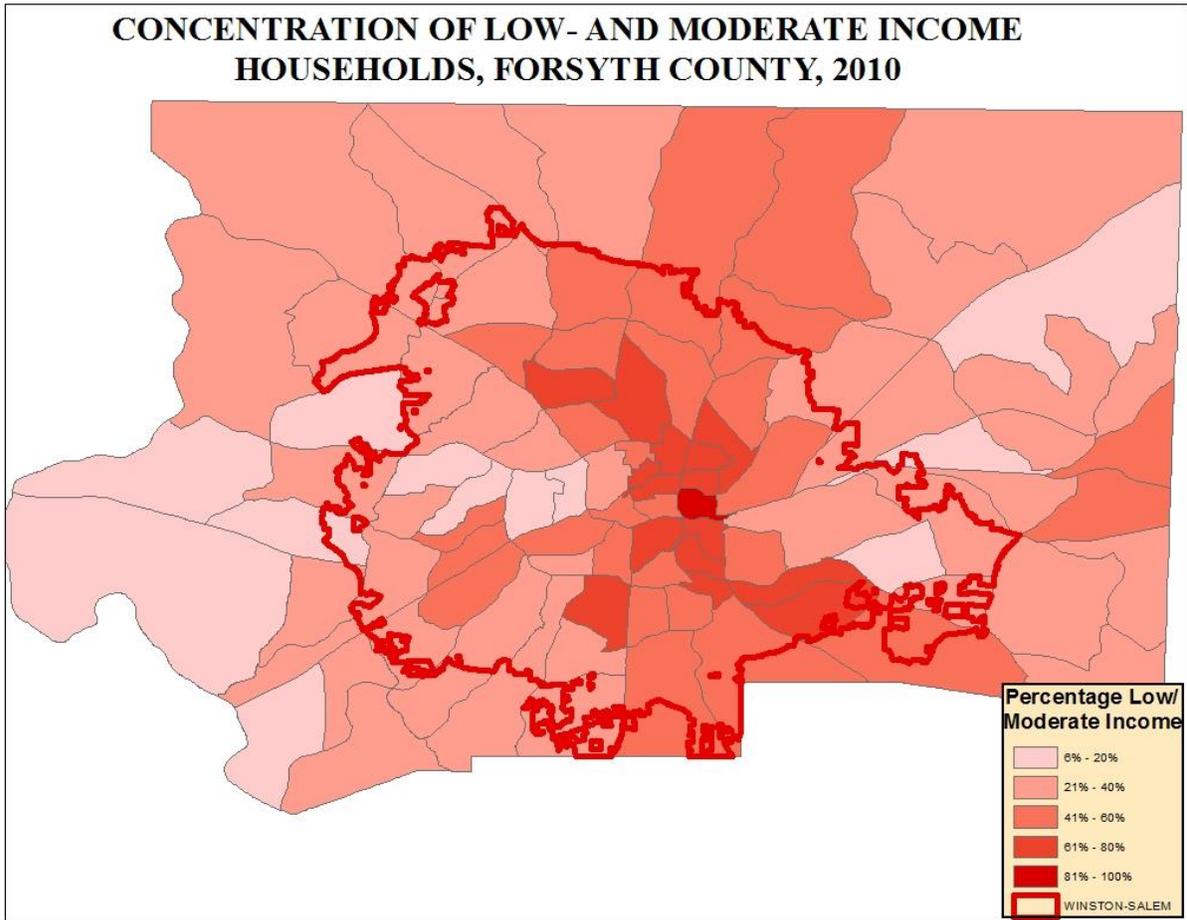


Figure 6

3. B. CONCENTRATION BY RACE

Although the percentage of Black population overall has held steady, there is evidence that predominantly Black and White areas are continuing to become less segregated. The two maps illustrate the distribution of Black or African American Alone or in Combination with One or More Other Races in Forsyth County in 2010 and 2000.

In 2010, Forsyth County contained 93 census tracts. The average census tract had a Black population of 28.6%. Census tracts with concentrations of Black persons, defined as a percentage greater than one standard deviation (25.3%) above that of the average tract, or 53.9%. Thirteen census tracts contained a concentration of Black persons, ranging from a high of 92.8% to 60.5%.

**CONCENTRATION OF BLACK POPULATION
AMONG CENSUS TRACTS, FORSYTH COUNTY, 2010**

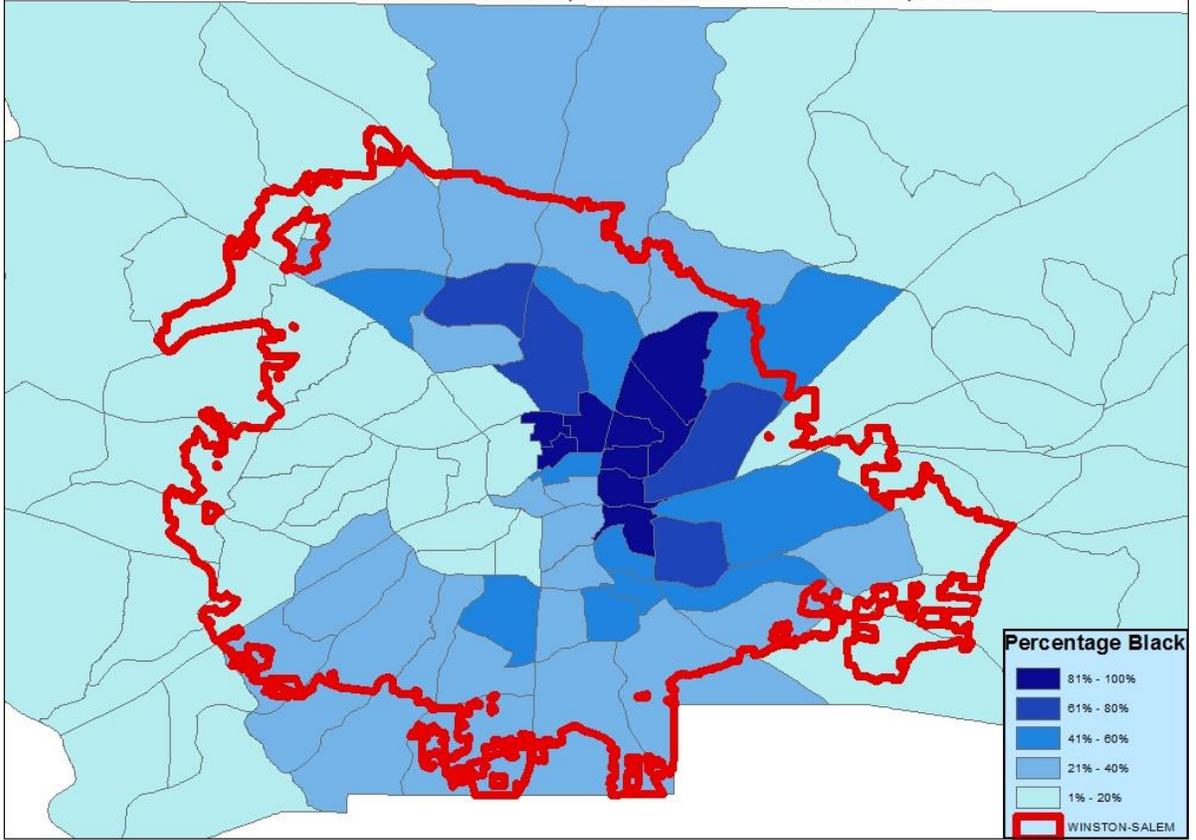


Figure 7

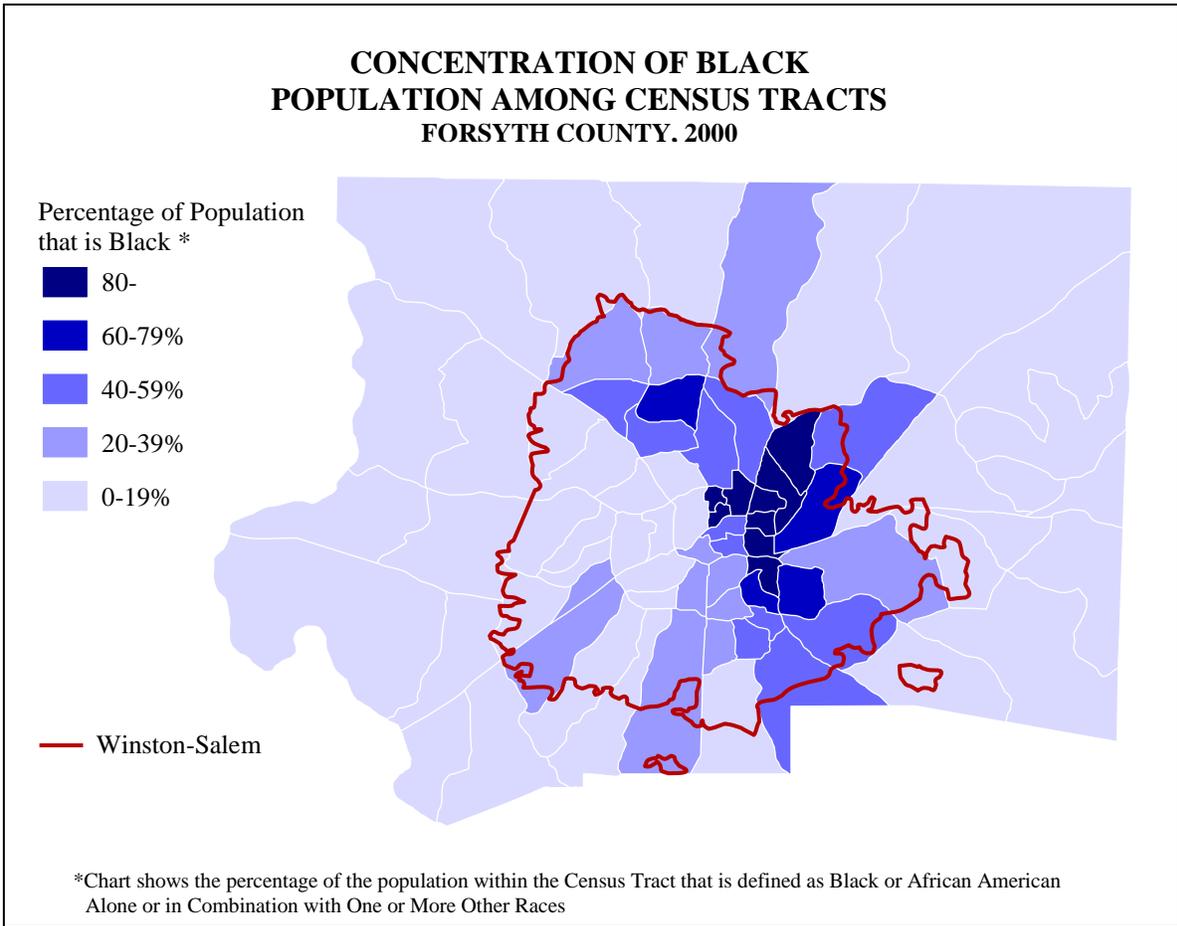


Figure 8

The percentage of the Black population has continued to fall in those Census tracts with significant concentrations of Black persons. For these purposes, a significant concentration is defined as having Black persons constitute at least 90% of the population. In 1990, ten Census tracts had a significant concentration of Black persons, and in seven of those Census tracts Black persons constituted at least 97% of the population. In 2000, six Census tracts had a significant concentration, with the highest concentration at 96.6%. In 2010, four Census tracts had a significant concentration with the highest concentration at 92.8%.

Similar trends were noticed in areas that were predominantly White. In 1990, 31 Census tracts had 90% or more of the population consisting of Whites, and in 2000, 22 Census tracts and in 2010, 14 Census tracts.

3. C. CONCENTRATION BY HISPANIC ORIGIN

As the percentage of the Hispanic population has grown steadily, Hispanic households have spread from the primarily southeastern area of Winston-Salem to most areas of Forsyth County.

In 2010, Forsyth County contained 93 census tracts. The average census tract had a Hispanic population of 11.6%. Census tracts with concentrations of Hispanic persons, defined as a

percentage greater than one standard deviation (10.0%) above that of the average tract, or 21.6%. Sixteen census tracts contained a concentration of Hispanic persons, ranging from a high of 53.4% to 22.4%.

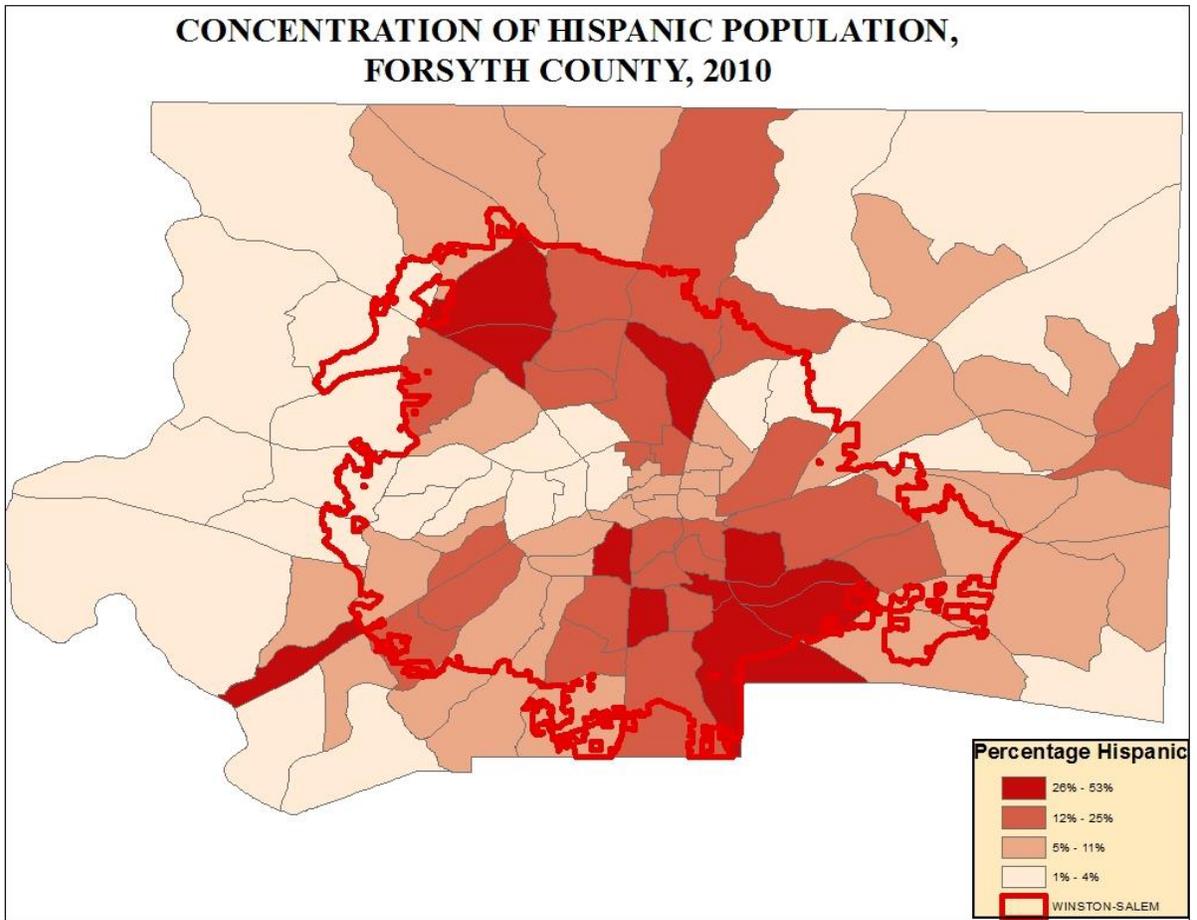


Figure 9

**CONCENTRATION OF HISPANIC
POPULATION AMONG CENSUS TRACTS
FORSYTH COUNTY, 2000**

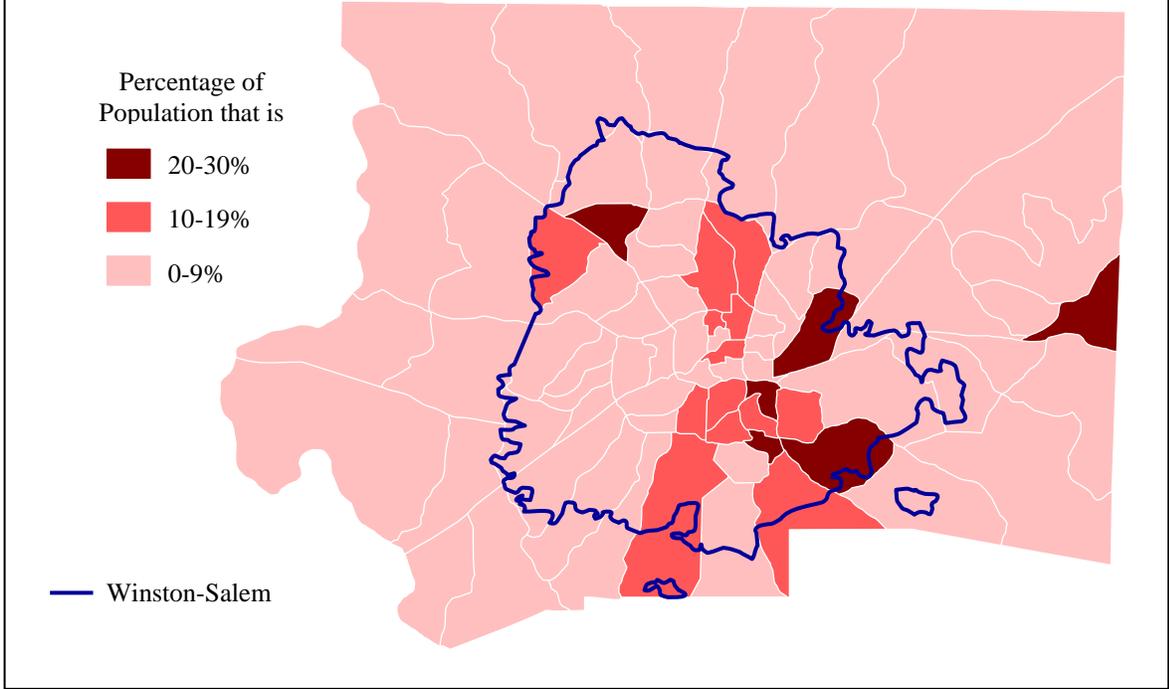


Figure 10

4. PUBLIC HOUSING

4.A. RENTAL HOUSING DEVELOPMENTS

The Housing Authority of the City of Winston-Salem (HAWS) manages and/or provides operating subsidies to a total of 1,351 housing units in 13 different public housing and HOPE VI developments as indicated in Table 1.24.

As of December, 2012, all waiting lists for public housing were open, and applications were being taken at each individual development. The length of wait is different at each site and contingent upon number of applications per bedroom size and preference. Preferences are currently given to individuals and households with at least one household occupant working or to households with the head or spouse elderly or disabled and receiving payments in lieu of working. Each development has its own management and maintenance staff with a property manager who is responsible for the day-to-day activities of the development(s). Rent is based on income.

All Scattered Sites properties are managed by HAWS from the Authority's Central Office. Waiting lists were open and accepting applications as of December, 2012. No preferences exist for any of these developments. Developments are affordable units with a base rental amount (except where notated with an * as based on income). Holland Homes, Oak Manor, Lincoln Manor and Apple Creek are owned by a third party and fee-managed by the Authority.

Table 1.24
Housing Authority of the City of Winston-Salem
Housing Communities, 2012

Public Housing Communities		
Piedmont Park*	Family	240 units
Cleveland Ave.*	Family	244 units
Crystal Towers*	Elderly & Disabled	201 units
Sunrise Towers*	Elderly & Disabled	195 units
Healy Towers*	Elderly	105 units
Stoney Glenn*	Family	50 units
Townview*	Family	50 units
The Oaks at Tenth*	Family	50 units
HOPE VI Housing Communities		
Azalea Terrace	Elderly Only	50 units
Aster Park	Family	57 units
Arbor Oaks	Family	29 units
Alders Point	Elderly Only	50 units
Providence Place	Family	28 units
Willows Peak	Family	52 units
“Scattered Sites”		
Holland Homes*	Elderly	114 units
Plaza Apartments	Family	78 units
Oak Manor	Family	60 units
Drayton Pines	Family	44 units
Lincoln Manor	Family	40 units
Apple Creek	Family	67 units

Source: HAWS

Public Housing Communities and Scattered Sites are managed by HAWS. HOPE VI communities are managed by a private management company.

* Based on income.

**Table 1.25
Public Housing Condition**

Public Housing Development	Last Inspection Score
Piedmont Park	81c
Cleveland Avenue	62
Stoney Glen	81c
Townview	96b
Healy Towers	82c
Sunrise Towers	81
Crystal Towers	70
Willows Peake	97b
Providence Place	99a
Alders Point	99b
Azalea Terrace	97a
Aster Park	94c
Arbor Oaks	99b

Source: HAWS

Public housing units in public housing and HOPE VI developments are being maintained. Table 1.25 shows the most recent inspection score.

HAWS is undertaking a Five-Year Capital Needs Assessment of the properties it owns to help it determine priorities and plan for funding needs. The assessment is expected to be completed by July, 2013 and will include “green” initiatives. HAWS is continuing with ongoing routine and preventative maintenance as well as capital improvements as funding allows.

4.B. HOUSING CHOICE VOUCHER (HCV)

The Housing Authority operates a Housing Choice Voucher Program consisting of 3,982 tenant-based vouchers, 73 Mainstream vouchers, 85 VASH vouchers, 327 project-based vouchers, and 158 moderate rehabilitation units. In addition, the Housing Authority administers approximately 200 special use vouchers for other agencies, such as Shelter Plus Care, HOME Tenant-Based Rental Assistance and Housing Opportunity for Persons with AIDS vouchers. The waiting list for the HCV tenant-based program has approximately 2,500 families and has been closed since April, 2010. Families who have a HCV tenant-based voucher and participate in the Family Self-Sufficiency Program are eligible to participate in the HCV Homeownership Program. The Housing Authority currently administers 63 HCV homeownership vouchers.

4.C. HOPE VI HOMEOWNERSHIP PHASES

Under the HOPE VI revitalization plans, the Authority must provide homeownership opportunities in its two HOPE VI developments, including opportunities available to households at 80% or less of area median income (AMI). HOPE VI Homeownership projects are summarized below:

- Kimberly Park Terrace / Gateway Commons
 - Glenn Oaks – Phase II
 - 82 single family homes being built
 - 2 under construction at this time
 - 32 have been sold to homeowners
 - Habitat for Humanity will build ten additional homes. The Housing Authority is currently seeking a developer to build remaining homes
 - Glenn Oaks – Phase II
 - 9 homes have been built and sold
 - 19 additional homes are to be built
 - The Housing Authority is seeking a new developer to complete the remaining 19 homes.

- Happy Hill Gardens / College Park
 - Salem Heights Development, LLC has partnered with the Housing Authority to build 148 total units
 - 59 Single Family Homes (11 for families at 80% or less of AMI; 48 at market). Model and 4 additional homes have been completed and sold
 - 89 Townhomes to be built (21 for families at 80% or less of AMI; 68 at market)
 - Salem Heights, LLC is pre-selling both single family detached homes and townhomes at this time

5. OTHER ASSISTED HOUSING

Other Assisted Housing is defined as privately owned housing that is available to low-income households for rent where part of the cost to acquire, construct, rehabilitate and/or operate the property was subsidized through a government program, such as CDBG, HOME, Low-Income Housing Tax Credit, Section 202, Section 811, and Section 8 administered by HUD's Office of Multi-Family Housing. It also includes tenant-based rental assistance other than Housing Choice Vouchers (formerly Section 8), which are discussed under Public Housing. Table 1.26 summarizes other assisted housing by household type and type of assistance.

There has been concern that assisted housing units would be withdrawn from the inventory of housing affordable to low-income households as their contracts with HUD or affordability restrictions expire and owners move them to market rental rates. It is projected that restrictions will end on one property, comprising 245 units, over the next five years. However, because of the rental market, it is expected that they will remain affordable to low- and moderate-income households.

Table 1.26
Other Assisted Housing by Type of Household
Forsyth County, 2012

Assistance	Household Type				Total
	Elderly	Small	Large	Other	
PROJECT-BASED					
Elderly or Disabled (Section 202/811/8, Section 42 Tax Credit)	1,361			102	1,463
Section 8	7	293	51	45	396
Other HUD		547		32	579
Tax Credit/Local		1,705		100	1,805
Sub-Total	1,368	2,545	51	279	4,243
TENANT-BASED					
HOME/HOPWA/Shelter Plus Care		67		155	222
TOTAL	1,368	2,612	51	434	4,465

NOTE: For project-based units, 1-3 bedroom units are considered "small family" and 4+ bedroom units are considered "large family."

Sources: Community and Business Development, Housing Authority of Winston-Salem

6. BARRIERS TO AFFORDABLE HOUSING

The consolidated plan must explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction are affected by public policies, particularly by policies of the jurisdiction, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.

Legacy 2030 is a comprehensive plan to guide development throughout Forsyth County over the next 20 years. Approved in 2012, the City/County Planning Board and City Marketing and Communications Department undertook extensive community outreach to get input and comments on the proposed plan. While *Legacy 2030* presents opportunities for the community's future, some of its recommendations and action items could be considered as responses to barriers to affordable housing. These include:

- Promote higher density in residential areas
- Allow accessory units in certain single-family zoning districts
- Review parking, buffering and open space standards
- Assist developers who are rehabilitating and adaptively reusing older buildings by making building code interpretation and administration for those types of buildings as user-friendly, efficient and consistent as possible.

In addition, in response to stakeholder input, the Winston-Salem City Council has appointed a Development Review-Related Advisory Committee to make recommendations to improve the City/County development review process because it is perceived to be a barrier to all development, including affordable housing.

PART E. FACILITIES AND SERVICES FOR HOMELESS PERSONS

▪

This section describes the services and facilities that are available to meet the needs of homeless individuals and families.

1. SERVICES

Pursuant to the HEARTH Act's requirements, the Continuum of Care (CoC) began using coordinated intake and assessment in 2013 for households that are experiencing homelessness. The Coordinated Intake Center (CIC) will use a model of progressive engagement with the priority of helping the household find permanent housing in the most expedient manner. Services will include housing location and counseling services. Ongoing case management will be provided to ensure housing stability, and referrals will be made to long-term rental assistance programs as needed. The CIC will also coordinate access to rapid re-housing temporary financial assistance and long-term rental assistance for homeless households with disabilities.

The CIC will improve the assessment process and the speed at which households are assisted in developing a personalized housing plan and connected to key support services, regardless of where they enter the CoC. The CIC will operate at the Career Connections and Prosperity

Center (CCPC) to increase opportunities for clients to connect to employment income. Services through the CCPC include career coaching, skills assessment, resume writing and interviewing skills, help with online applications, credit counseling, financial literacy, budgeting, and debt repayment. Persons needing disability income will be assisted by staff members of the local SOAR (SSI/SSDI Outreach, Access, and Recovery) work group. Increased coordination and the provision of services will help to improve the long-term success of participants maintaining their housing stability plans by increasing their income, education and ability to be self-sufficient.

Programs in the CoC assist homeless persons to obtain mainstream benefits. Cash income sources include earned income, unemployment insurance, SSI, SSDI, veteran’s disability, TANF, child support and other sources. Non-cash benefits include Medicaid, Medicare, WIC, rental assistance, and other sources.

2. FACILITIES

**Table 1.27
Facilities Targeted to Homeless Persons**

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round (Current & New)	Voucher / Seasonal / Overflow	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	77	0	132	186	10
Households with Only Adults	167	34	39	151	5
Chronically Homeless Households	0	0	0	118	5
Veterans	0	0	24	124	25
Unaccompanied Child(ren)	10	0	0	0	0

Source: City of Winston-Salem

The Housing Inventory Chart (HIC) for the Winston-Salem/Forsyth County Continuum of Care (CoC) lists 386 emergency shelter (ES) beds, 236 transitional housing (TH) beds and 405 permanent supportive housing (PSH) beds. These beds are apportioned to individuals and families with children. Some beds also are targeted to subpopulations.

The Annual Homeless Assessment Report (AHAR) only includes beds for facilities using HMIS. For the year ending September 30, 2012, an average of 486 beds per night were available in ES and TH. The average number of persons using beds was 250 per night. Therefore, the community appears to have adequate ES and TH beds. However, due to fluctuations in bed utilization during the year, based on weather and other factors, overflow shelter occasionally is required. The Winston-Salem/Forsyth County Council on Services for the Homeless (COSH) coordinates overflow shelter for the CoC.

Permanent supportive housing (PSH) is rental assistance and supportive services for disabled homeless persons. Under the AHAR, 287 PSH beds are available, and average utilization was 239 persons per night last year. Although there currently appears to be a surplus of beds, Shelter

Plus Care funding was reduced by 32% through reallocation during the 2012 CoC process, which will create a shortage of PSH beds by July 1, 2013. To address this situation, the CoC has applied for CoC rapid re-housing funding to provide housing assistance to all homeless persons, including those who are disabled and those who are not disabled. An estimated 70 units with 120 beds will be available through CoC and ESG funded rapid re-housing by July 1, 2013, if all funding is approved. In addition, a coordinated intake and assessment center is opening in 2013, which will create more efficient utilization of PSH, rapid rehousing and other housing and service resources needed by homeless households.

PART F. FACILITIES AND SERVICES FOR NON-HOMELESS PERSONS WITH SPECIAL NEEDS WHO REQUIRE SUPPORTIVE HOUSING

This section describes the services and facilities that are available to non-homeless persons with special needs who require supportive housing. These persons include the elderly and frail elderly, persons with HIV/AIDS, persons with physical and developmental disabilities, persons with substance abuse, and the mentally ill. It should be noted that there is often overlap in these categories and that agencies often serve more than one clientele. Services and facilities are based on the primary category they serve.

1. ELDERLY AND FRAIL ELDERLY

1. A. SERVICES FOR THE ELDERLY AND FRAIL ELDERLY

Services for the elderly in Forsyth County are provided primarily by non-profit organizations and governmental agencies and include the following:

- Information and Assistance
- Home Delivered and Congregate Meals
- Senior Centers
- Transportation
- In-home Services
- Respite Care
- Home Improvement
- Financial Management, including counseling for reverse mortgages
- Adult Day Care
- Adult Day Health
- Care Management
- Legal Services
- Adult Protective Services

The most complete listing of services for the elderly in Forsyth County is the *Directory of Services for Older Adults in Forsyth County*, available from Senior Services, Inc.

1. B. SUPPORTIVE HOUSING FOR THE ELDERLY AND FRAIL ELDERLY

There are various types of supportive housing for elderly and frail elderly persons depending on their need for medical care and ability to perform activities of daily living themselves. Most facilities offer one type of care; however, some facilities offer multiple levels of care to

accommodate their residents' needs as they age. This section begins with the most intensive level of care and proceeds to independent living.

1.B.1. NURSING HOMES

Nursing homes provide long-term care of chronic conditions or short-term convalescent or rehabilitative care following hospitalization. Basic services include meals and assistance with eating, bathing, grooming, and toileting. Skilled care includes changing dressings, monitoring catheters, treating bed sores, and administering medications. Some facilities also offer introductory levels of support that do not include skilled care.

All nursing homes must be licensed by the State. Nursing homes that wish to receive Medicare and Medicaid reimbursement must be certified in accordance with federal law. The cost of a person's nursing home care may be paid from private funding, long-term care insurance, Medicare, and in large part Medicaid.

There are 10 nursing homes in Forsyth County licensed by the North Carolina Department of Health and Human Services as of November 2012. They are licensed to provide 1,310 skilled nursing beds and 40 adult care beds. All of the above nursing homes accept Medicaid.

1.B.2. ADULT CARE HOMES

Adult care homes are residential facilities for aged and disabled adults who may require 24-hour supervision and assistance with personal care needs but who do not need skilled nursing care. All provide meals and offer assistance in eating, dressing, bathing, grooming, toileting, taking medication, transferring to and from a wheelchair, etc., as needed. A few combine their services to incorporate more than one level of care. Some facilities offer special care units for residents with Alzheimer's disease and related dementias. Adult care homes were formerly known as domiciliary homes or rest homes and are referred to in other parts of the country as assisted living facilities (ALFs).

All adult care homes must be licensed by the State and are monitored by the County Department of Social Services. The cost of a person's care is paid from private funding, long-term care insurance, or Medicaid.

There were 29 licensed adult care homes as of November 2012, which were licensed to provide 1,926 beds.

1.B.3. FAMILY CARE HOMES

Family Care Homes are residential facilities for aged and disabled adults who may require 24-hour supervision and assistance with personal care needs but who do not need skilled nursing care and want to remain in a residential setting. Family care homes are licensed by the State to accommodate two to six residents. Caregivers either live in the home or in close proximity and are available 24 hours a day. Most residents receive Medicaid Special Assistance. There are 11 family care homes in Forsyth County as of November 2012, which were licensed to provide 57 beds.

Another type of care similar to family care homes is "multi-unit assisted housing with services." At a minimum, one meal a day, housekeeping services and personal care services are available.

Hands-on personal care and nursing care are provided by a licensed home care provider. Facilities are not required to be licensed but must register with the State. There are four multi-unit assisted housing with services in Forsyth County, which can accommodate up to 300 individuals.

1.B.4. CONTINUING CARE RETIREMENT COMMUNITIES (CCRC)

Continuing Care Retirement Communities (CCRCs), also known as continuing care facilities or life-care communities, provide independent accommodations that may include apartments, villas, or cluster homes as well as community dining, social and recreational areas, and a wide range of services including meals, housekeeping, transportation, and health-related services. Residents must be able to live independently when they enter the community, but as their health changes, they are moved to an “assisted living unit” and then to the in-house nursing home, as necessary. There are three CCRCs in Forsyth County--Arbor Acres, Brookridge Retirement Community, and Salemtowne.

The cost is a combination of entrance fees, monthly rents, and medical fees that can be paid privately or through long-term care insurance. The CCRC’s adult care home and nursing home are licensed by State. Because CCRCs are considered insurance products, they must also be licensed by the State Department of Insurance.

1.B.5. INDEPENDENT LIVING FOR SENIORS

Independent living for seniors refers to housing designated for elderly persons who can live independently and for which no income limits or buy-in is required. Properties are not licensed by the State, and costs are paid privately.

Independent Living Retirement Communities (ILRCs) offer independent, congregate living with amenities, social activities, and services. Services include restaurant style meals, laundry service, housekeeping, transportation, and a barber/beauty shop. There were eight ILRCs in Forsyth County in 2012. Most communities offer a base fee with additional charges for additional services.

Senior Apartments offer one-bedroom and some two-bedroom units as well as amenities typical for apartment complexes, such as security, laundry facilities, and exercise room, and gardens. There were two senior apartments in Forsyth County in 2012.

1.B. 6. SUBSIDIZED HOUSING FOR THE ELDERLY/HANDICAPPED

Table 1.28
Subsidized Elderly Housing
Forsyth County, 2012

	Units
Alder's Point	100
Andrews Heights	56
Assembly Terrace	60
Azalea Terrace	50
Cherry Hill	40
Country Village	150
Goler Manor	79
Granville Place	100
Granville Plaza	42
Holland Homes	114
Hunt Park	60
Koerner Place	80
Mountain View	50
Rural Hill	32
St. Peter's Heritage Place	42
University Place Apts	96
Vespers Apartments	28
Wachovia Hill	26
West Hill Apartments	63
Winston Summit	100
Wynnfield Court	104
Total	1,472

Source: HUD; N.C. Housing Coalition

Subsidized units for the elderly are privately owned apartment complexes that offer apartments with limited services to elderly or handicapped residents who are able to live independently. Services generally include a community room and social activities and assistance in obtaining other services.

Acquisition, construction and/or rehabilitation of these apartment complexes has been financially assisted with federal, state, or local funds. As a condition of the assistance, owners agree to rent only to households below certain incomes and keep rents affordable for a specified period of time. Residents may be private pay or receive Section 8 vouchers or other rental assistance.

As shown in table 1.28, there are 1,472 units available at 21 facilities in Forsyth County.

In addition, the Housing Authority of Winston-Salem owns and operates 501 additional units in three public housing facilities designated for the elderly or handicapped.

2. PERSONS WITH HIV/AIDS

2. A. SERVICES FOR PERSONS WITH HIV/AIDS

A comprehensive listing of services available for persons living with HIV/AIDS may be found in *The Community Resource Directory* published by AIDS Care Service. These include case management and supportive services, diagnostic services, and health care providers.

2. B. RESIDENTIAL FACILITIES FOR PERSONS WITH HIV/AIDS

One facility exists in Forsyth County exclusively for HIV/AIDS patients. Holly Haven is a six-bed family care home for critically ill individuals with AIDS-related illnesses. Hospice & Palliative Care Center also serves persons with end-stage AIDS.

3. DISABLED PERSONS

3. A. SERVICES FOR DISABLED PERSONS

Services for persons with physical and developmental disabilities include employment training, daily living and personal development skills, advocacy, and public awareness.

3.B.1. SUPERVISED LIVING FOR DEVELOPMENTALLY DISABLED ADULTS

A supervised living facility provides 24-hour residential services to individuals in a home environment. Facilities must be licensed by the State and may house up to six individuals. Facilities receive State funding, and individuals are eligible for Medicaid *Community Based Care*. There were 40 such facilities in Forsyth County licensed to serve up to 182 adults in November 2012.

3.B.2. SPECIALIZED COMMUNITY RESIDENTIAL CENTERS

Specialized Community Residential Centers, also known as Intermediate Care Facilities for the Mentally Retarded (ICF/MR), provide 24-hour residential services to individuals who need total care. Care may be provided in a home or facility environment. All facilities must be licensed by the State and are funded by Medicaid. There were two such facilities in Forsyth County licensed to serve up to 46 individuals in November 2012.

3.B.3. FACILITIES FOR THE PHYSICALLY HANDICAPPED

Two facilities, Gladstone Apartments and University Court address the needs of those specifically with physical disabilities. The 24 apartments are fully accessible.

4. SUBSTANCE ABUSE

4. A. SUBSTANCE ABUSE SERVICES

For-profit and non-profit substance abuse services include outpatient facilities, day treatment, detoxification, and individual, group and family counseling.

4.B. SUBSTANCE ABUSE RESIDENTIAL FACILITIES

4.B.1. RESIDENTIAL TREATMENT OR REHABILITATION

A residential treatment or rehabilitation facility is a 24-hour residential treatment service, which provides active treatment and a structured living environment for individuals with substance abuse disorders in a group setting. All facilities must be licensed by the State. There were eleven such facilities in Forsyth County licensed to serve up to 54 children and adolescents in November 2012. In addition, Addiction Recovery Care Association (ARCA) provides residential treatment for persons with substance abuse problems as well as detoxification, outpatient facilities, day treatment, and supervised living.

4.B.2. SUPERVISED LIVING

A supervised living facility provides 24-hour residential services to individuals in a home environment. All facilities must be licensed by the State and may house up to ten individuals. In

addition to ARCA, there were four such facilities in Forsyth County licensed to serve up to 32 individuals in November 2012.

4.B.3. LIVING ARRANGEMENTS COORDINATED FOR ADULT CLIENTS

North Carolina General Statutes require any facility whose “primary purpose is to provide services for the care, treatment, habilitation, or rehabilitation of individuals with...substance abuse disorders” to be licensed. If a facility’s primary purpose is to provide living arrangements for adult clients in connection with case management or personal services, it is not required to be licensed. These facilities are sometimes called halfway houses or sober houses. There were three such facilities in Forsyth County providing up to 32 beds in November 2012.

5. MENTAL ILLNESS

5. A. SERVICES FOR PERSONS WITH MENTAL ILLNESS

Services for persons with mental illness include psychosocial rehabilitation, therapeutic and educational services, and advocacy and public education.

5. B. FACILITIES FOR PERSONS WITH MENTAL ILLNESS

A supervised living facility provides 24-hour residential services to individuals in a home environment. All facilities must be licensed by the State and may house up to six individuals. There were four facilities for adults whose primary diagnosis was mental illness in Forsyth County licensed to serve up to 23 adults in November 2012. In addition, there were five alternative family living facilities licensed to serve up to eleven individuals in November 2012. Alternative family living facility means a facility in a private residence, which serves no more than three adult clients whose primary diagnosis is mental illness or three minor clients whose primary diagnosis is developmental disabilities, and the family provides the service.

PART G. HOUSING NEEDS ASSESSMENT

The consolidated planning regulations state that “housing data included in this portion of the plan shall be based on U.S. Census data, as provided by HUD, as updated by any properly conducted local study, or any other reliable source that the jurisdiction clearly identifies....” Since HUD has contracted with the Census Bureau to produce the needed housing data and provided it in a mandatory template in the Integrated Disbursement and Information System (IDIS), this section of the Winston-Salem/Forsyth Housing Consortium Consolidated Plan is being prepared with the data and in the format provided by HUD. This includes data by extremely low-, low-, moderate- and middle-income families; “housing problems”; and “disproportionate need.”

The geography covered by the tables in this portion of the plan is the Winston-Salem/Forsyth Housing Consortium, which for all intents and purposes is Forsyth County. The Consortium excludes the portions of the City of King and the City of High Point that are in Forsyth County but includes the portion of the Town of Kernersville that is in Guilford County.

1. NUMBER OF HOUSEHOLDS

Table 2.01					
Number of Households by Income Category					
	0-30% HAMFI	30-50% HAMFI	50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	16,804	15,330	22,779	14,737	
Small Family Households *	5,953	5,089	7,938	43,183	
Large Family Households *	1,149	1,029	1,676	5,334	
Household contains at least one person 62-74 years of age	1,810	2,591	4,112	2,573	9,835
Household contains at least one person age 75 or older	2,213	3,147	3,307	1,820	5,164
Households with one or more children 6 years old or younger	3,732	3,227	3,259	12,334	
Source: 2005-2009 CHAS					
* The highest income category for these family types is >80% HUD Area Median Family Income (HAMFI).					

2. HOUSING PROBLEMS

According to HUD, a household has a “housing problem” if one or more of the following conditions are met:

1. The unit lacks complete kitchen facilities,
2. The unit lacks complete plumbing facilities,
3. There is more than one person per room,
4. The household has a Cost Burden greater than 30%.

Tables 2.02 and 20.3 provide data on different combinations of housing problem by tenure and income category.

**Table 2.02
Housing Problems by Tenure and Income Category
Households with One of the Listed Needs**

	Renter					Owner				
	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total
Substandard Housing - Lacking complete plumbing or kitchen facilities	265	170	70	30	535	40	65	84	55	244
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	185	275	80	15	555	0	45	15	14	74
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	575	500	370	225	1,670	15	65	133	10	223
Housing cost burden greater than 50% of income (and none of the above problems)	6,794	1,835	280	40	8,949	2,268	1,920	1,577	333	6,098
Housing cost burden greater than 30% of income (and none of the above problems)	1,764	3,965	2,609	319	8,657	780	1,842	3,900	2,473	8,995
Zero/negative Income (and none of the above problems)	1,159	0	0	0	1,159	438	0	0	0	438
Source: 2005-2009 CHAS										

Table 2.03 Housing Problems by Tenure and Income Category Households with One or More Housing Problems										
Household...	Renter					Owner				
	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total
Has one or more of four housing problems	7,814	2,780	805	305	11,704	2,328	2,095	1,818	408	6,649
Has none of four housing problems	3,439	5,585	8,975	4,939	22,938	1,615	4,870	11,188	9,073	26,746
Has negative income, but none of the other housing problems	1,159	0	0	0	1,159	438	0	0	0	438

Source: 2005-2009 CHAS

Tables 2.04 and 2.05 provide data on cost burden by household type. HUD considers a unit affordable if a household spends no more than 30% of its gross income on gross housing (rent/mortgage plus utilities). If gross housing costs exceed 30% of gross income, the household is said to be experiencing “cost burden.” If gross housing costs exceed 50% of gross income, the household is said to be experiencing “severe cost burden.” The consolidated planning regulations use the following definitions of household type:

- *Elderly*: a household of 1 or 2 persons in which the head of the household or spouse is at least 62 years of age.
- *Small Related*: a household of 2 to 4 persons that includes at least one person related to the householder by birth, marriage, or adoption.
- *Large Related*: a household of 5 or more persons that includes at least one person related to the householder by birth, marriage or adoption.
- *Other*: a household of 1 or more persons that does not meet one of the above definitions.

Table 2.04 Housing Problems by Tenure and Income Category Cost Burden >30%								
	Renter				Owner			
	0-30% AMI	30-50% AMI	50-80% AMI	Total	0-30% AMI	30-50% AMI	50-80% AMI	Total
Small Related	3,894	2,615	905	7,414	823	1,270	2,373	4,466
Large Related	934	330	105	1,369	60	218	458	736
Elderly	1,074	770	485	2,329	1,437	1,505	1,221	4,163
Other	3,530	2,420	1,469	7,419	763	867	1,442	3,072
Total need by income	9,432	6,135	2,964	18,531	3,083	3,860	5,494	12,437

Source: 2005-2009 CHAS

Table 2.05								
Housing Problems by Tenure and Income Category								
Severe Cost Burden >50%								
	Renter				Owner			
	0-30% AMI	30-50% AMI	50-80% AMI	Total	0-30% AMI	30-50% AMI	50-80% AMI	Total
Small Related	2,954	650	10	3,614	763	680	680	2,123
Large Related	609	90	35	734	35	95	0	130
Elderly	730	310	155	1,195	823	656	478	1,957
Other	3,015	865	105	3,985	689	558	413	1,660
Total need by income	7,308	1,915	305	9,528	2,310	1,989	1,571	5,870
Source: 2005-2009 CHAS								

Table 2.06 provides data on overcrowding. Overcrowding is defined as a housing unit containing more than one person per room. Rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodgers' rooms but exclude bathrooms, hallways, and closets.

Table 2.06										
Housing Problems by Tenure and Income Category										
Overcrowding										
	Renter					Owner				
	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total	0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	Total
Single family households	740	685	365	0	1,790	15	100	124	0	239
Multiple, unrelated family households	85	90	85	0	260	0	10	19	0	29
Other, non-family households	0	0	0	0	0	0	0	0	0	0
Total need by income	825	775	450	0	2,050	15	110	143	0	268
Source: 2005-2009 CHAS										

As shown in Table 2.03, 63.0% of extremely low-income (0-30% AMI) renter and 53.1% of extremely low-income owner households had one or more of the four housing problems in the period 2005-2009. In addition, 33.2% of low-income (30-50% AMI) renter and 30.1% of low-income owner households had one of the four housing problems.

The most common housing problem for households with one of the listed needs, as shown in Table 2.02, is cost burden and severe cost burden, comprising 81.8% of the total housing problem for one of the listed needs for renter households and 93.9% for owner households. For both renter and owner households, severe cost burden increased as income decreased with extremely low-income households having the highest number of that listed need, although the

issue was more pronounced for renter households. Cost burden primarily affected low-income and moderate-income (50-80% AMI) renter households and low-income and middle-income (80-100% AMI) owner households.

By household type, of cost burdened renter households most are Small Related and Other households, and of severe cost burdened renter households most are extremely low-income or low-income Small Related and Other households. These two household types comprise approximately 80% of each of these income categories. For owner households, Elderly households also comprise a significant percentage of cost burdened and severe cost burdened households.

Worst case needs is a HUD concept to measure renters with acute needs for housing assistance, which puts them at greater risk of housing instability and possibly homelessness. Worst case needs are defined as unassisted renters with incomes below 50% of area median income who pay more than half of their income for housing or live in severely substandard housing. Since Census data does not capture severely substandard housing, very low-income renter households (0-50% AMI) with severe cost burden is used as a proxy. According to the CHAS data, 9,223 renter households have worst-case needs in Winston-Salem and Forsyth County.

Households with worst case needs need either increased income to enable them to afford housing that is decent, safe and sanitary or rental assistance to enable them to pay for it. Recipients of rapid re-housing that are nearing the termination of that assistance and have not been able to increase their income face a repeat of housing instability and possibly homelessness. It is due to the significant number of renter households with worst case needs, particularly individuals and families with children, HOME funds are used for tenant-based rental assistance.

2. DISPROPORTIONATE NEED

HUD defines disproportionate need as the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

2.A. DISPROPORTIONATE NEED – HOUSING PROBLEMS

The four housing problems are: 1) lacks complete kitchen facilities, 2) lacks complete plumbing facilities, 3) more than one person per room, and 4) Cost Burden greater than 30%.

Table 2.07			
Disproportionally Greater Need 0 - 30% Area Median Income			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	22,970	4,165	2,950
White	8,345	1,745	1,355
Black / African American	11,080	2,185	1,430
Asian	144	30	28
American Indian, Alaska Native	40	0	0
Pacific Islander	0	0	0
Hispanic	2,945	144	90
Source: 2005-2009 CHAS			

Table 2.08			
Disproportionally Greater Need 30 - 50% Area Median Income			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	18,925	7,665	0
White	8,025	5,160	0
Black / African American	7,345	1,810	0
Asian	70	70	0
American Indian, Alaska Native	34	0	0
Pacific Islander	0	0	0
Hispanic	3,230	630	0
Source: 2005-2009 CHAS			

Table 2.09			
Disproportionally Greater Need 50 - 80% Area Median Income			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	15,445	22,710	0
White	7,725	13,775	0
Black / African American	5,630	6,605	0
Asian	255	285	0
American Indian, Alaska Native	55	80	0
Pacific Islander	0	0	0
Hispanic	1,580	1,820	0
Source: 2005-2009 CHAS			

Table 2.10			
Disproportionally Greater Need 80 - 100% Area Median Income			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	5,525	19,015	0
White	3,100	12,070	0
Black / African American	1,750	5,415	0
Asian	85	164	0
American Indian, Alaska Native	0	40	0
Pacific Islander	0	0	0
Hispanic	510	1,185	0
Source: 2005-2009 CHAS			

Disproportionately Greater Need for households with housing problems for the period 2005-2009 was experienced by extremely low-income (0-30% AMI) and low-income (30-50% AMI) Hispanic households. The primary housing problem was cost burden, as it was for extremely low-income and low-income households generally. However, since Hispanic households were larger on average than non-Hispanic households, overcrowding may also have been a factor.

2.B. DISPROPORTIONATE NEED – SEVERE HOUSING PROBLEMS

The four severe housing problems are: 1) lacks complete kitchen facilities, 2) lacks complete plumbing facilities, 3) more than 1.5 persons per room, and 4) Cost Burden over 50%.

Table 2.11			
Severe Housing Problems 0 - 30% AMI			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	18,420	8,715	2,950
White	6,560	3,530	1,355
Black / African American	9,030	4,235	1,430
Asian	144	30	28
American Indian, Alaska Native	40	0	0
Pacific Islander	0	0	0
Hispanic	2,320	769	90
Source: 2005-2009 CHAS			

Table 2.12			
Severe Housing Problems 30 - 50% AMI			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	8,630	17,965	0
White	3,355	9,820	0
Black / African American	3,180	5,985	0
Asian	45	90	0
American Indian, Alaska Native	0	34	0
Pacific Islander	0	0	0
Hispanic	1,900	1,960	0
Source: 2005-2009 CHAS			

Table 2.13			
Severe Housing Problems 50 - 80% AMI			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,405	33,750	0
White	2,275	19,235	0
Black / African American	1,355	10,885	0
Asian	40	500	0
American Indian, Alaska Native	19	110	0
Pacific Islander	0	0	0
Hispanic	720	2,680	0
Source: 2005-2009 CHAS			

Table 2.14			
Severe Housing Problems 80 - 100% AMI			
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,215	23,325	0
White	470	14,715	0
Black / African American	350	6,810	0
Asian	0	250	0
American Indian, Alaska Native	0	40	0
Pacific Islander	0	0	0
Hispanic	385	1,315	0
Source: 2005-2009 CHAS			

Disproportionately Greater Need for households with severe housing problems for the period 2005-2009 was experienced by extremely low-income (0-30% AMI), low-income (30-50% AMI), and middle-income (80-100% AMI) Hispanic households. Similar to housing problems, the primary severe housing problems were severe cost burden and severe overcrowding.

2.B. DISPROPORTIONATE NEED – COST BURDEN

Cost Burden occurs when a household spends more than 30% of its gross income on gross housing (rent/mortgage plus utilities). Severe Cost Burden occurs when a household spends more than 50% of its gross income on gross housing.

Table 2.15				
Greater Need: Housing Cost Burdens AMI				
Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	153,635	38,585	28,810	3,050
White	106,765	19,605	12,795	1,400
Black / African American	34,465	13,960	12,945	1,480
Asian	2,320	420	240	28
American Indian, Alaska Native	285	65	50	0
Pacific Islander	40	0	0	0
Hispanic	8,890	3,965	2,355	90
Source: 2005-2009 CHAS				

No racial or ethnic group has a Disproportionately Greater Need based on cost burden or severe cost burden.

3. PUBLIC HOUSING

Tables 2.16 to 2.19 provide demographic data on residents of public housing and voucher recipients.

Table 2.16									
Public Housing by Program Type									
	Certificate	Mod-Rehab	Public Housing						
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	133	1,221	4,250	316	3,756	68	85	347
Data Source: PIC (PIH Information Center)									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition									

Table 2.17
Characteristics of Public Housing Residents by Program Type

	Certificate	Mod-Rehab	Public Housing	Special Purpose Voucher					
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Average length of stay	0	2	4	6	1	6	0	0	6
Average household size	0	2	1	2	2	2	1	3	1
# Homeless at admission	0	0	14	0	0	0	0	0	0
# of Elderly program participants (>62)	0	6	239	433	78	349	3	0	2
# of Disabled families	0	15	310	799	44	693	18	4	26
# of Families requesting accessibility features	0	133	1,221	4,250	316	3,756	54	38	28
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0	0

Data Source: PIC (PIH Information Center)

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition

Table 2.18									
Race of Public Housing Residents by Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
							White	0	41
Black/African American	0	91	1,106	3,862	292	3,419	45	27	24
Asian	0	0	1	3	0	3	0	0	0
American Indian/Alaska Native	0	1	6	6	0	6	0	0	0
Pacific Islander	0	0	3	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0
Data Source: PIC (PIH Information Center)									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition									

Table 2.19									
Ethnicity of Public Housing Residents by Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
							Hispanic	0	24
Not Hispanic	0	109	1,184	4,105	303	3,632	53	35	25
Data Source: PIC (PIH Information Center)									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition									

The waiting list for the HCV tenant-based program has approximately 2,500 families and has been closed since April, 2010. Approximately 60% are families with children, 82% are extremely low-income families, and 93% are African-American. Each public housing development maintains a waiting list, and a family may be on as many waiting lists for which it qualifies. Families are primarily extremely low-income, African-American families with children. The exceptions are for the high-rise developments – Healy Towers, Crystal Towers, and Sunrise Towers – which are one-bedroom units, and Azalea Terrace and Alders Point, which are for the elderly.

The most immediate needs of residents of public housing and Housing Choice Voucher holders are for decent, safe and sanitary housing that is affordable to extremely low- and low-income households. This is similar to the population at large. The Authority has a sufficient number of accessible units to serve both tenants and applicants.

4. PROJECTED FUTURE HOUSING NEEDS

This analysis addresses the housing need of the expected growth in population for Forsyth County. Additionally, the estimation in Table 2.20 is intended to address the need of the entire housing market, not just the low-income or affordable housing market. Future housing needs are arrived at primarily by projecting expected population increases and applying expected household sizes to calculate the resultant number of units needed. To arrive at a reasonable forecast of housing need, a projection of the number and types of housing needed to accommodate expected new residents is made (new housing units).

Owner	6,171
Renter	3,560
Total	9,731
65+ Years	2,306
Source: NC Office of State Budget and Management, 2010 Decennial Census, Community and Business Development	

Table 2.20 was calculated as a future (2011-2018) projection of housing need. The population of Forsyth County is expected to increase by 20,318 (5.7%) residents by 2018. Using an average household size of 2.46 for owner-occupied units (2010 Decennial Census), the projected need for owner-occupied housing units will be 6,171. Using an average household size of 2.34 for renter-occupied units (2010 Decennial Census), the projected need for renter-occupied housing units will be 3,560. This indicates a need for 9,731 housing units. Furthermore, projections based on 2010 Decennial Census data indicate that 2,306 (23.7%) future housing units will be occupied by households with individuals 65 years and older.

Other issues should be considered when estimating future housing need. One is the condition and age of units in the current housing inventory, as units will be lost to obsolescence and need to be replaced. Another is the fit between households and housing. This includes affordability (housing payment as a percentage of income), overcrowding (number of persons to number of rooms in unit ratio), and location (school assignment, distance to work, perception of neighborhoods), which can drastically change both the housing market and people's migration patterns. Others worth considering are land requirements and availability; projections for the elderly and special needs populations; economic growth in the county; and housing delivery (financing, regulatory and administrative process, infill housing developments, and infrastructure requirements).

These issues, however, are difficult to assess as they involve consumer choice and qualitative issues. Ultimately, projected population growth is the fundamental driver affecting future housing need, due to the fact that people and housing units are closely linked, population projections are credible, and there is proven accuracy through disaggregation.

PART H. HOMELESS NEEDS ASSESSMENT

Table 2.21 describes the nature and extent of sheltered and unsheltered homelessness in Forsyth County. As an urban county, Forsyth County has no rural homelessness.

**Table 2.21
Homeless Needs Assessment**

Population	Estimated # of persons experiencing homelessness on a given night		Estimated # experiencing homelessness each year	Estimated # becoming homeless each year	Estimated # exiting homelessness each year	Estimated # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in households with adults and children	150	0	750	750	750	56
Persons in households with only children	10	0	20	24	24	60
Persons in households with only adults	400	50	2,000	1,800	1,800	54
Chronically homeless individuals	175	25	175	100	25	365
Chronically homeless families	2	0	12	12	12	365
Veterans	45	5	175	170	170	60
Unaccompanied child	5	0	10	10	10	30
Persons with HIV	10	2	30	30	30	60
Source: City of Winston-Salem						

The point-in-time count of homeless persons on January 30, 2013 found 394 persons to be homeless in Winston-Salem/Forsyth County. Of that number, 82 were chronically homeless. The Annual Homeless Assessment Report (AHAR) for the year ending September 30, 2012 indicated that 2,164 persons experienced homelessness during the course of the year. That number did not include 805 persons served in faith-based and domestic violence facilities that do not participate in the Homeless Management Information System (HMIS). Adding those additional persons to the AHAR total, the total number of homeless persons needing housing over the course of a year was 2,969. These 2,969 persons were in 2,387 households and all needed housing. Of that number of households, 1,038 used HUD Continuum of Care funded services to obtain housing over the course of the year, which is indicative of the need for services. Based on the AHAR data, approximately 96% of persons who experienced homelessness were non-Hispanic. Racially, approximately 64% of homeless persons were African-American, 31% were white, and 5% reported being of another race or combinations of races.

Prevention of homelessness also is needed. In 2011-2012, \$5,325,150 in financial assistance was provided in 20,749 instances to prevent eviction, prevent loss of utilities or to pay for rental deposits after housing was lost. The average cost per case to prevent homelessness or re-house a household was \$257, compared to a \$203 average cost the prior year. The Homelessness Prevention and Rapid Re-Housing Program (HPRP) was useful in providing financial assistance and services to prevent individuals and families from becoming homeless and to help those experiencing homelessness to be quickly re-housed and stabilized. The City received both

federal and state HPRP awards, but the program ended on August 31, 2013 after serving 280 households over three years. Moving forward, funds are more limited, and by encouragement from HUD funds are being focused on rapid re-housing rather than prevention. New prevention funding and tools are needed.

Many factors contribute towards risk of homelessness, including those listed below, which include housing characteristics linked to instability:

HIGH RISK FACTORS:

1. Eviction within 2 weeks from a private dwelling (including housing provided by family or friends)
2. Discharge within 2 weeks from an institution where an individual has resided for at least 180 days
3. Residency in housing that has been condemned by housing officials and is no longer meant for human habitation
4. Sudden and significant loss of income
5. Mental health and or/substance abuse disorders
6. Significant physical disabilities
7. 2+ moves within the past year
8. Young head of household with child under 2 years of age
9. Ex- offender

MEDIUM RISK FACTORS:

1. Severe cost burden (paying more than 50% of income for housing)
2. Involvement in the child welfare system (child protective services)
3. Credit problems
4. Trauma
5. Eviction due to landlord/owner of rental unit experiencing foreclosure
6. Domestic violence within past 30 days

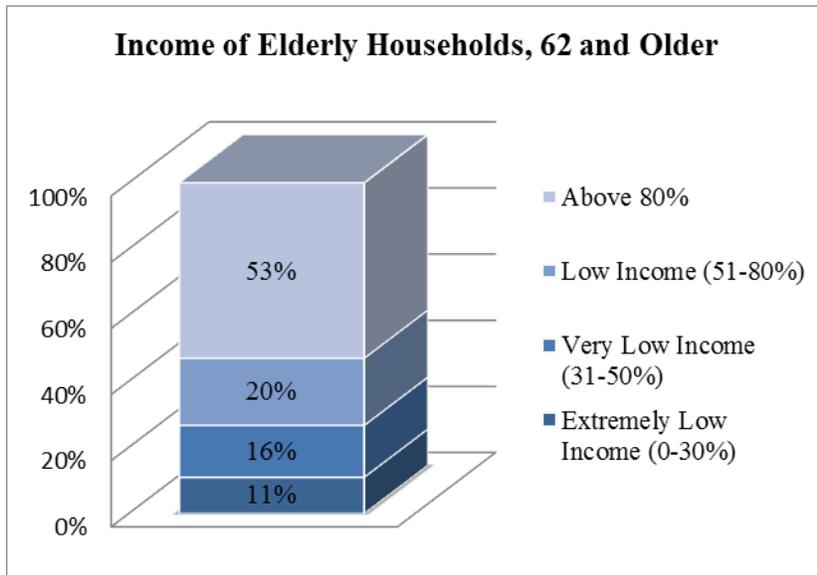
LOW RISK FACTORS:

1. Sudden and significant increase in utility costs
2. High overcrowding (the number of persons exceed health and/or safety standards for the housing unit size)
3. Significant amount of medical debt

PART I. SPECIAL POPULATIONS NEEDS ASSESSMENT

The Consolidated Plan is to estimate, to the extent practicable, the number of persons who are not homeless but require supportive housing, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, and persons with HIV/AIDS and their families.

1. ELDERLY AND FRAIL ELDERLY



In 2010, according to the U.S. Census, Forsyth County had 45,511 persons 65 years of age or older, of which 21,231 were 75 years of age or older. The State of North Carolina projects that in 2030 Forsyth County will have 77,648 persons 65 years of age or older, of which 34,997 will be 75 years of age or older.

The chart shows the distribution by income category of households that contain at least one person 62 years of age or older in the

Winston-Salem/Forsyth Housing Consortium area. Approximately 47% of elderly households were considered low-income. However, it should be noted that the data, provided by HUD, covers the period 2005 to 2009, before the full impact of the recession hit Forsyth County. Today the distribution has undoubtedly shifted to the lower income categories.

According to the 2010 American Community Survey, 13,108 of 43,060 persons 65 years of age and over in Forsyth County, or 30.4%, reported having a disability of some type. In addition, 8,236, or 19.1% of persons 65 years of age and over, reported having an ambulatory difficulty. Since people can report more than one type of disability, ambulatory difficulty is the closest approximation for the number of frail elderly in Forsyth County.

Senior Services, Inc. is the primary provider of referral services for the elderly in Forsyth County and also operates the county Meals on Wheels program, a home care service, and an adult day center. According to the agency, the elderly want to stay in their homes as long as possible. The most requested services are home care, i.e. assistance with activities of daily living, and in-home assistance, e.g. housekeeping. However, affordability is a key issue, as the services can cost \$17 to \$22 per hour. Transportation and home repairs are also requested, but many people cannot afford them.

2. PERSONS LIVING WITH HIV AND AIDS

The Forsyth County Department of Public Health and the North Carolina Department of Health and Human Services are the primary sources of information on human immunodeficiency virus (HIV) and acquired immunodeficiency syndrome (AIDS).

In 2010, Forsyth County reported 59 cases of HIV disease. The rate of infection was 16.4 per 100,000 population, which ranked fifth among other urban counties (Durham, Mecklenburg, Guilford, and Wake) in North Carolina. This is a 31.4% decrease from 23.9 cases per 100,000

population in 2009. Mecklenburg County reported the highest number of cases, totaling 312. Forsyth County reported the lowest number of cases.

Table 2.20
HIV and AIDS Reports
2010

	HIV		AIDS	
	Number	Percent	Number	Percent
Sex				
Male	44	74.6	17	70.8
Female	15	25.4	7	29.2
Total	59	100.0	24	100.0
Age Group				
0-12	2	3.4	1	4.2
13-19	2	3.4	0	0.0
20-29	17	28.8	0	0.0
30-39	7	11.9	5	20.8
40-49	16	27.1	7	29.2
50+	15	25.4	11	45.8
Total	59	100.0	24	100.0
Race/Ethnicity				
White*	8	13.6	7	29.2
Black*	43	72.9	15	62.5
Hispanic	6	10.2	2	8.3
Unknown	2	3.4	0	0.0
Total	59	100.0	24	100.0
Mode of Transmission				
Men who have sex with men (MSM)	21	35.6	2	8.3
Intravenous Drug Use (IDU)	2	3.4	2	8.3
MSM/IDU	0	0.0	2	8.3
Heterosexual (all)	18	30.5	10	41.7
No Identified Risk (NIR)	17	28.8	6	25.0
Pediatric	1	1.7	2	8.3
Total	59	100.0	24	100.0

Source: Forsyth County 2010 HIV/STD Surveillance Report, Forsyth County Department of Public Health

*Non-Hispanic

In recent years, the number of AIDS cases has dropped, most likely because of the availability of new highly effective antiretroviral treatments for persons with HIV disease. In 2010, Forsyth County reported 24 AIDS cases. The rate of infection was 6.7 per 100,000 population, which ranked fifth among the state's urban counties. This is a 49.6% decrease from 13.3 cases per 100,000 population in 2009.

Table 2.20 provides relevant demographic data for the HIV and AIDS cases reported in Forsyth County in 2010. HIV and AIDS continue to be reported primarily among males, Blacks, and persons 40 years and older, and HIV infection among men who have sex with men. What has changed since the 2006 data in the current consolidated plan is the increase in heterosexual transmission, the decrease in the percentage of No Identified Risk cases, and the presence of pediatric cases.

According to the *Epidemiologic Profile for HIV/STD Prevention & Care Planning, December 2011* from the North Carolina Department of Health and

Human Services, Division of Public Health, 793 persons were living with HIV (non-AIDS) and 418 were living with AIDS in Forsyth County as of December 31, 2010, for a total of 1,211 persons living with HIV Disease. The Epidemiologic Profile cited housing as one of the top ten unmet needs for HIV-positive persons, with 9% reporting an unmet need. Other key needs were dental services, public benefits, HIV case management, food, peer supports, transportation, mental health services, assistance with HIV/AIDS related prescription drugs to uninsured and underinsured individuals, and home health services.

3. PERSONS WITH PHYSICAL DISABILITIES

According to the 2010 American Community Survey, 30,627 persons in Forsyth County 18 years of age and older had some type of disability, which could include hearing, vision, cognitive, ambulatory, self-care, and independent living difficulties. The number of persons with disabilities is significant, yet the extent to which these persons have supportive housing needs is not well known.

The type of supportive housing needed will depend on the type of disability. The needs of a person with a sensory disability (blindness, deafness, or severe vision or hearing impairment) would be different from someone who had trouble walking, climbing, lifting, or getting around inside his/her home.

4. PERSONS WITH DEVELOPMENTAL DISABILITIES

The ARC, which advocates for persons with developmental and other disabilities, estimates that approximately 2.5% to 3% of the total population has mental retardation, which translates into approximately 8,800 to 10,500 persons in Forsyth County given the 2010 County population of 350,670. The 2010 American Community Survey indicated that 10,784 persons in Forsyth County 18 years of age and older had a cognitive difficulty, which is defined as, because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.

CenterPoint Human Services is a state-mandated Local Management Entity and Medicaid-funded Managed Care Organization in charge of overseeing the delivery of publicly-funded mental health, developmental disabilities and substance abuse services in Forsyth, Stokes, Davie and Rockingham Counties. CenterPoint works closely with community partners, advocates and service providers to address the service needs of the people and communities it serves.

The primary issue for persons with developmental disabilities is the lack of housing appropriate to their ability to live independently, whether living in an apartment with support, group home, or intermediate care facility. The goal has been to integrate persons with disabilities into the community as much as possible. Factors that hinder increasing supportive housing include:

- Funding to provide the supportive services necessary for developmentally disabled persons to live independently.
- Low client income makes it difficult for clients in supported living to locate housing that is safe and affordable.
- Resistance by neighbors to having group homes in their neighborhoods (NIMBY).

Other factors relevant to the need for supportive housing for persons with developmental disabilities include that persons with disabilities do not move along a continuum; rather, most age in place, so few spaces become available to those who wait. As a result, many live with family members. As the disabled population and their family care givers age, concerns increase as to who will provide care to the disabled person when family members are no longer able to. Finally, staff of intermediate care facilities for youth with severe mental retardation (ICF/MR)

must begin a housing search well in advance of each youth's "aging out" of the program in order to be able to find appropriate housing for them as adults.

5. SEVERELY MENTALLY ILL

According to the Substance Abuse and Mental Health Services Administration (SAMHSA), Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2010 and 2011 (2010 Data – Revised March 2012), an estimated 18.2% of North Carolinians age 18 years and older experienced “any mental illness in the past year.” When applied to the same age group in Forsyth County in 2010 (265,269 persons), this figure translates to 48,200 persons. The same survey estimated that 4.25% of North Carolinians age 18 years and older experienced “serious mental illness in the past year.” This figure translates to an estimated 11,300 persons when applied to the same age group in Forsyth County in 2010. The percentages for persons experiencing any mental illness and serious mental illness are higher for those 18-25 years of age than for those 26 years and older.

Non-crisis housing options for persons with mental illness may include group homes, half-way houses, foster homes, family care homes, nursing homes, clustered and scattered-site apartments, SROs, and houses. Appropriate support services must be available. The most significant supportive housing needs of adults with mental illness are:

- Need for safe and affordable housing.
- Need for assistance in accessing housing
- Need for transportation to community resources from their housing
- Need for case managers to assist with successful independent living
- Need for assistance due to criminal histories
- Need for relief from stigma issues that result in NIMBYism

6. PERSONS WITH ALCOHOL OR OTHER DRUG ADDICTIONS

The SAMHSA National Survey on Drug Use and Health, 2010 and 2011 reported that an estimated 8.86% of North Carolinians aged 12 and older were current illicit drug users^a, meaning they had used an illicit drug in the month prior to interview. Broken down by age group, an estimated 10.33% 12 to 17 year olds, 24.05% 18 to 25 year olds, and 6.15% 26 years and older were illicit drug users. Since the National Survey and Census Bureau’s American Community Survey do not use the same age groups, an estimate of the number of illicit drug users 12 to 17 years of age in Forsyth County is not possible, and estimates for adults should be viewed with caution. However, an estimate of the number of current illicit drug users in Forsyth County would be 8,481 persons 18-24 years of age and 14,145 person 25 years of age and older.

Using the National Survey, 49.19% of North Carolinians age 12 and over were current alcohol users, and 10.47% were binge alcohol users. An estimate of the number 18 to 24 year olds in Forsyth County who were current alcohol users is 21,757 and who were binge alcohol users is

^a Illicit Drugs include marijuana/hashish, cocaine (including crack), heroin, hallucinogens, inhalants, or prescription-type psychotherapeutics used non-medically. Illicit Drugs Other Than Marijuana include cocaine (including crack), heroin, hallucinogens, inhalants, or prescription-type psychotherapeutics used non-medically.

12,568. For persons 25 years and older in Forsyth County, an estimated 118,453 were current alcohol users and 42,137 were binge alcohol users^b.

The National Survey was also able to estimate the percentage of persons needing but not receiving treatment for illicit drug use. The percentage of persons 12 and older needing but not receiving treatment for an illicit drug problem in the past year in Forsyth County was estimated at 2.46%. An estimate of the number of persons needing but not receiving treatment for illicit drug use in Forsyth County would be 2,535 persons 18-24 years of age and 3,289 person 25 years of age and older.

The number of persons with alcohol or other drug addictions who have a supportive housing need is unknown. However, CenterPoint Human Services has indicated that the supportive housing needs of these persons are the same as for persons who are seriously mentally ill since many persons who are seriously mentally ill also have alcohol or other drug addictions. These supportive housing needs are described more fully in the Seriously Mentally Ill section above.

Other issues related to the need for safe and affordable housing include the destination of those leaving residential treatment. When there is a shortage of transitional beds in the community, treatment centers may have to send clients to halfway houses in other cities. Also there has been an increase in the number of women served--many with children--and indicates a need for transitional outplacement accompanied by child care services. Persons with a primary diagnosis of substance abuse are not eligible for disability assistance. Furthermore, much zero- and one-bedroom elderly housing that had allowed single disabled adults as residents is designated exclusively for the elderly out of concern for the safety of the elderly, leaving fewer permanent housing resources for the disabled substance abuser.

PART J. LEAD-BASED PAINT HAZARDS

1. THE PROBLEM

The Center for Disease Control and Prevention (CDC) released its Morbidity and Mortality Weekly Report (4/2/13) in which the CDC states its findings on blood lead levels (BLL) in children and confirms that there is no safe level of lead and that prevention is the only cure. According to the report, 535,000 children ages 1-5 have BBLs over 5ug/dL representing 2.6% of American children in this age range. Locally, childhood lead poisoning continues to threaten children in Forsyth County, although statistics show that the severity of the problem is decreasing. At low levels, lead poisoning in children causes intelligence quotient deficiencies, reading and learning disabilities, impaired hearing, reduced attention span, impaired memory, neurological damage, hyperactivity and behavior problems. Lead-based paint is the major source of lead involved in elevated blood lead levels. BLLs of 10 micrograms per deciliter ($\mu\text{g}/\text{dL}$) or greater are cause for concern, as defined by the Centers for Disease Control. Children are

^b Binge Alcohol Use is defined as drinking five or more drinks on the same occasion (i.e., at the same time or within a couple of hours of each other) on at least 1 day in the past 30 days.

^c Needing But Not Receiving Treatment refers to respondents classified as needing treatment for illicit drugs, but not receiving treatment for an illicit drug problem at a specialty facility (i.e., drug and alcohol rehabilitation facilities [inpatient or outpatient], hospitals [inpatient only], and mental health centers).

commonly exposed through chronic ingestion of household dust containing lead from deteriorating or abraded lead-based paint. Almost all houses built before 1950, and most houses built before 1978, contain lead-based paint. Older paint is likely to contain higher concentrations of lead.

2. SCREENING FOR LEAD-BASED PAINT HAZARDS

The total population of the City of Winston-Salem is 229,817, of which 19,978 (8.7%) of the population are under the age of six. The primary target population for lead poisoning prevention is children ages six months to six years. Of this group, 1 and 2 year-olds are most vulnerable because they ingest contaminated house dust through hand-to-mouth activity. For children between the ages of 6 months to 6 years, 6,687 have been tested. Of the children at Medicaid ages 1 to 2 years old, 6,146 children have been tested with 37 children showing a lead level of >10 ug/dL (Source: 2010 NC Childhood Blood Lead Surveillance Data, prepared by CEHB (Children's Environmental Health Branch of NC) on 12/8/2011. Medicaid children are tested at these ages because of their increased susceptibility.

As a result of the 2010–2013 Lead-Safe Grant of Winston-Salem, the Department of Public Health, a partner in with the City in the Grant, confirmed 104 children with blood lead levels between 5 and 7 ug/dL (level of concern), 43 children with blood lead levels between 8 and 19 ug/dL (elevated blood lead level) and 2 children with 20 ug/dL or above (poisoned) in Forsyth County during the grant period. All children with confirmed blood lead levels of 5ug/dL or above whose homes were remediated by Lead Safe Winston-Salem experienced reductions in their blood lead levels after remediation. Identifying the housing units of susceptible children and reducing the lead hazards is vital to protect their health and welfare.

3. HOUSING UNITS WITH LEAD-BASED PAINT HAZARDS

The Prevalence of Lead-Based Paint Hazards in U.S. Housing, published in October 2002, provides estimates of the percentage of housing units with lead-based paint, contaminated dust, and bare soil lead. Nationally, an estimated 25% of the nation's housing had significant lead-based paint hazards in the form of deteriorated paint, dust lead, or bare soil lead. Of the units with significant lead-based paint hazards, an estimated 1.2 million (25%) were occupied by families earning less than \$30,000 per year and had children under six years of age. Of all units built before 1940, 68% contained lead-based paint hazards as well as 43% of units built from 1940 to 1959 and 8% of units built from 1960 to 1977.

According to the study, lead-based paint is found less often in the South and West than in the Northeast and Midwest. The study estimated that 17% of all housing units in the South have lead-based paint. If this percentage is applied to the 137,777 housing units in Forsyth County in 2010, the estimated number of housing units with lead-based paint hazards would be 23,422.

SECTION II: FIVE-YEAR STRATEGY

SECTION II. FIVE-YEAR STRATEGY

PART A: CONTEXT FOR STRATEGY DEVELOPMENT

The overall strategy of the Winston-Salem/Forsyth Housing Consortium takes a community development approach, in which the development of housing units takes place within the context of community building. Issues such as employment, land use planning, community services, and business are all relevant to where and how housing is located, preserved and supported. Such a strategy fulfills the primary statutory objective to develop viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income.

Most programs are undertaken citywide for the CDBG and ESG programs and countywide for the HOME program; however, certain rehabilitation and economic development programs, such as the Small Business Loan Program, are limited to the Neighborhood Revitalization Strategy Area (NRSA). The NRSA was approved by HUD on July 17, 2000, and there is no change in the strategy. The NRSA is an area of over 20 square miles in the central and eastern section of the City and is primarily residential. The percentage of low and moderate income residents at the threshold is 64.0%. The percentage of low and moderate income residents in the proposed area is 64.2%. Over 67,000 people reside in the area, one-quarter of whom are living below the poverty level. Sixty-two percent of the residents are Black or African-American, and 13% are Hispanic or Latino.

PART B: PRIORITY NEEDS AND GOALS

The Consolidated Plan must indicate the general priorities for allocating investment of available resources among different needs. In the Winston-Salem/Forsyth Housing Consortium, these priority needs are referred to as Goals. The Goals outlined in this section were developed on the basis of the needs assessment, market analysis, and input from community workshops and public hearings. A rationale for each Goal, including any market characteristics that will influence the use of funds, is listed. Descriptions of the Consortium's Strategies (referred to by HUD as goals) and Programs follow each Goal and include measurable results. The Consortium projects that it will provide housing, excluding tenant-based rental assistance, to 1,035 households who are at or below 80% of area median income and 9,000 homeless persons during the five-year plan period.

GOAL 1: HOUSING CONSERVATION AND NEIGHBORHOOD REVITALIZATION

Need Statement: Neighborhood revitalization was one of the key recommendations from the community workshops and consultations. This includes housing rehabilitation, including for persons with special needs, infill housing, and working with communities to maintain and improve their neighborhoods.

Almost 230 owner-occupied units and 190 rental units have been rehabilitated in the City and County during the 2009-2012 four-year period of the current five-year plan. This accomplishment, however, does not diminish the need for continued, aggressive conservation efforts; as routine maintenance of improvements is crucial to keep the same and additional units out of the substandard inventory. At the end of the 2010-11 fiscal year, a total of 5,060 units, or 4.9% of the total City of Winston-Salem housing inventory of 103,974 units, was substandard. Conservation of these units is essential to addressing the needs of those households demonstrating "worst case" needs.

The Minimum Housing Code and Property Rehabilitation Standards are used to facilitate the extension of the useful economic life of property and are not intended to be a barrier to preservation of affordable housing. A concurrent objective of the rehabilitation program is the maintenance of continued affordability of the housing unit by the occupants and also protection of the public funds invested in rehab activity through ongoing, routine inspections and maintenance reserve requirements.

Strategy 1.1 Target Neighborhood Services to Optimize Attainment of Neighborhood Stability and Revitalization

Summary: The goal of neighborhood revitalization efforts is to achieve sound, safe, and enriching neighborhoods and to maintain geographic loyalty in retaining existing and attracting new residents. Ensuring that housing is maintained, through housing code enforcement and cooperation between the City and neighborhoods, and strengthening neighborhood associations is important in this effort.

Program 1.1.1 **Housing Code Enforcement and Operation Impact [E]** – Housing inspections are done in response to citizen complaints and in a strategic manner as determined by City officials. Operation Impact is a program to improve blighted neighborhoods by dealing effectively with nuisance properties. To fall under Operation Impact, a property must require the attention of more than one department and be recommended by a housing inspector.

Target 6/14: Complete up to 1 Operation Impact, based on housing inspector recommendation

Target 6/18: Participate in up to 5 Operation Impacts, based on housing inspector recommendation

Program 1.1.2 **Neighborhood Assistance [E]** – Five Community Assistance Liaison positions have been created to be liaisons between City government and citizens. Each

Liaison is responsible for a quadrant of the city that corresponds to two wards. Liaisons resolve issues and respond directly to citizens rather than acting as a referral service, or work with City departments to resolve them. Such issues may include illegal dumping, blocked storm water drains, potholes, streetlamp conditions, and housing, environmental and zoning code violations. In addition, Liaisons and Community and Business Development staff continue to work with the 111 neighborhood associations currently identified within the city, serving as liaisons between the associations and the city relative to the effective delivery of city services. One staff person is assigned to work with citizens throughout the City on neighborhood improvement projects.

Program 1.1.3 **Neighborhood Improvement Plan [E]** – The Neighborhood Improvement Plan is designed to educate citizens on various city codes and ordinances. Through a series of educational workshops and seminars, citizens are educated about health and safety codes; informed what both the city and their responsibilities are relative to the codes; and are provided information on city programs and area non-profit organizations that assist with neighborhood improvement projects.

Target 6/18: Continue community outreach through participation in events, television programs and other media.

Program 1.1.4 **Capacity Building For Non-Profit Corporations [E]** - A process of providing training and technical assistance to non-profit developers and sponsors has been in place since 1992 to assess needs, provide capacity building and training, and facilitate implementation of specific projects. This process has been undertaken by the Winston-Salem Community Development Support Collaborative since 2007. Neighborhood groups are also provided organizational and problem-solving support by City Community and Business Development staff and through the City-assisted Neighbors for Better Neighborhoods (NBN) program.

Target 6/18: Continue to provide technical and pre-development assistance to non-profit developers, support NBN and Funders Collaborative activities, and strengthen relationships between the City and neighborhoods.

Strategy 1.2 Rehabilitate Single-Family Homes Owned by Lower-Income Families to Extend Their Useful Life, Preserve Affordability, and Make Adaptive Improvements to Address the Special Needs of Seniors and Disabled Persons

Summary: Rehabilitation of owner-occupied single-family housing, including Purchase-Rehab, is the major category of program activity, relative to the allocation of funds.

Program 1.2.1 **Neighborhood Revitalization Strategy Area (NRSA) Rehabilitation [E]** -- Provide low-interest, no interest and deferred loans for owner-occupants to bring homes to Minimum Housing Code and Property Rehab Standards (PRS).

Target 6/14: Complete 20 units
Target 6/18: Complete 100 units

Program 1.2.2 **Citywide Rehabilitation [E]** -- Provide low-interest loans for lower-income, owner-occupants to bring properties outside of the NRSA up to Minimum Housing Code standards.

Target 6/14: Complete 10 owners
Target 6/18: Complete 50 owners

Program 1.2.3 **County Rehabilitation [E]** -- Provide assistance for lower-income, owner-occupants to bring properties located within Forsyth County and outside the city limits of Winston-Salem up to the County's minimum housing standards. The County provides a number of types of loans for this assistance. .

Target 6/14: Complete 15 owners
Target 6/18: Complete 75 owners

Program 1.2.4 **Emergency Repair [E]** – Provide deferred loans to remove conditions which pose an imminent threat to the health and/or safety of the owner-occupants of substandard structures.

Target 6/14: Complete 12 units
Target 6/18: Complete 60 units

Program 1.2.5 **Architectural Barrier Removal [E]** – Provide deferred loans to retrofit homes with features that enable the elderly or handicapped persons to remain in their homes. May be combined with other rehab programs.

Target 6/14: Complete 2 units
Target 6/18: Complete 10 units

Program 1.2.6 **Hazard Reduction and Interim Controls [E]** – Provide deferred loans to control or remove lead-based paint from owner-occupied housing. May be combined with other rehab programs.

Target 6/14: Complete 20 units
Target 6/18: Complete 100 units

Program 1.2.7 **Tandem Purchase-Rehab and Buy-Rehab [E]** – Provide low-interest mortgage loans for the purchase and rehab of homes to be owner-occupied by first-time home buyers below 80% of area median income citywide or 100% AMI in the NRSA. In the Tandem program, City funds leverage bank consortium financing of 50 to 80% of loan amount; however, the Tandem program is currently suspended due to lack of interest by the financial institutions.

Target 6/14: Complete 1 units
Target 6/18: Complete 5 units

Program 1.2.8 **Purchase-Rehab Revolving Loan Program [E]** – Provide interim and construction financing to non-profit corporations to acquire vacant properties and rehab and sell them to owner-occupant buyers in neighborhoods involved in revitalization.

Target 6/14: Complete up to 2 projects per year, subject to demand
Target 6/18: Complete 10 projects, subject to demand

Strategy 1.3 Rehabilitate Multi- and Single-Family Substandard Rental Units to Extend Their Useful Economic Life and Preserve Affordable Rents.

Summary: Substantial financial assistance is required to maintain rent affordability, and to facilitate acquisition for rehab by for-profit and non-profit investors who are willing to acquire, own and manage existing vacant units. Priority is directed toward assuring that conservation of rental units complements, rather than thwarts, new production efforts in redevelopment areas.

Program 1.3.1 **Rental/Investor Rehabilitation [E]** – Provide low-interest loans to investor owners to rehab small-scale rental property to attain Property Rehab Standards (PRS).

Target 6/14: Complete 2 units
Target 6/18: Complete 10 units

Program 1.3.2 **Large-Scale Multi-Family Rental Rehabilitation [E]** – Provide interim or permanent gap financing, with substantial leverage of private sector financing, to for-profit or non-profit owners to rehab and acquire multi-family rental property for low-income families, the elderly, and special needs populations.

Target 6/14: Complete 96 units
Target 6/18: Complete 150 units

Program 1.3.3 **Hazard Reduction and Interim Controls [E]** – Provide deferred loans to control or remove lead-based paint from rental housing. May be combined with other rehab programs.

Target 6/14: Complete 0 units
Target 6/18: Complete 30 units

Strategy 1.4 Provide Physical Improvements to Neighborhoods

Summary: Physical improvements are what people see, sending out a message that something is happening in the neighborhood. The change in the physical character of the neighborhood and

the availability of services in the neighborhood also send a positive message that people have indeed received a return on their investment of time. It is for these reasons that the physical aspects of neighborhood revitalization are viewed as particularly important.

Program 1.41 Neighborhoods To Standards (NTS) Monitoring [E] - NTS is intended to facilitate the efficient allocation of resources for neighborhood capital needs that distinguishes between areas needing long-term substantial investment and areas where targeted improvements can make a substantial difference in long-term viability and increase private reinvestment. The overall goal is to assure the preservation of viable neighborhoods with a priority focus on older, “core” city neighborhoods.

Annual Target: Review proposed capital improvements in redevelopment areas and other revitalization neighborhoods in relation to capital improvements proposed by Engineering, Planning and other departments

Program 1.4.2 Public Improvements [E] – Undertake capital improvements in low- and moderate-income neighborhoods, particularly in older, “core” city neighborhoods, such as street improvement, curb and gutter, sidewalks, water/sewer line replacement, and drainage improvements. Such improvements will improve health and safety, including walkability, and facilitate further investment in neighborhoods.

Target 6/14: Undertake up to 1 project

Target 6/18: Undertake up to 3 projects

Program 1.4.3 Public Facilities [E] – Provide financial assistance to non-profit organizations to construct or rehabilitate public facilities that provide services in neighborhoods. Such facilities might include day care centers, neighborhood centers, employment training centers, emergency assistance facilities, etc.

Target 6/14: Provide assistance for up to 1 facility

Target 6/18: Provide assistance for up to 3 facilities

Strategy 1.5 Develop Measures That Facilitate the Placement of Vacant Units and Vacant Lots for In-Fill Development Back Into the Housing Inventory

Summary: Vacant, boarded-up properties, and vacant lots, have a negative and deleterious effect upon neighborhoods as they pose a threat to health and safety and also discourage reinvestment in surrounding neighborhood property. The Purchase-Rehab Revolving Loan Program is intended to assist in addressing the problem but is limited to neighborhoods in revitalization efforts. This strategy provides measures to allow vacant properties and vacant lots to be put back in service.

Program 1.5.1 Vacant Unit Priority In Rehab Programs [E] - Assure that priority continues to be provided to city-owned and vacant properties under the Rehab programs

through the provision of information on available property to program applicants and reservation of funds. Assure that priority is given to vacant units under rental rehab programs.

Program 1.5.2 **Infill Redevelopment [N]** – Some substandard structures on single parcels are surrounded by standard properties and/or vacant land. A cost effective means of halting the effects of neighborhood decline initiated by such properties will be to acquire the property, demolish or rehabilitate the substandard structure, and partner with nonprofit organizations to re-sell the property.

Target 6/14: Purchase, demolish, redevelop and sell 5 properties, subject to property negotiations.

Target 6/18: Purchase, demolish, redevelop and sell 20 properties, subject to property negotiations.

Program 1.5.3 **Eminent Domain Housing Program [N]** – The State legislature provided authority to the City to use the power of eminent domain to acquire certain substandard residential property to provide housing for low- and moderate-income persons. The City may acquire single-family homes in stable areas for sale to families, who will rehab and live in the unit, or to non-profit or for-profit entities that will rehab and sell or rent units.

Target 6/14: Acquire and sell 1 house, subject to property negotiations.

Target 6/18: Acquire and sell 5 properties, subject to property negotiations.

GOAL 2: NEIGHBORHOOD DEVELOPMENT AND HOUSING PRODUCTION

Need Statement: Strategies and programs within this priority goal area are principally directed toward facilitating neighborhood stabilization through owner-occupancy in redevelopment and older neighborhoods and assistance to citizens in all parts of the city to obtain safe, standard and affordable housing. However, the housing market collapse and the recession brought the production of single-family housing to a standstill, increased foreclosures, put a large number of existing homes on the market, and lowered the home ownership rate to 63.9% in 2010. For the City and County, the result has been to provide funding to Habitat for Humanity to complete two unfinished subdivisions and a decrease in the number of families receiving homebuyer assistance. Although interest rates have remained low and the market has begun to recover, the City will remain cautious about funding single-family new construction and only as market conditions permit. Accompanying objectives of production assistance are: 1) assuring a mix of incomes in redevelopment and/or City-assisted subdivisions for which the “assisted” units are not discernible from the market-rate units; and 2) to achieve a monthly housing cost to the buyer that is affordable for lower income households. Infill development, combined with preservation, will be a more important tool. As for acquisition of existing housing, the City and County will continue to provide homebuyer assistance to families that are qualified and ready to purchase a home, as home ownership is the main source of wealth for most families.

Many citizens have difficulty accessing and maintaining decent, affordable rental housing. Although much rental housing is vacant and without excessive costs, minimum wage earners and others with extremely low incomes have difficulty affording even reasonable rents. According to HUD CHAS data, the most common housing problem for renter households is cost burden (paying more than 30% of gross income for housing) and severe cost burden (paying more than 50% of gross income for housing). It affects primarily Small Related (2-4 person) and Other (mostly 1-person) households and increases as income decreases. According to CHAS data, 15,567 renter households that earn 0-50% of area median income experience cost burden, of which 9,223 experience severe cost burden. There will continue to be a need to provide gap financing for affordable rental housing production, as well as housing deposit assistance, rental assistance, and eviction prevention assistance.

One of the key recommendations from the community workshops and consultations was the need for affordable housing for seniors and the disabled, which is primarily addressed by rental housing. Gap financing can help achieve affordability.

Strategy 2.1 Subsidize Home Ownership Acquisition

Summary: Home ownership is the main source of wealth for most families. These programs assist low- and moderate-income families to become responsible homeowners.

Program 2.1.1 **Homebuyer Assistance Programs [E]** - Provide federally and locally funded down payment and second mortgage assistance to purchase existing or newly constructed homes in tandem with conventional financing or other financing products, as dictated by market conditions. Assistance is available on a countywide basis through both the City and County.

Target 6/14: Provide financing for up to 30 units

Target 6/18: Provide financing for up to 220 units

Program 2.1.2 **Individual Development Accounts (IDA) [E]** - The New Century IDA program assists low-income (200% of poverty) households to purchase homes by providing down payment assistance in the form of grants in the amount of up to \$3,000, which matches the participant's personal savings. The New Century program requires participants to graduate from economic literacy classes that stress expenditure tracking, budgeting, credit repair, debt reduction and overall personal financial self-sufficiency.

Target 6/14: Provide matching funds for up to 10 units

Target 6/18: Provide matching funds for up to 50 units

Strategy 2.2 Subsidize Single-Family Housing Production

Summary: Many inner-city, lower-income neighborhoods continue to reflect low rates of home ownership that has destabilized neighborhoods and led to social and economic deterioration. In these neighborhoods home ownership is a component of a comprehensive revitalization strategy.

Program 2.1.1 **Construction Loan Program [E]** – Assist for-profit and nonprofit developers to construct single-family homes in revitalization areas or City-assisted subdivisions for sale to owner-occupants.

Target 6/14: Provide financing for up to 4 units

Target 6/18: Provide financing for up to 20 units

Program 2.1.2 **Homeownership Development Assistance [E]** – Provide predevelopment funding, technical assistance, ongoing consultation, and development funding for subdivision, infill and other homeownership production projects. Typically funding is provided for infrastructure but may also be provided for construction loans, which are rolled into permanent loans for buyers.

Target 6/14: Provide assistance resulting in development of 2 units.

Target 6/18: Provide assistance resulting in development of up to 30 units, subject to fund availability

Program 3.1.3 **"Self-Help/Sweat-Equity" Programs [E]** - Continue support of Habitat For Humanity in developing units for low-income families, consistent with Habitat Board strategic plan and Habitat International guidelines.

Target 6/14: Complete 15 units

Target 6/18: Complete 75 units

Program 2.1.4 **Redevelopment Acquisition/Clearance [E]** - Complete acquisition, relocation, clearance, public improvements, and development of housing in redevelopment areas carried over from the prior Five-Year Plan – Northeast Winston #2, Old Cherry #2, Happy Hill and Liberty-Patterson. New areas are subject to availability of resources.

Target 6/14: Complete development and sale of 2 units

Target 6/18: Complete development and sale of 25 units

Strategy 2.3 Subsidize Affordable Rental Housing

Summary: The Low-Income Housing Tax Credit program and, to a lesser extent, the Section 202 program for the elderly and Section 811 program for the disabled continue to be the main financing programs for rental housing for low- and moderate-income households.

Program 2.3.1 **Rental Housing Production Program [E]** - Provide loans to nonprofit or for profit developers for pre-development, land/building acquisition, construction and permanent loans for newly produced rental housing or conversion of property to residential use. A focus will be permanent gap financing to leverage other funds for construction of rental housing for occupancy by lower income households, elderly and populations with special housing needs.

- Target 6/14: Initiate assistance for at least one project
- Target 6/18: Complete 250 units

Strategy 2.4 Support Ways to Lower Housing Cost and Reduce Governmental Constraints to Production of Housing

Summary: Governmental barriers to affordable housing can increase cost and time to produce affordable housing. Energy efficient units and “green” building can be more affordable for lower income households in the long run.

Program 2.4.1 **Barriers to Affordable Housing [E]** - Encourage use of action items in Legacy 2030 and provisions of the Unified Development Ordinance that will facilitate development of affordable housing. Support efforts to streamline the development review process.

Program 2.4.2 **Environmentally Efficient Development [E]** - Facilitate energy-efficient construction and “green” building.

GOAL 3: EXPANDING ACCESS AND OPPORTUNITIES

Need Statement: As the collaborative applicant for the Winston-Salem/Forsyth County Continuum of Care (CoC), the City is involved in planning and developing programs to meet the needs of individuals and families in the community that are homeless or at risk of homelessness and works with service providers that assist them. There were 2,969 persons who experienced homelessness in Forsyth County in the year ending September 30, 2012, and 394 persons were homeless on the last point-in-time count of homelessness on January 30, 2013. Through the CoC, activities will provide for permanent supportive housing, services, rapid re-housing, coordinated intake, and shelter operations. Rental assistance is an essential element, as it provides assistance with rent and supportive services designed to enable households to become stable in permanent housing. The program requires coordination between the Housing Authority of Winston-Salem and social service agencies. Permanent supportive housing provides rental assistance and services for individuals who may be chronically homeless or disabled, including veterans, and would not be able to afford housing in the market. Newer programs, such as rapid re-housing and the Community Intake Center, will assist the Continuum of Care in meeting HEARTH Act goals of reducing length of stay, decreasing repeat homelessness and reducing new cases of homelessness.

Strategy 3.1 Meet the Housing and Service Needs of Homeless Persons

Summary: These programs provide housing and services to homeless individuals and families.

Program 3.1.1 **Tenant Based Rental Assistance (TBRA) [E]** - Provide TBRA, including transitional housing rental assistance, rapid re-housing rental assistance and

permanent supportive housing assistance, to homeless individuals and families in case management programs to facilitate attainment of self-sufficiency.

Target 6/14: Assist 100 households

Target 6/18: Assist 100 households per year

Program 3.1.2 **Supportive Services [E]** – Provide case management and other services to assist homeless families and individuals to obtain permanent housing, increase skills and incomes, and overcome other obstacles to residential stability and self-sufficiency.

Target 6/14: Continue assistance for 175 households

Target 6/18: Continue assistance for 175 households

Program 3.1.3. **Coordinated Intake [E]** – Develop coordinated intake and assessment program.

Target 6/14: Have operational coordinated intake and assessment program

Target 6/18: Develop up to 200 housing stability plans annually

Program 3.1.4 **Emergency and Transitional Shelter Facilities [E]** - Provide support for emergency and transitional shelter components of Continuum of Care system.

Target 6/14: Assist 1,800 persons with shelter pursuant to Annual Homeless Assessment Report

Target 6/18: Assess need for shelter in light of increasing emphasis on rapid re-housing

Program 3.1.5 **Permanent Supportive Housing [E]** – Support through operating or capital assistance permanent supportive housing to disabled populations, primarily chronically homeless persons, including persons with disabilities including mental illness, chronic substance abuse and HIV/AIDS.

Target 6/14: Continue approximately 75 units of Shelter Plus Care assistance

Target 6/18: Continue approximately 75 units of Shelter Plus Care assistance

Strategy 3.2 Coordinate City, County, State, Federal and Private Funds and Activities to Meet the Needs of the Homeless, Reduce Poverty and Prevent and End Homelessness

Summary: These activities include coordination of the Continuum of Care system in Forsyth County, submission of the annual Continuum of Care application to HUD, and data collection through the Homeless Management Information System.

Program 3.2.1 **Continuum of Care [E]** - Facilitate ongoing assessment of the Continuum of Care system to address gaps in prevention, outreach, services, emergency and transitional shelter, and permanent supportive housing.

Target 6/14: Participate in Council on Services for the Homeless and provide staff support to Ten-Year Plan Commission on Homelessness, including participation in process to create Continuum of Care board and policies

Program 3.2.2 **Continuum of Care Homeless Assistance Grants [E]** - Federal programs provide competitive grants to support rapid re-housing, supportive services, permanent supportive housing and rental assistance. The City will assist in preparation and submission of applications by agencies serving homeless persons.

Annual Target: Serve as Collaborative Applicant on behalf of Continuum of Care, subject to designation by the Continuum of Care

Program 3.2.3 **Homeless Management Information System (HMIS) [E]** - Client services and prevention are more efficient and effective through use of information systems. Services can be improved through better coordination. Assessment can be improved through coordinated intake, referral and benefit eligibility screening. Tracking also helps to determine the type and extent of shelter and service needs. HUD requires that funded programs participate in an HMIS.

Target 6/09: Serve as grantee and administrator in cooperation with Continuum of Care and HMIS Lead Agency.

Target 6/18: Participate with Continuum of Care in develop and ongoing use of performance measurement system for entire system of care

Strategy 3.3 Expand Equal Access to Housing for All Members of the Community

Summary: Access to information regarding available resources is one of the principal obstacles that consumers confront and is compounded by a lack of understanding of the market. Residents with adequate resources to purchase or rent housing at market rates may also encounter barriers to choice and opportunity as a result of discrimination. The growing Hispanic population also has unique needs related to housing.

Program 3.3.1 **Fair Housing Program [E]** - Continue to provide public education, counseling, conciliation, referral and follow-up for fair housing compliance by the Human Relations Commission.

Target 6/18: Continue ongoing programs, FHAP Compliance and Grants

Program 3.3.2 **Fair Housing Testing [E]** -- Provide pro-active testing for fair housing compliance by the Human Relations Commission to determine if discrimination is occurring in housing sales, rental or lending.

Target 6/18: Conduct testing, report on results of testing, and determine next steps

Program 3.3.3 **Hispanic/Latino Housing Needs [E]** - Continue to provide education and outreach to the Hispanic community on their specific housing needs and obstacles, particularly in relation to housing codes, access to financial products and services, and needs for particular amenities and services. Local agencies are assessing needs and attempting to address them.

Target 6/18: Continue focused outreach and engagement through efforts such as promotion of hazard reduction and fair housing activities.

Strategy 3.4 Support the Provision of Services in the Community for Economic Self-Sufficiency and Wealth-Building

Summary: This strategy is intended to cover a wide variety of public services that support economic self-sufficiency and wealth-building and which complement physical improvements such as housing rehabilitation, housing construction, and public improvements.

Program 3.4.1 **Home Ownership Counseling Program [E]** – Support one-on-one housing counseling, pre-purchase homebuyer education classes, and post-purchase counseling, particularly for first-time homebuyers. Underuse of available programs for first-time homebuyers reflects a need for comprehensive one-on-one counseling to financially prepare buyers for purchase and also a training program that facilitates buyers in getting through the process when ready.

Target 6/14: Serve up to 50 homebuyers through Center for Homeownership, Experiment in Self-Reliance and other programs

Target 6/18: Assist 300 first-time homebuyers with counseling

Program 3.4.2 **Re-Entry for Ex-Offenders and Persons Leaving Institutions [E]** - Support programs to improve the reintegration of ex-offenders, reduce criminal justice costs and increase public safety.

Target 6/14: Serve up to 200 ex-offenders through Project Re-Entry or similar programs.

Target 6/18: Serve up to 1,000 ex-offenders through Project Re-Entry or similar programs.

Program 3.4.3 **Wealth-Building through Tax Credits [E]** – Support programs that encourage low-income residents to file tax returns at no cost and claim tax credits for which they are eligible as a strategy for saving.

Target 6/14: Serve up to 2,000 tax filers

Target 6/18: Serve up to 10,000 tax filers

Program 3.4.4 **Foreclosure Prevention Assistance [N]** – Promote availability of foreclosure prevention programs in the community.

Target 6/18: Continue to support referrals to Financial Pathways of the Piedmont and other resources that can offer mortgage default counseling to prevent foreclosure

Target 6/18: Monitor availability of additional federal assistance

Program 3.4.5 **Youth Programs [P]** – Support programs that encourage the growth and well-being of youth in the community. Such programs could include education, mentoring, skills training, healthy living, etc.

Target 6/14: Serve up to 0 youth

Target 6/18: Serve up to 50 youth

GOAL 4: EXPANDING ECONOMIC OPPORTUNITIES

Need Statement: Consistent with state and national trends, the composition of Forsyth County employment by industry category has changed dramatically over the past 15 years. There has been a marked decline in manufacturing and trade and a significant increase in the service industry. From 1996 to 2011, manufacturing and goods-producing employment in Forsyth County decreased from 20.7% of total employment to 12.1% of total employment. From 1996 to 2011 in Forsyth County, employment in major service-related industries increased from 55.3% of total employment to 65.6% of total employment. As a result, many displaced workers in the manufacturing industry have been absorbed by the service industry. Furthermore, the perception of an education and skills mismatch exists between employer needs and potential employees.

A successful economic strategy is dependent upon a complex mix of retention and expansion efforts, attraction efforts, and creation efforts using a variety of capital infusion, targeted incentives, small business expansion, and entrepreneurial initiatives, all specific to our local economy. It is essential that the strategy create a competitive business environment in target areas by upgrading infrastructure, improving environmental problem areas, developing vacant land and structures and increasing safety and other public services. The vision must also encompass the provision of economic opportunities for all segments of the community. The following strategies are tied to the CDBG Neighborhood Revitalization Strategy and Antipoverty Strategy as part of the community's broader economic development and workforce development programs.

Strategy 4.1: Expand Entrepreneurial Development

Summary: The objective of these programs is to assist small businesses to grow through effective access to an array of public and private financing and technical assistance tools, support for resident entrepreneurship and linkages to the broader regional economy.

Program 4.1.1 **Small Business Loan Program [E]** -- Provide loans to for-profit businesses to assist in the creation or expansion of businesses that create new jobs and opportunities for low- and moderate-income individuals.

Target 6/14: Provide 5 loans with an average of 2 jobs per loan

Target 6/18: Provide up to 25 loans with 50 jobs

Program 4.1.2 **Technical Assistance to Small Businesses [E]** -- Provide technical assistance to small businesses and potential microenterprises to increase their capacity so that they can thrive and create jobs. Such assistance would include direct consultations, assisting businesses to become MWBE or Section 3 certified, and publicizing contracting opportunities with the City.

Target 6/14: Implement the business plan competition

Target 6/18: Continue to provide one-on-one technical assistance to businesses

Program 4.1.3 **Contractor Business Program [E]** – Train low- and moderate-income individuals who want to start a business. Instruction is offered in bookkeeping and tax issues, legal issues, customer service, business plan development, licensing and insurance, marketing, and business resources.

Target 6/14: Train up to 25 participants

Target 6/18: Train up to 125 participants

Strategy 4.2 Expand Employment Training Opportunities

Summary: Gainful employment is the most direct route to economic self-sufficiency. These programs aim to serve the chronically unemployed, the structurally unemployed, dislocated and displaced workers, young people entering the job market for the first time, and low-skilled underemployed workers.

Program 4.2.1 **Construction Training Program [E]** – Train low- and moderate-income individuals in construction trades and work skills. This program will be replaced by the Youth Build Program through FY16.

Target 6/18: Train up to 40 participants

Program 4.2.2 **Youth Build [N]** – Help low-income young adults between the ages of 16-24 to complete their education, develop marketable skills and build a secure future for themselves, their families and their communities. The program will provide training to 80 participants in the areas of basic construction math and reading, use of tools and equipment, safety courses, carpentry, painting, roofing, flooring, basic electrical wiring, plumbing, siding, and window installation. On-the-job training will also be provided that will involve rehabilitating up to two 1,100 sq. ft., two/three-bedroom, single-family dwellings. In addition, training will be provided in career development, team building, effective communication,

principles of leadership, customer service and professionalism, basic computer literacy, resume-writing, and job search techniques.

Target 6/16: Train up to 80 participants

Program 4.2.3 **Summer Youth Employment Program [E]** – Provide funding to a non-profit organization to operate the program, which provides part-time employment for 16-17 year olds for several weeks during the summer to help them gain work skills and exposure to employment.

Target 6/14: Provide training to 100 participants

Target 6/18: Provide training to 500 participants

Strategy 4.3 Revitalize Neighborhood Commercial Areas

Summary: These programs provide financial incentives for property owners to improve commercial property in lower income areas to encourage further investment and businesses to locate there.

Program 4.3.1 **NRSA Building Rehabilitation Program [E]** -- Stimulate interest and commitment of private building owners by providing inducements to encourage the rehabilitation of commercial and industrial buildings throughout the Neighborhood Revitalization Strategy Area. Such projects could include streetscapes; improved lighting; facade improvements; new sidewalks and/or other aesthetic improvements.

Target 6/14: Provide up to two loans in the Neighborhood Revitalization Strategy Area

Target 6/18: Provide up to 10 loans in the Neighborhood Revitalization Strategy Area

Program 4.3.2 **Revitalizing Urban Commercial Areas (RUCA) [E]** – Provide financial assistance to property owners in designated struggling urban commercial areas throughout the city to help revitalize commercial activity in these neighborhoods. This assistance may be in the form of a low interest loan or matching forgivable loan.

Target 6/14: Complete existing RUCA projects

Target 6/18: Complete an additional 5 RUCA projects

Strategy 4.4 Implement Downtown Revitalization Plan

Summary: Winston-Salem's downtown revitalization continues. Development on Fourth Street, in the Arts District, and in the Piedmont Triad Research Park and the baseball stadium have brought economic activity, jobs, and residents downtown. However, other projects in and near downtown have been adversely impacted by the recession, including the Southeast Gateway

and Brookstown mixed use office and retail developments. The Liberty Street Corridor redevelopment and Goler-Depot Renaissance Community Development Corporation mixed use development are also making progress. These projects will improve the tax base and provide employment opportunities to low- and moderate-income persons.

Two needs that have been identified for downtown is an increased range of housing options and increased retail services, particularly a grocery store. Housing developed thus far has been for higher income households, and the need has been expressed for housing affordable to households in the middle and lower ranges.

The Development Division continues to work in this area by providing the necessary public infrastructure improvements, providing financial assistance to renovate existing buildings, and providing direct assistance to businesses recruited consistent with the Downtown Plan.

Target 6/18: Initiate a Retail Row or other program to attract retail stores to downtown.

Target 6/14: With private developers, create approximately 40 downtown residential units

Target 6/18: With private developers, create approximately 100 downtown residential units

Target 6/18: Continue to support efforts to complete the infrastructure for the Piedmont Triad Research Park.

GOAL 5: EXPAND COORDINATION AND ACCOUNTABILITY

Need Statement: Citizen involvement is an important component in the consolidated planning process, which is described in more detail elsewhere in this report. It encompasses review and assessment of housing needs and program activities throughout the year; an ongoing series of consultations with service providers and advocacy groups; participation in coordinating bodies, such as the Council on Services to the Homeless, and local and regional planning bodies; and public meetings to receive input specifically for the Consolidated Plan. In addition, Community and Business Development Department staff work with neighborhood associations and residents relative to the delivery of City services. More collaboration and partnerships was one of the key recommendations from the collaborative workshops.

For several years, HUD has encouraged, and now requires, the use of performance measures to show that federal funds are truly making a difference in communities, and has designed a framework to collect data from communities nationwide. The City has also instituted performance reporting for all departments to show citizens how their tax dollars are being used. Efforts to standardize and streamline data collection will continue as well as efforts to evaluate program performance effectiveness.

Strategy 5.1 Strengthen Coordination and Partnerships

Summary: Coordination and collaboration can prevent duplication of services, providing for more efficient and economic delivery. The City and County participate in a number of coordinating and collaborative initiatives. The Continuum of Care is described in Goal 3.

Program 5.1.1 **Strengthen Coordination with Non-Profit Organizations [E]** –City staff will continue to participate in coordinating bodies and task forces that seek to improve overall services in the community related to community development goals and reduce duplication. In addition to the Continuum of Care, the Winston-Salem Community Development Support Collaborative is one example. The City also provides outreach to the community through website, WSTV-13 and print media on these areas.

Target 6/18: Participate in coordinating bodies and task forces related to community development goals

Target 6/18: Use various media to inform the public programs and goals

Program 5.1.2 **Coordinate Programs with Other Workforce Organizations [E]** -- The Piedmont Triad Regional Council is the regional recipient of Workforce Investment Act funds. The Council operates JobLink Centers, cooperative operations among private, public and educational sectors involved in employment and training issues. Other key organizations such as Forsyth Tech, Goodwill Industries, and the Winston-Salem Urban League have specific workforce missions, and all local workforce entities coordinate their efforts. Core partners include Consumer Credit Counseling Service (CCCS) and its affiliate Center for Homeownership (CHO), Experience in Self Reliance (ESR), Goodwill Industries of Northwest NC, and Family Services’ “Ways to Work” program. Each of these agencies already collaborates successfully in the Forsyth Working Families partnership (FWDP) and/or the New Century Individual Development Account (IDA) Homeownership Working Group.

Target 6/18: Facilitate creation of employment and training services to improve linkages between persons who are unemployed or underemployed and employment opportunities

Program 5.1.3 **Strengthen Coordination with Local and Regional Planning Bodies in Support of Community Development Goals [E]** – The City/County Planning Board (CCPB), Piedmont Authority for Regional Transportation (PART), and Piedmont Triad Regional Council are undertaking planning activities on a countywide or regionwide basis. CCPB completed *Legacy 2030*, the comprehensive plan for Forsyth County, which is an update of the original Legacy plan. There is overlap between the Consolidated Plan and *Legacy 2030*, and some of the goals and action items in *Legacy 2030* are strategies in the Consolidated Plan. PART is working on Piedmont Together, the Piedmont Triad

Sustainable Community Planning Project. The Council will start work on a Comprehensive Economic Development Strategy in the next year.

Target 6/18: Participate in local and regional planning activities related to Consolidated Plan goals.

Strategy 5.2 Strengthen Accountability for Funded Programs

Summary: As stewards of public funds and as HUD oversight intensifies, the City must make sure that taxpayer dollars are spent efficiently and effectively. This includes taking advantage of flexibility in regulations, collecting data to “tell our story,” and ensuring, to the extent feasible, that housing units remain affordable to lower income households.

Program 5.2.1 **Renew Neighborhood Revitalization Strategy Area (NRSA) Approval [E]** - The Neighborhood Revitalization Strategy is a comprehensive approach to address the community development needs in an area with the highest needs (upper quartile of low-income census tracts) as reflected in the various elements of the Consolidated Plan. Renewed HUD approval additionally provides increased flexibility in the use of CDBG funds for housing and economic development activities.

Target 6/14: Renew NRSA using 2010 Census block groups

Program 5.2.2 **Performance Benchmarks and Reporting [E]** -- Quantifiable performance benchmarks set forth in the Con Plan will be the framework for program evaluation.

Annual Target: Continue monitoring and reporting of completion data and NRSA benchmarks

Program 5.2.3 **Preserve long-term affordability of existing, low-income housing units [E]** – For affordable housing projects where use restrictions are expiring, provide priority for assistance where rehabilitation is appropriate, to leverage other funds invested in affordable housing.

The programs listed above may be characterized as follows:

- [E] – Existing Program
- [N] – New Program
- [P] – Proposed Program

PART C: ANTICIPATED RESOURCES

Identified financial resources for the City of Winston-Salem include the CDBG, HOME and ESG Program grants from HUD; CDBG, HOME and Housing Finance Fund (local) program and investment income, which are generated primarily by loan repayments; Continuum of Care funds; ESG funds through the State of North Carolina; and the remaining balance of general obligation bonds approved in 2000 and Youth Build Grant funds. Program income projections are based on recent experience as reasonably anticipated to be available. Financial resources for Forsyth County include CDBG, HOME, and other funds from the State of North Carolina.

Leveraged funds consist of other investment generated from public and private dollars and reflect additional economic and tax base investment. Owner-occupied rehab and emergency repair generate little leverage. Homebuyer assistance, new construction and multi-family rehab are the most prolific generators of private investment. HOME match is derived from County and Cooperating Unit general fund dollars and private and in-kind funds raised by Habitat for Humanity for CHDO set-aside projects. Continuum of Care matching funds come from private sources, such as United Way, the Kate B. Reynolds Charitable Trust, churches, businesses and private donors, as well as other public sources, such as Forsyth County. ESG matching funds are provided by the subgrantee agencies.

Table 3.01 Anticipated Resources						
Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1		Expected Amount Available Remainder of Con Plan	Narrative Description
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	Annual Allocation:	1,956,148	9,300,000	
			Program Income:	525,000		
			Prior Year Resources:	832,000		
			Total:	3,313,148		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	Annual Allocation:	922,457	4,100,000	
			Program Income:	125,000		
			Prior Year Resources:	815,000		
			Total:	1,862,457		

ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	Annual Allocation:	138,158	580,000	
			Program Income:	0		
			Prior Year Resources:	0		
			Total:	138,158		
Continuum of Care	public - federal	Overnight shelter Rapid re-housing (rental assistance) Services	Annual Allocation:	1,350,170	5,400,000	
			Program Income:	0		
			Prior Year Resources:	0		
			Total:	1,350,170		
Other Forsyth County	public - federal	Homebuyer assistance Homeowner rehab	Annual Allocation:	662,755	1,176,000	Grants of federal funds received by Forsyth County Department of Housing from the State of North Carolina, such as Small Cities CDBG and HOME. Also includes HOME match provided by Forsyth County and Cooperating Municipalities, which are local funds.
			Program Income:	0		
			Prior Year Resources:	0		
			Total:	662,755		
Other Federal	public - federal	Overnight shelter Public Services Rapid re-housing (rental assistance) Services	Annual Allocation:	1,416,937	1,200,000	Other grants of federal funds received by the City of Winston-Salem, such as Youth Build and ESG from the State of North Carolina.
			Program Income:	0		
			Prior Year Resources:	0		
			Total:	1,416,937		
Other Local	public - local	Acquisition Admin and Planning Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership Public Improvements Public Services	Annual Allocation:	1,638,485	2,800,000	
			Program Income:	0		
			Prior Year Resources:	0		
			Total:	1,638,485		

PART D: INSTITUTIONAL STRUCTURE AND COORDINATION

The following entities are primarily responsible for carrying out the activities and responsibilities outlined in the Consolidated Plan:

Table 3.02 Winston-Salem/Forsyth Housing Consortium Sponsors			
Responsible Entity	Type	Role	Geographic Area Served
City of Winston-Salem Community and Business Development Department	Government	Affordable Housing – Ownership Affordable Housing – Rental Homelessness Non-Homeless Special Needs Community Development (CD) – Public Facilities CD – Neighborhood Improvements CD – Public Service CD – Economic Development Planning	Citywide
City of Winston-Salem Human Relations Department	Government	Fair Housing	Citywide
Forsyth County Department of Housing	Government	Affordable Housing - Ownership	Countywide
Housing Authority of Winston- Salem	Public Housing Authority (PHA)	Public Housing	Citywide

In addition, other categories of non-profit, for-profit and public entities play a significant role in implementing activities and assisting residents.

**Table 3.03
Winston-Salem/Forsyth Housing Consortium Partners**

Responsible Entity	Type	Role	Geographic Area Served
Non-Profit Housing Developers	Non-Profit Organization Developer CHDO	Affordable Housing – Ownership Affordable Housing – Rental Non-Homeless Special Needs	Countywide
Community Development Corporations	Non-Profit Organization Developer	Affordable Housing – Ownership Affordable Housing – Rental CD – Public Facilities CD – Economic Development	Specific City Neighborhoods
For-Profit Housing Developers and Owners	Developer Private Industry	Affordable Housing - Rental	Countywide
Financial Institutions	Private Industry	Affordable Housing – Ownership Affordable Housing – Rental CD – Economic Development	Countywide
Continuum of Care	Government Non-Profit Organization PHA	Homelessness	Countywide
Homeless Service Providers	Non-Profit Organization	Homelessness	Countywide
Public Service Providers	Non-Profit Organization	CD – Public Service CD – Public Facilities	Countywide
Foundation Entities (e.g., United Way, The Winston-Salem Foundation)	Other – Funder	Homelessness CD – Public Service CD – Neighborhood Improvements Planning	Countywide
Piedmont Triad Regional Council	Regional Organization	CD – Public Service CD – Economic Development Planning	Regionwide
HOME Cooperating Municipalities	Government	Affordable Housing – Ownership	Municipality-wide
City/County Planning Board	Government	Planning	Countywide

CHDO – Community Housing Development Organization; CD – Community Development

Strengths of the institutional delivery system in Forsyth County include:

- Well-established non-profit housing developers, such as the North Carolina Housing Foundation, which has acquired a niche in multi-family developments for the elderly and disabled, and Habitat for Humanity, which develops single-family housing.
- Non-profit organizations that continue to provide public services such as housing counseling, case management to help clients maintain housing and increase income, and capacity building for neighborhood organizations.
- The Continuum of Care, consisting of homeless services providers, advocates, the City, governmental agencies, and United Way of Forsyth County. Members continue to

implement a housing first model and a coordinated intake system as mandated by the HEARTH Act.

In terms of gaps in institutional structure, the City has a reduced relationship with for-profit developers and financial institutions, due primarily to the City's cutback in large-scale neighborhood redevelopment but also to the recession and slow housing market. In addition, small or new non-profit developers find it difficult to develop the capacity and access the funding they need to undertake housing development projects.

The City will continue to play a role in the Continuum of Care as members work through a governance structure and implement coordinated intake and other aspects of the HEARTH Act. Because of the dramatic changes to the system, a system transformation process, involving consultations with individual agencies and collaborative groups, is being utilized.

As the housing market recovers, the City will seek partners, both for-profit and non-profit, to meet housing needs. The City has significant experience working with other funders and groups to facilitate collaboration and support development efforts. The partnership with the County, exemplified in development projects using HOME and Neighborhood Stabilization Program (NSP) funds, provides a strong base for support of collaborative efforts involving other stakeholders.

The following services targeted to homeless persons and persons with HIV and mainstream services are available in the community.

Table 3.04 Homelessness Prevention Services in Forsyth County			
Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	Yes	Yes	Yes
Legal Assistance	Yes	Yes	Yes
Mortgage Assistance	Yes	No	Yes
Rental Assistance	Yes	Yes	Yes
Utilities Assistance	Yes	Yes	Yes
Street Outreach Services			
Law Enforcement	Yes	Yes	No
Mobile Clinics	Yes	Yes	No
Other Street Outreach Services	Yes	Yes	No
Supportive Services			
Alcohol & Drug Abuse	Yes	Yes	Yes
Child Care	Yes	Yes	No
Education	Yes	Yes	Yes
Employment and Employment Training	Yes	Yes	Yes
Healthcare	Yes	Yes	Yes
HIV/AIDS	Yes	Yes	Yes
Life Skills	Yes	Yes	Yes
Mental Health Counseling	Yes	Yes	Yes
Transportation	Yes	Yes	Yes
Other			
Other	Yes	Yes	Yes

Continuum of Care (CoC) and ESG funds support approximately 15 full-time equivalent case management positions that serve homeless persons, persons with HIV and veterans, including chronically homeless individuals and families. CDBG funds support an addition three case management positions that serve homeless persons and persons with HIV. These case managers coordinate a variety of services for program participants.

Pursuant to the HEARTH Act's requirements, the CoC began using coordinated intake and assessment in 2013 for households that are experiencing homelessness. The aforementioned case managers will be an integral part of the coordinated intake system. The Coordinated Intake Center (CIC) will use a model of progressive engagement with the priority of helping the household find permanent housing in the most expedient manner. Services will include housing location and counseling services. Ongoing case management will be provided to ensure housing stability, and referrals will be made to long-term rental assistance programs as needed. The CIC will also coordinate access to rapid re-housing temporary financial assistance and long-term rental assistance for homeless households with disabilities.

The CIC will improve the assessment process and the speed at which households are assisted in developing a personalized housing plan and connected to key support services, regardless of where they enter the CoC. The CIC's location at the Career Connections and Prosperity Center will increase clients' access services such as career coaching, skills assessment, resume writing and interviewing skills, help with online applications, credit counseling, financial literacy, budgeting, and debt repayment. Persons needing disability income will be assisted by staff members of the local SOAR (SSI/SSDI Outreach, Access, and Recovery) work group. Increased coordination and the provision of services will help to improve the long-term success of participants maintaining their housing stability plans by increasing their income, education and ability to be self-sufficient.

Programs in the CoC assist homeless persons to obtain mainstream benefits. Cash income sources include earned income, unemployment insurance, SSI, SSDI, veteran's disability, TANF, child support and other sources. Non-cash benefits include Medicaid, Medicare, WIC, rental assistance, and other sources.

A major strength of the system for special needs populations is that all populations are served by providers with experience and capacity. A weakness of the system at this time is uncertainty about future sustainability; however there is a rich tradition of collaboration of multiple funders to pursue community development objectives, including state involvement. The major strengths of the system being implemented to address homelessness is that it is expected to reduce length of stay of homelessness, reduce repeat homelessness, and reduce new incidents of homelessness, thereby improving outcomes and reducing the costs of homelessness. A current gap of the system is that it has many new elements that are being implemented at one time due to enactment of the HEARTH Act, which has resulted in some gaps in information. However, the existing institutional structure is managing the transformation of the system.

PART E: PUBLIC HOUSING

The Housing Authority of the City of Winston-Salem (HAWS) currently manages and or provides operating subsidies to 1,351 units of public housing in 13 conventional public housing and HOPE VI developments. The stock consists of three towers that serve primarily the elderly and disabled; two fairly dense and aging traditional public housing communities; two smaller duplex communities; and six new HOPE VI developments, two for elderly and four for families, in which public housing units comprise one-third to one-half of the total units in the development.

As a result of HUD requirements and funding decisions, HAWS continues to assess its assets, policies and programs. The focus will continue to be on creating a strategy that will result in providing quality, mixed-income developments of choice and support the agency mission. Goals for the five-year period are:

- HAWS was awarded two HOPE VI grants, one for Gateway Commons (formerly Kimberly Park Terrace) and one for Happy Hill Gardens. Three multi-family rental

developments at each site have been completed. Efforts currently focus on completing the home ownership component. Habitat for Humanity has completed 24 units at Gateway Commons and will construct ten more, with the remaining units developed by a private builder. HAWS is working with a developer to complete the 59 single-family homes and 89 townhouse units in the former Happy Hill Gardens.

- The Oaks at Tenth (formally Johnson Square) is a 50-unit new construction development consisting of 22 one-bedroom, 22 two-bedroom and 6 three-bedroom units, scheduled for completion late 2013. This development will embody a new concept called “step-up housing”.
- HAWS will continue and improve its self-sufficiency programs. These include Housing Choice Vouchers Family Self-Sufficiency Program; the Homeownership Program, which provides counseling and training to help residents save money and earn sound credit; William H. Andrews/HAWS Scholarship; and the PATH Program, a partnership with Piedmont Triad Regional Council Workforce Development, which provides an array of educational and employment supportive services to public housing tenants.
- HAWS will make capital improvements to its public housing properties, including those described below. HAWS is currently having a physical assessment of its public housing properties completed, which may result in a change of priorities.
 - Kitchen floor replacement and bath plumbing upgrades at Piedmont Park.
 - \$2.5 million rehabilitation of Stoney Glen
 - Upgrades to Healy Towers kitchens
 - Upgrades to Healy Towers lobby
 - Security cameras at Townview and Stoney Glen
 - Apartment door replacements at Sunrise Towers and Crystal Towers
- HAWS will continue to implement management improvements, including contract security guards, staff and resident training, UPCS Inspections Contract, and computer software upgrades.

The public housing agency is not designated as troubled under 24 CFR Part 902 and is not subject to a Section 504 Voluntary Compliance Agreement.

Jurisdiction/Housing Authority Relationship. The Mayor of the City of Winston-Salem appoints all nine commissioners of the public housing agency. The jurisdiction participates in review of the comprehensive grant submission of the Housing Authority in both the five-year and one-year intervals. The Housing Authority participates in development of the jurisdiction’s Consolidated Plan, including participation in public meetings. Collaboration between the jurisdiction and the Housing Authority insures that the Comprehensive Grant annual statement is consistent with the jurisdiction’s assessment of low-income housing needs as evidenced in the Consolidated Plan.

PART F: BARRIERS TO AFFORDABLE HOUSING

Legacy 2030, the comprehensive plan approved in 2012 to guide development throughout Forsyth County over the next 20 years, outlines some recommendations and action items that could be considered as responses to barriers to affordable housing. These include:

- Promote higher density in residential areas
- Allow accessory units in certain single-family zoning districts
- Review parking, buffering and open space standards
- Assist developers who are rehabilitating and adaptively reusing older buildings by making building code interpretation and administration for those types of buildings as user-friendly, efficient and consistent as possible.

In addition, in response to stakeholder input, the Winston-Salem City Council has appointed a Development Review-Related Advisory Committee to make recommendations to improve the City/County development review process because it is perceived to be a barrier to all development, including affordable housing.

These issues outlined in *Legacy 2030* will require wide-ranging discussions among City and County staff, elected officials, property owners, businesses, and community members. Proposals will be brought before the City Council and County Commission as appropriate.

PART G: HOMELESSNESS

Outreach

Consolidated Plan goals include outreach and engagement programs. The Continuum of Care (CoC) has adopted coordinated intake and assessment as a key central element of its system of care for homeless persons. Coordinated intake and assessment is accomplished through the Community Intake Center. Homeless persons served by shelters and street outreach are referred to the Community Intake Center. Street outreach is funded by HUD Continuum of Care grant funds and conducted by staff of The Bethesda Center for the Homeless and also through funding from the U.S. Department of Health and Human Services by the Projects for Assistance in Transition from Homelessness (PATH) Program, which is operated through Wake Forest University Baptist Medical Center.

Emergency Shelter and Transitional Housing

Plan goals include programs to provide emergency shelter and transitional housing. ESG funds support emergency shelter (operation, services, and renovation), rapid re-housing, and coordinated intake. In addition, CoC funds support case management programs to support the transition from homelessness to housing.

Permanent Housing

Plan goals support rapid re-housing, permanent supportive housing and housing stabilization services. Due to the HEARTH Act and new rules for the Emergency Solutions Grant and Continuum of Care grant, the community has reallocated funds to programs using a housing first

approach, which shortens the period of times that households remain homeless. Coordinated intake and assessment includes a barrier assessment and vulnerability assessment. Households needing longer-term supports, including chronically homeless individuals and families, are referred to permanent supportive housing. Homeless households also may receive rapid re-housing assistance, as either a bridge to housing self-sufficiency or to permanent supportive housing. Veterans and their families may avail themselves of these resources, as well as utilize Supportive Services for Veterans Families (SSVF), which is a form of rapid re-housing for veterans, and Veterans Affairs Supported Housing (VASH), which is permanent supportive housing. All households have access to Permanent Housing Case Management to prevent individuals and families who were recently homeless from becoming homeless again. Unaccompanied youth are served primarily by The Children's Home, which provides a bridge to stable permanent housing.

Homeless Prevention

Plan goals support prevention of homelessness for all populations. Coordinated intake and assessment uses a progressive engagement approach designed to forestall homelessness. In addition, the community has a strong history in prevention of evictions through emergency financial assistance. In 2011-2012, \$5,325,150 in financial assistance was provided in 20,749 instances to prevent eviction, prevent loss of utilities, or to pay for rental deposits after housing was lost. This assistance was provided by agencies including Crisis Control Ministry, The Salvation Army, Sunnyside Ministry, the Forsyth County Department of Social Services, and many churches and other faith-based organizations.

The community has created the Youth in Transition Community Initiative to improve outcomes for youth transitioning out of foster care. Goodwill Industries of Northwest North Carolina is the lead agency for the program and has implemented supportive programs such as Youth Opportunities Coaches, mentoring programs, housing support, and financial literacy training. Also, the community, at the invitation of the U.S. Interagency Council on Homelessness, has become involved in "YouthCount!", which is being incorporated into the annual point-in-time count of homeless persons, under the leadership of United Way of Forsyth County. This initiative will improve assessment of the needs of homeless youth and allow improved strategy and program development.

The plan goals support linkages to mainstream supportive services. Under the leadership of United Way of Forsyth County and the Ten Year Plan Commission on Homelessness, a monthly Resource Center connects homeless households to mainstream health, social, income-maintenance and employment services. The Community Intake Center, opening in 2013, will support this connectivity function on an ongoing basis.

PART H: LEAD-BASED PAINT HAZARDS

Overview The City of Winston-Salem operates a Hazard Reduction Program funded with CDBG and HOME funds. Hazard reduction is primarily accomplished in conjunction with all programs administered by the City's Rehabilitation Division. Referrals may also be received from the Forsyth County Health Department. Due to the exceptionally high cost of abatement, the City has chosen to approach lead-based paint hazard reduction utilizing "interim controls". Using this method, the rehabilitation construction costs per unit cannot exceed \$25,000, the HUD mandated threshold that triggers abatement. A projected eight units per month will be referred for testing.

Annual Activities Projected activities in 2014-2018 will be to: 1) test 96 units per year, 2) provide treatment to 48 units per year, and 3) continue education and poison prevention activities. Training and state certification programs for staff and contractors will continue as required. The City's Rehabilitation Division staff will continue to utilize a XRF analyzer to perform lead-based paint inspections on properties supplemented with the use of outside lead consultants as needed. Typically the properties are single-family homes but may also be multi-family apartments.

Staff and Training An investment in human resources has been the first priority in hazard reduction activities. Qualified, as well as certified staff personnel are necessary to reduce hazards safely and effectively. Regulated yearly training and refresher courses will continue to expand the capacity and education of staff. During the upcoming 2014-2018 period, staff will continue training for renewal of certification for lead inspector and risk assessor certification. State certification requirements for lead inspector and risk assessor licenses renew yearly, and refresher courses are mandated every two years to continue active licensure. As new personnel are hired, lead inspector training and certification will continue to become an integral part of overall staff development.

Education and Prevention City of Winston-Salem staff will utilize an outreach strategy to promote the principles of Environmental Justice. We anticipate reaching over 90,000 individuals using information that will be distributed through presentations made and activities conducted at churches, schools, doctor's offices, clinics and community events which serve minorities, LEP populations, and persons with disabilities. Marketing will be done through traditional methods such as paid ads, and public service announcements on radio and television, and newspapers, as well as any other means available. City and County staff will continue to participate in the Lead Poisoning Prevention and Education Coalition led by the Forsyth County Health Department Childhood Lead Poisoning Prevention Program staff. Initiatives include ways to identify and intervene in cases of no or low-level poisoning and poisoning in non-HUD-assisted housing, as well as ways to partner with other organizations to reach various populations, such as Latinos through the Hispanic Services Coalition.

Relation to Economic Empowerment A shortage of certified abatement contractors in North Carolina continues, but with the evolution of more certification courses being offered by educational organizations in North Carolina and South Carolina, more contractors will be certified RRP Renovators and Supervisors, and have employees certified as Lead Workers. Even so, economic opportunities continue to abound in the field for those willing and able to be

trained and certified. For example, the City's Community and Business Development Rehabilitation Division will continue to offer training to its contractors and staff as often as possible and when available through lead grant training requirements.

PART I: NON-HOUSING COMMUNITY DEVELOPMENT PLAN

This section of the Consolidated Plan summarizes the priority non-housing community development needs eligible for assistance under HUD's community development programs. Such needs must meet the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low- and moderate-income persons. These needs are described in terms of Public Facilities, Public Improvements, and Public Services with Economic Development needs included where most appropriate.

1. Public Facilities

City departments provided information on public facility needs. These types of activities are funded almost exclusively with general obligation bonds or other local funds. CDBG funds could be used if funding permits.

The recreation facility need for low- and moderate-income census tracts, as identified by the Recreation and Parks Department, is recreation center development. The fire station and equipment improvements that may serve low- and moderate-income areas, as identified by the Fire Department, are remodeling at Fire Station #9 and replacement of Truck #6.

The economic development facility needs for low- and moderate-income census tracts, as identified by the Community and Business Development Department, are:

- Additional site acquisitions in redevelopment areas
- Continued expansion of Revitalizing Urban Commercial Areas (RUCA) into additional areas

2. Public Improvements

City departments provided information on public improvement, i.e. public infrastructure, needs. These types of activities are funded almost exclusively with general obligation bonds or other local funds.

The public works needs for low- and moderate-income census tracts, as identified by the City's Engineering Division, are as follows:

- Street/sidewalk improvements
- Street widening
- Street lighting
- Intersection improvements
- Bridge repair
- Utility extensions and upgrades, including water and sewer lines

The recreation infrastructure needs for low- and moderate-income census tracts, as identified by the Recreation and Parks Department, are as follows:

- Park and playing field development and revitalization
- Stream restoration in parks
- Greenway and trail extensions

3. Public Services

City departments provided information on public service needs. The City will continue to fund these types of activities annually since they are essential to achieving stable homeownership, improving the economic self-sufficiency of city and county residents, and increasing the prospects for employment for city and county residents.

The public service needs for low- and moderate-income individuals and families, as identified by the Community and Business Development Department, are as follows:

- Housing counseling
- Case management to assist individuals and families who are homeless or at risk of homelessness obtain permanent housing, increase skills and incomes, and overcome other obstacles to residential stability and self-sufficiency
- Case management to assist ex-offenders re-enter society
- Employment readiness and training
- Programs to help families build wealth
- Capacity building for community development and neighborhood organizations
- Fair housing

Economic development service needs are also included in this section as they do not involve real property. The City will continue to fund technical assistance for small business enterprises and financial assistance to for-profit businesses for equipment and inventory with CDBG and local funds since they help to build economic opportunities in low- and moderate-income areas.

The economic development service needs of low- and moderate-income individuals and businesses, as identified by the Community and Business Development Department, are:

- More service industry businesses (grocery stores, drug stores, dry-cleaners, etc.)
- Technical assistance for small business enterprises
- Promotion of area businesses and business opportunities through street fairs
- Access to capital for new and existing businesses
- More employment opportunities for area residents
- More entrepreneurial opportunities in new the economic areas (technology, biopharmaceutical, telecommunications, transportation, etc.)

PART J: ANTIPOVERTY STRATEGY AND INITIATIVES

This section describes the goals, programs, and policies for reducing the number of families living in poverty. This strategy relates Consolidated Plan goals to produce and preserve affordable housing to antipoverty programs and services over which the City is responsible and taking into consideration factors over which the City has control.

There are two long-range goals included in the strategic vision for reducing poverty:

1. **Economic Self-Sufficiency:** Increase the income and positive net worth of community residents.
2. **Neighborhood Revitalization:** Achieve sound, safe, and enriching community neighborhoods. Broaden the opportunities of housing choice for the purpose of economically-integrated neighborhoods.

These goals are pursued by focusing on five strategic areas:

I. Job Creation

The purpose of this strategic area is to create and retain new jobs and job opportunities that directly benefit community residents, particularly low- and moderate-income residents. Current programs and projects include:

Technical and Financial Assistance to Small Businesses. The Small Business Loan Program requires the business to be located in the Neighborhood Revitalization Strategy Area (NRSA) and to create or retain a minimum number of jobs depending on the amount of funds borrowed. In addition, at least 51% of the employees hired or retained must be low- and moderate-income.

City staff provides technical assistance to small businesses to help them strengthen their business plans, learn the basics of starting a business, such as legal, accounting, insurance, marketing, and identify resources to start a business. Staff also can assist businesses to become certified as Minority and Women Owned Enterprise and Section 3 businesses.

Real Property Development. The City supports the development of real property, which may include building improvements, land acquisition and installation of infrastructure for industrial park development, and commercial or industrial building acquisition or construction. Such activities provide space for businesses to locate and create jobs. Projects located in the NRSA include:

- Liberty Street Corridor
- Revitalizing Urban Commercial Areas (RUCA)
- Southeast Gateway
- Piedmont Triad Research Park
- Brookwood Business Park

II. Wealth Creation

The purpose of this strategic area is to help increase the wealth of individuals and families.

Home Ownership. The primary source of wealth for most families is home ownership. The City and County operate the following programs related to home ownership:

- Rehabilitation of owner-occupied single-family housing. Not only does rehabilitation preserve decent, safe, and sanitary housing, but it also increases the value of the property.
- Homebuyer assistance. These programs provide a subordinate loan to families to assist with down payment, closing costs, and increasing the affordability of the first mortgage.
- Housing counseling. The City and County require recipients of homebuyer assistance to receive homebuyer education from the Center for Homeownership (CHO). The City also supports CHO in providing one-on-one counseling for prospective homebuyers. Both help to ensure that buyers are ready for home ownership.
- Housing production. Financial assistance is available to non-profit and for-profit developers to construct housing for home ownership. Funding may be used to help with land acquisition, installation of infrastructure, and construction of housing.

Savings. Another source of wealth is personal savings. The Individual Development Account (IDA) program, administered by Forsyth County and Experiment in Self-Reliance, couples extensive financial literacy classes and case management with matched savings accounts to enable low-to-moderate income families to save, build assets, and gain financial freedom. The program rewards the monthly savings of working-poor families whose goal is asset building, most commonly buying their first home, paying for post-secondary education, or starting a small business. The match incentive is similar to an employer match for 401(k) contributions. It is provided through a variety of government and private sector sources, including the City.

Tax Credits. For working families with very low incomes, tax credits such as the earned income tax credit and the child tax credit can provide a one-time cash infusion. The City supports Experiment in Self-Reliance's VITA/EITC program. Trained volunteers provide free tax preparation assistance and electronic filing of personal income taxes. Volunteers encourage families to claim all of the tax credits for which they qualify and discuss the importance of saving.

III. Workforce Development

The purpose of this strategic area is to prepare community residents for jobs, including new job opportunities in a changing economy. The Northwest Piedmont Workforce Development Board (NWPWDB), through the auspices of the Piedmont Triad Regional Council, is the regional recipient of Workforce Investment Act (WIA) funds and has the primary responsibility for workforce development. Forsyth Technical Community College also offers courses that prepare students for jobs. The City operates the following programs related to workforce development:

Construction Training Program. The Section 3 Construction Training Program, a certified State Apprenticeship program, is designed for up to 20 individuals to receive six months of classroom training that includes introduction to construction trades, such as carpentry, painting, roofing, flooring, electrical wiring, siding, window installation; construction math and reading;

and safety courses. After four months of classroom training, participants are placed at public and private worksites where two months of on-the-job-training are provided. The two main goals of the program are to provide opportunities for unskilled and underemployed individuals to obtain skills and knowledge in the construction field and to increase the number of well-trained construction workers available to meet the hiring needs of local contractors and subcontractors. Emphasis is placed on recruiting females in non-traditional employment, at-risk youth (18-21 years of age), ex-offenders, minority males (22-35 years of age), and homeless individuals.

Youth Build. In September 2012, the City was awarded a three-year four-month, \$1.1 million Youth Build grant to help low-income young adults between the ages of 16-24 to complete their education, develop marketable skills and build a secure future for themselves, their families and their communities. The program will provide training to 80 participants in the areas of basic construction math and reading, use of tools and equipment, safety courses, carpentry, painting, roofing, flooring, basic electrical wiring, plumbing, siding, and window installation. On-the-job training will also be provided that will involve rehabilitating up to two 1,100 sq. ft., two/three-bedroom, single-family dwellings. In addition, training will be provided in career development, team building, effective communication, principles of leadership, customer service and professionalism, basic computer literacy, resume-writing, and job search techniques. Winston-Salem Youth Build is an outgrowth of the Construction Training Program that has been in operation for the past 20 plus years and will replace it for the term of the Youth Build grant.

Summer Youth Employment Program. The Summer Youth Employment Program provides part-time employment during the summer with private, non-profit and government employers and training services to at-risk low- and moderate-income youth, ages 15-19, who are residents of Winston-Salem. Program services must engage youth and focus on activities such as career awareness, job readiness, skills training and work/project activities that prepare them for future employment opportunities. The City funds a non-profit agency to administer the program.

IV. Social Development

The purpose of this strategic area is to encourage housing stability for low-income individuals and families and neighborhood stability for low- and moderate-income neighborhoods.

Housing Stability. When families are stably housed, there is a greater chance that education and other services will be effective and that the families will exit poverty. The Forsyth County Department of Social Services and local non-profit agencies provide the services in this area. The City supports the following types of programs related to housing stability:

- **Transitional Housing.** The City funds non-profit agencies to provide case management to assist individuals and families who are homeless or at risk of homelessness obtain permanent housing, increase skills and incomes, and overcome other obstacles to residential stability and self-sufficiency.
- **Ex-Offenders.** The City funds non-profit agencies to provide case management to help ex-offenders obtain housing, employment, and other services to re-enter society from prison.
- **Coordinated Intake and Rapid Re-Housing.** The City funds Goodwill Industries of Northwest North Carolina, through United Way of Forsyth County, to undertake a centralized or coordinated assessment system to ensure the success of homeless assistance

and homeless prevention programs in the community. Such an assessment system helps systematically assess the needs of program participants and effectively match each individual or family with the most appropriate resources available to address that individual or family's particular needs. Households referred to rapid re-housing work with a case manager to identify barriers to enter and maintain housing, develop a case plan to eliminate these barriers, and once in housing continue a plan to remain stable in permanent housing.

- **Production of Affordable Rental Housing.** The City provides permanent financing to for-profit and non-profit owners and developers to construct and rehabilitate rental housing in which rents are affordable to low-income households.

Neighborhood Stability. When neighborhoods are stable and strong, there is a greater chance that stable and strong families live in them, which creates the conditions for families to exit poverty. The City provides or supports the following types of programs related to neighborhood stability:

- **Capacity Building.** The City funds and works cooperatively with Neighbors for Better Neighborhoods to build neighborhood-based capacities and to develop leadership skills among non-profit boards.
- **Public Safety.** Efforts in this area will be to facilitate police and fire department activities to protect the public safety, particularly in activities that are coordinated with code enforcement and revitalization.
- **Code Enforcement.** The City helps preserve decent, safe and sanitary housing by enforcing the Minimum Housing Code. Operation Impact is a multi-departmental, coordinated effort to eliminate nuisance properties from neighborhoods.
- **Fair Housing.** The City conducts education and outreach as well as enforcement activities to ensure that all have equal access to housing.

V. Physical Development

The purpose of this strategic area is to develop sound physical improvements in the community, particularly in low- and moderate-income areas. Current programs and projects include:

Housing Development and Conservation. Housing development strategies are implemented in the context of holistic development of the overall community environment, creating fair and equal opportunities and choice. Guidelines are intended to:

- not only produce and preserve housing, but also conserve communities
- conserve existing affordable housing
- produce new affordable housing
- provide equal access to housing for all, including special populations--the homeless, former substance abusers, ex-offenders, persons with HIV/AIDS, single-parent households and large families.

Infrastructure Development. Funds budgeted in the Consolidated Housing and Community Development Plan for site and public improvements are directly associated with the development of housing. Other infrastructure development is included in the ongoing process for prioritizing

existing street and thoroughfare improvements as a part of the City's annual capital improvements program, including assessment of utility system upgrade needs.

Commercial Development. The Revitalizing Urban Commercial Areas (RUCA) Program and the NRSA Building Rehab Program provide funding to improve buildings, parking, signage, and landscaping in commercial areas of older neighborhoods.

Neighborhood Revitalization. Activities during 2014-2018 will include completion in Redevelopment Areas and City-assisted subdivisions as market conditions permit. To the extent feasible, future revitalization efforts will encompass infill development combined with a preservation approach to improve financial feasibility.

PART K: MONITORING STANDARDS AND PROCEDURES

The Community and Business Development Department (CBD) has direct responsibility for assuring program accountability in the use of Federal funds to support housing and certain economic development activities in the City and County, as the lead entity for the Winston-Salem/Forsyth Housing Consortium. CBD's monitoring process is designed to complement Finance Department procedures to assure that adequate financial controls are in place by focusing on programmatic and operational accountability. The goals of monitoring are to ensure that:

- Statutory and regulatory requirements are being met;
- Information entered into IDIS is correct and complete;
- Programs are being implemented consistently with the Consolidated Plan; and
- Programs are implemented as approved by local officials and as designed.

Systematic monitoring activities include on-site reviews of program documentation, desk monitoring through periodic reports, and scheduled meetings for review of activities. Standardized reports collected quarterly provide a tool by which the quantity of production is monitored. During CBD on-site reviews, documents and procedures are reviewed with program representatives to discuss efficacy and appropriateness of procedures.

The fundamental principles provided in HUD's monitoring handbook are considered to be requisite to effective monitoring and are applied to monitoring of both City departments and external subgrantee agencies. Frequent contact with HUD Field Office staff is utilized for technical assistance, and HUD training is utilized to facilitate regulatory compliance and improve the effectiveness of program operations. Monitoring visits by HUD Field Office staff are also utilized to improve procedures. Efforts to establish consistency and reduce redundancy in data collection and documentation are ongoing.

Accountability in the use of Federal funds is also promoted by CBD through utilization of both internal and external audits. The City's Internal Audit Department audits internal programs periodically and assists in auditing external agencies including subgrantees.

Affordable and supportive housing activities further fair housing and comply with the City of Winston-Salem's residential displacement and relocation assistance plan. In addition, as applicable, specific projects funded with Federal funds demonstrate compliance with Federal rules concerning:

- Nondiscrimination and Equal Opportunity
- Lead-Based Paint
- Minority/Women Business Enterprise
- Housing Quality Standards
- Applicability of OMB Circulars
- Conflict of Interest
- Audit
- Environmental Review

Subgrantee agreements provide procedures to assure compliance with these requirements. Data needed for the Consolidated Annual Performance and Evaluation Report (CAPER) is also collected as a part of the monitoring process. Data is also attained through this process to measure changes in need and inventory.

SECTION III: ANNUAL PLAN

2013-2014 ANNUAL ACTION PLAN

Executive Summary

The Consolidated Housing and Community Development (CHCD) Plan integrates the assessment of need, program planning, program fund requests, and performance reporting into an integrated, collaborative process for jurisdictions eligible to receive one or more of the four formula entitlement programs. Under the Consolidated Plan, the City of Winston-Salem receives Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funds, and the combined city-county Winston-Salem/Forsyth Housing Consortium receives HOME Investment Partnership (HOME) funds.

The five-year CHCD plan, with annual action plan submissions, is a comprehensive planning tool for the definition of lower-income and special population housing needs, by type and scale, with accompanying priorities, strategies and programs to address the identified housing and other supportive service needs. The CHCD also contains non-housing community development needs and activities, traditionally eligible under the CDBG program. The purposes and advantages of the consolidated plan are as follows:

- To enable communities to develop a comprehensive housing and community development vision and to address local needs in an integrated manner with HUD funded program resources.
- To integrate planning and implementation of related needs – infrastructure, environmental protection, fair housing, supportive services and economic growth coordinated with human development.
- To allocate resources addressing physical and support needs of the homeless and populations with special needs along the "continuum of care."
- To facilitate "bottom-up" planning, collaboration, and public-private community partnerships.
- To reduce paperwork, improve accountability and measurable performance reporting and measurement.
- To provide a single grant submission which describes the annual investment plan, containing proposed activities and proposed expenditures within the context of the five-year strategies.

This CHCD plan complies with consolidated plan submission requirements contained in the January 5, 1995 final rule, as amended, as well as compliance with the statutory requirements of CDBG and ESG for local entitlement communities and the HOME program for Consortia. It is also consistent with the Consolidated Plan template introduced by HUD in summer 2012.

In 1992 the Winston-Salem/Forsyth Housing Consortium was formed by resolutions of the City of Winston-Salem as the lead entity, Forsyth County, and all of the other municipalities of the County to enable the entire county to qualify as an entitlement "participating jurisdiction" under the HOME Investment Partnership Program. The Consortium has been renewed every three years, most recently in spring 2013, and consists of the City of Winston-Salem, Forsyth County,

and the cooperating municipalities of Bethania, Clemmons, Kernersville, Lewisville, Rural Hall, Tobaccoville and Walkertown.

The 2013-2014 Annual Plan represents the first year of the 2014-2018 Five-Year Consolidated Plan. An evaluation of past performance is included in the Five-Year Plan. Program activities within the Plan represent the continuation of ongoing programs, previously approved project activities, and initiation of limited new activities and recommendations.

HIGHLIGHTS OF THE 2013-2014 ANNUAL PLAN

The City's allocation of CDBG grant funds is \$1,956,148 (a 3.3% increase), \$922,457 (a 1.2% decrease) in HOME funds, and \$138,158 in ESG funds (a 6.3% decrease), for an overall allocation increase of 1.4%. The City will receive \$756,357 of the HOME funds, and the County \$166,100. The City will receive an additional \$1,350,170 in Supportive Housing funds on behalf of local agencies providing homeless program services beginning in the fourth quarter of the FY14 program year. The City also expects to receive \$316,937 in additional ESG funds from the State of North Carolina during FY14.

The projected increase in HUD funds combined with average projected program income have somewhat eased the challenges to funding projects. The results are: 1) no reduction in commitments to subgrantees for program operations; 2) an increase in funding for single-family production and homebuyer assistance due to a modest improvement in the housing market, and 3) increased funding for projects that assist the homeless. The budget maintains appropriations for the rehabilitation program and for financial and technical assistance to small businesses. One-time, special projects and financing commitments for FY14 are summarized as follows:

- Up to \$500,000 to S.G. Atkins Community Development Corporation toward the renovation of the basement of The Enterprise Center for additional space for the business incubator. Assistance is anticipated as a deferred loan. The CDC has received \$1.2 million from the Economic Development Administration for the project.
- Up to \$75,000 to Winston-Salem Industries for the Blind in support of expansion of the organization's optical operation, which includes the manufacture and sale of eyeglasses. Assistance is anticipated as a deferred/forgiven loan.
- Up to \$375,000 to Union Community Development Corporation in support of rehabilitation/renovations and equipment for a grocery store. Assistance is anticipated as a deferred/forgiven loan.
- Up to \$78,000 to the Winston-Salem Branch of the NAACP toward rehabilitation/renovation of a community center and development of a community garden. Assistance is anticipated as a deferred/forgiven loan.

Housing rehabilitation, including Purchase-Rehab, is the forefront category of program activity, relative to the allocation of funds, totaling \$2,541,500, or 28.3%, of total projected expenditures. Financing is in place to meet homebuyer demand in redevelopment areas and City assisted subdivisions and locations where activity is projected to take place and in scattered site infill locations to be developed by Habitat for Humanity; as well as IDA commitments through FY14.

AVAILABLE RESOURCES

Identified financial resources include the CDBG, HOME and ESG Program grants from HUD; CDBG, HOME and Housing Finance Fund (local) program and investment income, which are generated primarily by loan repayments; Continuum of Care funds; ESG funds through the State of North Carolina; and the remaining balance of general obligation bonds approved in 2000 and Youth Build Grant funds. Program income projections are based on recent experience as reasonably anticipated to be available. The following table identifies the projected expenditure of these resources during FY14 in general program categories.

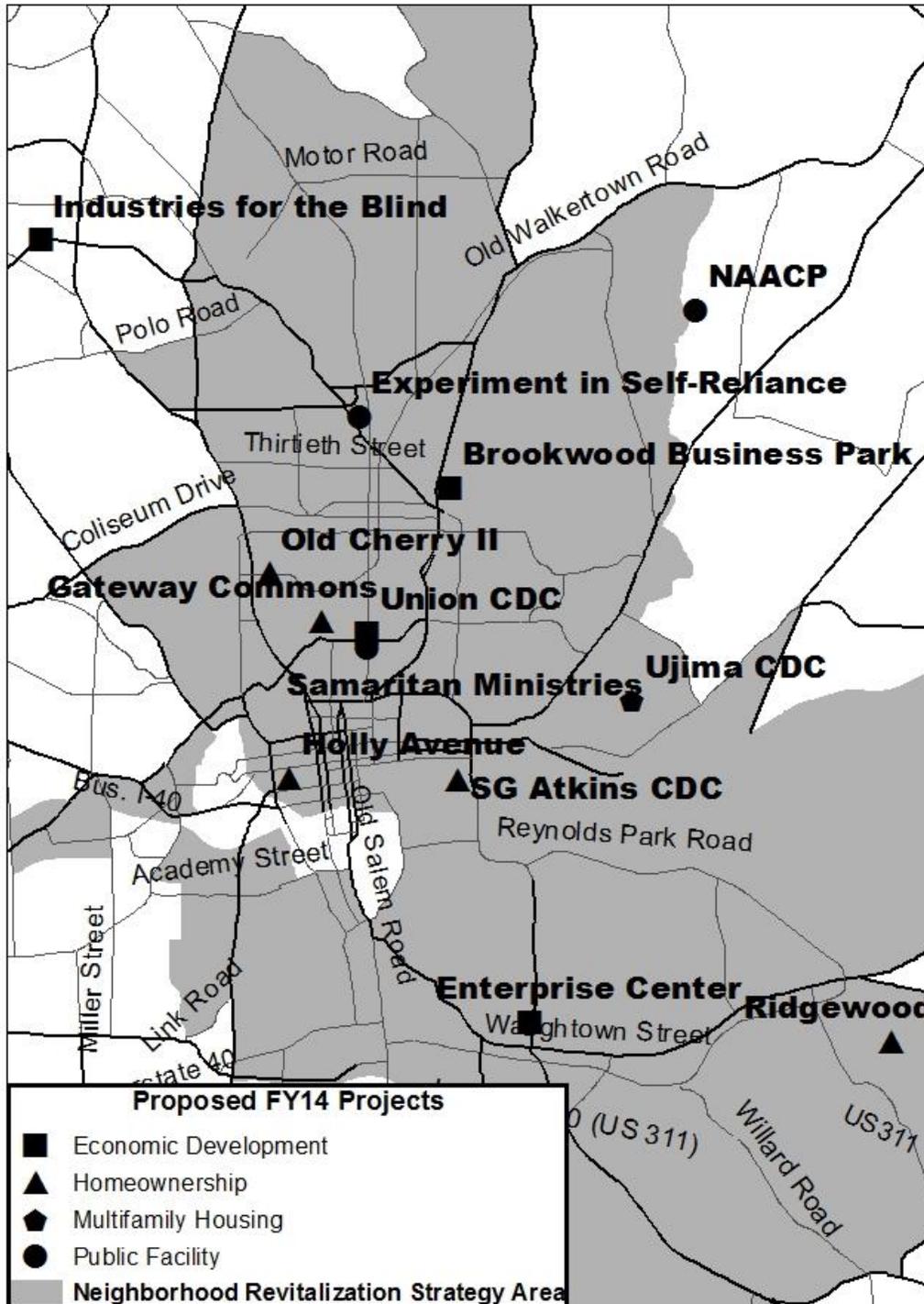
ACTIVITY	TOTAL	FEDERAL SOURCES (New Appropriations)			LOCAL	Prior Year Funds
		CDBG/PI	HOME/ PI	ESG/Supp Hsg	HFF	
Housing Rehabilitation and Operations	2,541,500	1,235,828	542,392		46,000	717,280
Neighborhood Dev: Acq-Clearance	143,735	61,200			82,535	
Housing Production/Infrastructure.	1,144,145		194,145			950,000
Homebuyer Assistance	239,740		74,740			165,000
Economic Dev/Self-Sufficiency	1,582,540	150,320			402,500	1,029,720
Public Services/Homeless Assist	2,554,525	311,810	190,000	1,805,265	247,450	
Section 108 Loan Repayment	464,000	464,000				
Planning/Training, Capacity/Other	314,170	257,990	46,180		10,000	
TOTAL	8,984,355	2,481,148	1,047,457	1,805,265	788,485	2,862,000

OBJECTIVES AND OUTCOMES

The strategy for meeting the goals identified in the Five-Year and Annual Plans centers on five goals, each with supporting strategies and programs. The goals are: Housing Conservation and Neighborhood Revitalization, Neighborhood Development and Housing Production, Expanding Access and Opportunities, Expanding Economic Opportunities, and Expanding Coordination and Accountability. A summary of the proposed objectives and outcomes of completed housing units in FY14 is provided in the table.

FY14 Summary of Housing Completions Objective/Outcomes			
		Obj.	# Units
New Construction	Owner	DH-2	37
	Rental	DH-2	0
Rehab/Repair	Owner	DH-2	60
	Rental	DH-2	98
Existing	Owner	DH-2	20
	Rental	DH-2	100
Special Needs Proj.	Rental	DH-2	0
Obj.: HUD code that indicates the project provides Decent Housing (DH) and the benefit is primarily Affordability (2).			

The map on the next page reflects location-specific activities. Activities not shown in the map reflect programs for which the locations are not known in advance.



THE DEVELOPMENT PROCESS AND CITIZEN INPUT

The Consolidated Plan, encompassing the goals, objectives and operating plans of a wide range of agencies, coordinating entities and advisory boards. The Annual Plan reflects implementation of adopted neighborhood and redevelopment plans, and recommendations which have been generated by a range of groups and organizations including the Council on Services for the Homeless, Housing Authority of Winston-Salem, and non-profit housing developers. The process is an ongoing and evolving process as elements are often refined in implementation.

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. To implement the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), the City has also met regularly with the Council on Services for the Homeless, Ten-Year Plan Commission, homeless services providers, and the State of North Carolina to discuss potential changes to homeless assistance programs, the use of Emergency Solutions Grant and Continuum of Care funds, and coordination of services.

This Annual Plan was prepared with public input, relative to needs, obtained through a kick-off community meeting on November 1, 2012, two community workshops on February 7, 2013, a public hearing on March 19, 2013, and an ongoing series of consultations with supportive service providers, advocacy groups and coordinating bodies. This submission, adopted by City Council on April 15, 2013, was presented at the public hearing of March 19, 2013.

Notices for all meetings were published in the Winston-Salem Chronicle and the Winston-Salem Journal, advertised on WSTV 13 and posted on the City's web site. Subsequent to public notice, copies of the proposed Plan were distributed at the public hearing and are available on the City's web site and at designated libraries for public review. A more detailed description of the kick-off and community workshops, comments received from them and the public hearing, and the review process are summarized in Appendix D.

Appendix D contains a list of agency consultations that extend beyond the homeless supportive housing needs and general housing need assessment which preceded the development of this plan. Staff in the Community and Business Development Department and the Office of Community Assistance also meets with citizens and neighborhood associations to assist them in resolving issues, especially as they relate to City programs and services. This process results in more direct and immediate attention to neighborhood concerns and also constitutes a major element of the citizen participation process.

PART A: 2013-2014 STRATEGY IMPLEMENTATION

This 2013-2014 Action Plan represents the first year of the five-year planning period of the 2014-2018 Consolidated Plan. The budgets contained herein reflect Federal Fiscal Year (FFY) 2013 grant allocations for the CDBG, HOME and ESG programs and projected program income for CDBG and HOME. HOME funds are allocated to the Winston-Salem/Forsyth Housing Consortium.

Exhibit 1 FY14 HUD Entitlement Programs			
	Amount	Amount Change	% Change
Entitlement Funds			
CDBG	\$1,956,148	\$62,359	3.3%
HOME	\$922,457	-\$11,334	-1.2%
ESG	\$138,158	-\$9,354	-6.3%
Total Entitlement	\$3,016,763	\$41,671	1.4%
Program Income			
CDBG	\$525,000	\$0	0%
HOME	\$125,000	\$0	0%

An increase in the CDBG program and small decreases in the HOME and ESG programs, combined with average program income, have resulted in a small overall increase in entitlements funds. These changes, along with the 20-year amortization of Section 108 Loan repayments and implementation of the HEARTH Act for ESG, have somewhat eased the challenges to funding projects. Funding for core programs is maintained.

The results are: 1) no reduction in commitments to subgrantees for program operations; and 2) an increase in funding for single-family production and homebuyer assistance due to a modest improvement in the housing market.

The Youth Build grant, a three-year four-month \$1.1 million grant to provide economically disadvantaged youth between the ages of 16 and 24 with education and employment skills while helping to meet the housing needs of homeless individuals/families and low-to-moderate income families, will be in full operation during FY14. Emergency Solutions Grant (ESG) funds from the State of North Carolina will be available for shelter operations and rapid re-housing during FY14.

The intent of the annual plan is to identify the strategies and priorities that will be undertaken during the year, the resources to be utilized, and the category of resident (by type and income) to be assisted. Housing and community development strategies, programs and activities are contained within the Five-Year Consolidated Plan and organized by five goals. The following narrative summarizes the activities to be undertaken or continued during FY14 by goal. Exhibit 2, which follows this section, outlines the strategies and implementing programs to be undertaken during FY14, including the source of funds and projected accomplishments.

Goal 1: Housing Conservation and Neighborhood Revitalization: Target available resources to optimize compliance with Minimum Housing Code and assist neighborhoods; continue single and multi-family rehab activities to protect the existing housing stock and diverse neighborhoods; ensure physical improvements in neighborhoods are adequate; and focus on placing vacant property and lots back into inventory.

Single-family, owner-occupied rehab and emergency repair continue to play a major role. Habitat for Humanity will continue a five-year neighborhood revitalization initiative in the Cherry Street/Kimberly area. Although work in FY14 will consist primarily of construction of single-family homes for owner-occupancy, Habitat will also purchase vacant structures and rehab them for sale to eligible homeowners. One community development corporation will begin infill development in a target neighborhood. Enforcement of the Minimum Housing Code through Operation Impact and regular code enforcement as well as neighborhood services programs are ongoing. Funds continue to be available for non-profit capacity development through the Winston-Salem Community Development Support Collaborative.

Goal 2: Neighborhood Development and Housing Production: Support home ownership by lower income households; foster production of single- and multi-family housing for lower income households and persons with special housing needs through new construction, conversion and adaptive reuse; promote energy efficiency and sustainable development in housing programs; and provide incentives to develop housing for all income groups.

A modest improvement in the housing market will increase single-family housing production in 2013-14, including Habitat for Humanity. In addition to serving as its own lender, Habitat's partnership with the City has allowed it to maintain its level of production. Habitat will be working in the Cherry Street/Kimberly Neighborhood Revitalization Initiative. One community development corporation will begin development in the Ridgewood Place subdivision. The City will continue to pursue development of land acquired through Redevelopment and in City-assisted subdivisions as economic conditions permit: Esquire Place, Happy Hill, Gateway Commons, Northeast Winston #2, Goler Heights, Andrews Heights, Sunbridge, and Salem Pointe. Additionally, funds committed to United Way of Forsyth County as match for Individual Development Account (IDA) participants continue to be available.

Homebuyer assistance programs to increase access to affordable standard housing by providing down payment and closing costs for lower-income, first-time home buyers are available through both the City and the County. Levels and terms of assistance are reviewed annually, in response to public review input, to reflect changes in development costs, home buyer subsidy needs, and practices in the lending industry.

Goal 3: Expanding Access and Opportunities: Meet the housing and service needs of homeless individuals and families; eliminate discriminatory practices in the sale and rental of housing; coordinate the community's efforts to meet the needs of the homeless; and support services in the community that promote economic self-sufficiency and wealth-building.

Homeless needs reflect continuing implementation of the HEARTH Act, including expanding rapid re-housing activities and planning for a coordinated entry system. The Continuum of Care process continues to be refined in light of HEARTH, with the Ten-Year Plan to End Chronic Homelessness serving as the strategic guidance for decision-making. FY14 resources include one-year renewal funds from the Supportive Housing Program Federal FFY12 grant on behalf of agencies serving the homeless, continued operating assistance for transitional case management for formerly homeless persons/families, operations and renovations of emergency shelters up to

the maximum allowed by the Emergency Solutions Grant, and Tenant Based Rental Assistance. Funds to continue support of the implementation of the Ten-Year Plan are also included.

Goal 4: Expanding Economic Opportunities: Expand entrepreneurial development; foster employment training opportunities; encourage revitalization of neighborhood commercial areas; implement the downtown revitalization strategy.

Objectives for FY14 are: (1) to approve five new small business loans; (2) to expand market efforts and partnering opportunities with local commercial lenders; (3) to expand technical assistance and follow-up efforts offered to loan applicants and recipients; and (4) to work with community development corporations in the Neighborhood Revitalization Strategy Area (NRSA) to facilitate identification of available idle or vacant properties suitable for the business needs of specific developers and businesses seeking to relocate within the community.

In the Brookwood Business Park, installation of utilities, streets and curb is complete, and the City has begun construction on lot #8, the second lot to be developed. Continued focus of FY14 will be directed toward marketing of the park.

Section 3 program activities include: 1) continued subcontractor opportunities in city and federally funded housing programs, 2) conduct the Business Education program, and 3) the three-year Youth Build program will enroll its first participants.

Goal 5: Expanding Coordination and Accountability: Coordinate with non-profit organizations and local and regional planning bodies; systematic evaluation and assessment of the impact of public programs and policies on an ongoing basis.

The strategies within this priority area focus on improving coordination with non-profit organizations and other coordinating bodies in the community. In FY14, these efforts will include the Continuum of Care and implementing a coordinated intake system and governance strategy.

PART B: SUMMARY OF SPECIFIC ANNUAL OBJECTIVES

The following table identifies the activities to be undertaken and sources of funds to be appropriated in FY14.

**Exhibit 2: WINSTON-SALEM/FORSYTH HOUSING CONSORTIUM FY14 ANNUAL PLAN
A SUMMARY OF SPECIFIC ANNUAL OBJECTIVES FOR DIRECT-BENEFIT ACTIVITIES**

STRATEGY/ PROGRAM	DESCRIPTION	OBJ	FUND SOURCE	# UNITS	TYPE UNITS
GOAL 1: HOUSING CONSERVATION AND NEIGHBORHOOD REVITALIZATION					
Strategy 1.1	Target Neighborhood Services to Optimize Attainment of Neighborhood Stability and Revitalization				
	Targeted code enforcement, assistance to neighborhoods, capacity building	SL-3	CDBG	8,700	Persons
Strategy 1.2	Rehabilitate Single-Family Homes Owned by Lower-Income Families to Extend Their Useful Life, Preserve Affordability, and Make Adaptive Improvements to Address the Special Needs of Seniors and Disabled Persons				
Program 1.2.1	Neighborhood Revitalization Strategy Area (NRSA) Rehabilitation	DH-2	CDBG, HOME	20	Housing Units
Program 1.2.2	Citywide Rehabilitation	DH-2	HOME	10	Housing Units
Program 1.2.3	County Rehabilitation	DH-2	HOME, Other Federal	15	Housing Units
Program 1.2.4	Emergency Repair	DH-2	CDBG	12	Housing Units
Program 1.2.5	Architectural Barrier Removal	DH-2	CDBG, HOME	2	Housing Units
Program 1.2.6	Hazard Reduction and Interim Controls	DH-2	CDBG, HOME	20	Housing Units
Program 1.2.7	Tandem Purchase-Rehab and Buy-Rehab	DH-2	Local	1	Housing Units
Program 1.2.8	Purchase-Rehab Revolving Loan Program	DH-2	Local	2	Housing Units
Strategy 1.3	Rehabilitate Multi-Family and Single-Family Substandard Rental Units to Extend Their Useful Economic Life and Preserve Affordable Rents				
Program 1.3.1	Rental/Investor Rehabilitation	DH-2	CDBG	2	Housing Units
Program 1.3.2	Large-Scale Multi-Family Rental Rehabilitation	DH-2	CDBG, HOME, Local	96	Housing Units
Program 1.3.3	Hazard Reduction Interim Controls	DH-2	CDBG, HOME, Local	0	Housing Units
Strategy 1.4	Provide Physical Improvements to Neighborhoods				
Program 1.4.1	Neighborhoods To Standards (NTS) Monitoring		N/A		N/A
Program 1.4.2	Public Improvements	SL-1	Local	1	Public Fac./Imp.
Program 1.4.3	Public Facilities	SL-1	Local, CDBG	1	Public Fac./Imp.
Strategy 1.5	Develop Measures That Facilitate the Placement of Vacant Units and Vacant Lots for In-Fill Development Back Into the Housing Inventory				
	Identifying vacant property, infill redevelopment, eminent domain rehab	DH-1	N/A	5	Housing Units

GOAL 2: NEIGHBORHOOD DEVELOPMENT AND HOUSING PRODUCTION					
Strategy 2.1	Subsidize Home Ownership Acquisition				
Program 2.1.1	Homebuyer Assistance Programs	DH-2	HOME, Local	30	Households
Program 2.1.2	Individual Development Accounts (IDA)	DH-2	Other Federal	10	Households
Strategy 2.2	Subsidize Single-Family Housing Production				
Program 2.2.1	Construction Loan Program	DH-2	Local	4	Housing Units
Program 2.2.2	Homeownership Development Assistance	DH-2	Local	2	Housing Units
Program 2.2.3	"Self-Help/Sweat Equity" Programs	DH-2	HOME, Local	15	Housing Units
Program 2.2.4	Redevelopment Acquisition/Clearance	DH-2	Local	2	Housing Units
Strategy 2.3	Subsidize Affordable Rental Housing				
Program 2.3.1	Rental Housing Production	DH-2	HOME, Local	0	Housing Units
Strategy 2.4	Support Ways to Lower Housing Cost and Reduce Governmental Constraints to the Production of Housing				
	Barriers to affordable housing, environmentally efficient development	SL-3	N/A	N/A	N/A
GOAL 3: EXPANDING ACCESS AND OPPORTUNITIES					
Strategy 3.1	Meet the Housing and Service Needs of Homeless Persons				
Program 3.1.1	Tenant Based Rental Assistance	DH-2	HOME	100	Households
Program 3.1.2	Supportive Services	SL-1	CDBG, SHP	175	Persons
Program 3.1.3	Coordinated Intake	SL-1	ESG	N/A	Persons
Program 3.1.4	Emergency and Transitional Shelter Facilities	SL-1	ESG	1,800	Persons
Program 3.1.5	Permanent Supportive Housing	DH-2	SPC	75	Households
Strategy 3.2	Coordinate City, County, State, Federal and Private Funds and Activities to Meet the Needs of the Homeless, Reduce Poverty and Prevent and End Homelessness				
	Planning, Continuum of Care application, Homeless Management Information System	N/A	N/A	N/A	N/A
Strategy 3.3	Expand Equal Access to Housing for All Members of the Community				
	Fair housing, Hispanic/Latino housing needs	SL-1	CDBG	500	Persons
Strategy 3.4	Support the Provision of Services in the Community for Economic Self-Sufficiency and Wealth-Building				
	Housing counseling, re-entry for ex-offenders and persons leaving institutions, wealth-building through tax credits, foreclosure prevention, youth programs	SL-1	CDBG, Local	2,250	Persons

GOAL 4: EXPANDING ECONOMIC OPPORTUNITIES					
Strategy 4.1	Expand Entrepreneurial Development				
Program 4.1.1	Small Business Loan Program	EO-1	CDBG	10	Jobs
Program 4.1.2	Technical Assistance to Small Businesses	EO-1	CDBG	50	Businesses
Program 4.1.3	Contractor Training Program	EO-1	CDBG	25	Persons
Strategy 4.2	Expand Employment Training Opportunities				
Program 4.2.1	Construction Training Program	EO-1	CDBG	0	Persons
Program 4.2.2	Youth Build	EO-1	Other Federal	27	Persons
Program 4.2.3	Summer Youth Employment Program	EO-1	Local	100	Persons
Strategy 4.3	Revitalize Neighborhood Commercial Areas				
Program 4.3.1	NRSA Building Rehabilitation Program	EO-3	Local	2	Businesses
Program 4.3.2	Revitalizing Urban Commercial Areas (RUCA)	EO-3	Local	2	Businesses
Strategy 4.4	Implement Downtown Revitalization Plan				
	Support increase in retail and housing downtown	SL-1	Local	0	
GOAL 5: EXPAND COORDINATION AND ACCOUNTABILITY					
	Strengthen coordination and partnerships, strengthen accountability	N/A	N/A	N/A	N/A
Fund Sources: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Solutions Grant (ESG), Supportive Housing Program (SHP), Shelter Plus Care (SPC), Local (includes Housing Finance Fund and General Obligation Bonds), Other Federal (other federal grants received by City or County) OBJ: HUD codes indicating whether the project provides Decent Housing (DH), a Suitable Living Environment (SL) or Economic Opportunities (EO) and whether the benefit is primarily Availability/Accessibility (1), Affordability (2), or Sustainability (3).					

PART C: PROJECTED REVENUES AND EXPENDITURES

PROJECTED REVENUES/FUND RESOURCES

FY14 Budget Appropriations

	<u>Community Development Block Grant (CDBG)</u>
1,956,148	Entitlement Grant B-13-MC
525,000	Program Income: Loan Repayments/Interest
2,481,148	Sub-Total CDBG Funds
	<u>HOME Investment Partnership Program (HOME)</u>
922,457	Entitlement Grant M-13-DC
125,000	Program Income
1,047,457	Sub-Total HOME Funds
	<u>OTHER</u>
788,485	General Fund HFF Program Income/Fund Balance
138,158	Emergency Solutions Grant Program H-13-MC
1,667,107	Supportive Housing Program/State ESG
2,593,750	Sub-Total Other Program Funds
6,147,355	Total FY14 Budget Appropriations

Prior Year Fund Budget Commitments

	<u>CARRY-OVER FUNDS</u>
832,000	CDBG
815,000	HOME
750,000	Housing Finance Fund
100,000	G.O. Bonds
365,000	Youth Build
<u>2,862,000</u>	Sub-Total Prior Year Appropriations
8,984,355	Total FY14 Programmatic Resources

PROJECTED EXPENDITURES/COMMITMENTS (SPEND PLAN)

2,391,500	<u>RESIDENTIAL REHABILITATION</u>	
	1,320,700	Rehabilitation
	100,000	Emergency Repair
	16,000	Architect. Barrier Removal/Handicap Asst.
	0	Investor/Multi-Family Rehab
	50,000	Rehab Hazard Reduction
	904,800	Program Operations
1,533,885	<u>HOUSING PRODUCTION/HOMEOWNERSHIP</u>	
	150,000	Buy-Rehab/Consortium Tandem Loans
	239,740	Home Buyer Assistance
	1,004,145	Single-Family Production
	0	Multi-Family Production
	0	Infrastructure Improvements
	140,000	HOME CHDO Activities
2,179,685	<u>HOMELESS/TRANSITIONAL HOUSING</u>	
	190,000	Tenant Based Rental Assistance
	1,851,527	Transitional Housing/Supportive Services
	138,158	Homeless Shelter Improvements/Prevention
1,582,540	<u>ECONOMIC SELF SUFFICIENCY</u>	
	624,820	Business/Commercial Loans
	528,000	Business/Contractor Education
	429,720	Construction Training
143,735	Property Maintenance/Disposition	
0	Redevelopment Acquisition/Clearance	
374,840	Public Service/Subrecipient Activity	
77,350	Planning, Training, Program Admin/Non-Profit Capacity Dev	
236,820	Cost Allocation/GF Admin Reimbursement	
464,000	Section 108 Loan Repayments	
8,984,355	TOTAL PROJECTED USE OF FUNDS	

**EXHIBIT 3
HOUSING AND COMMUNITY DEVELOPMENT REVENUE AND EXPENDITURE ALLOCATIONS: FY 2013-2014 (CDY 39)**

DESCRIPTION	FY14 Spend Plan	FY14 Budget Appropriation	FFY 13 CDBG	CDBG Prog Inc	FFY13 HOME	HOME Prog Inc	SHP/ESG	HFF Prog Inc	Prior-Year
RESIDENTIAL REHAB									
NRSA: Owner	925,950	680,950	414,118	78,800	118,032	70,000			245,000
Citywide Rehab: Owner	320,000	145,000			145,000				175,000
Emergency Repair	100,000	100,000	100,000						
Handicapped Asst.	16,000	16,000	8,000		8,000				
Multi-Family/Investor Rehab	0	0							
Rehab Hazard Reduction	50,000	35,000	25,000		10,000				15,000
Program Operations	888,190	755,910	476,680	133,230	100,000			46,000	132,280
Forsyth County Rehab/Operations	91,360	91,360			91,360				
HOUSING STIMULATION/HOME OWNERSHIP									
Home Buyer Assistance	239,740	74,740			74,740				165,000
Buy-Rehab Tandem	150,000	0							150,000
Single-Family Production	1,004,000	54,000			54,000				950,000
Multi-Family Production	0	0							
Infrastructure Improvements	0	0							
HOME CHDO Activities	140,000	140,000			140,000				
ECONOMIC SELF-SUFFICIENCY									
Business Loans	624,820	524,820	74,820	75,000				375,000	100,000
Contractor Business Education	528,000	28,000	500					27,500	500,000
Construction Training Program	429,720	0							429,720
OTHER ACTIVITIES									
Property Maintenance/Disposition	143,735	143,735	61,200					82,535	
Redevelopment Acquisition/Clearance	0	0							
Public Service Activities	374,840	374,840	71,220	56,170				247,450	
Homeless: ESG/Transitional/TBRA	2,179,685	2,179,685	171,970	12,450	135,000	55,000	1,805,265		
Non-Profit Capacity Dev/Training	37,350	37,350		37,350					
Planning/Training/Administration	40,000	40,000	20,000		10,000			10,000	
Cost Allocation/GF Admin Reimbursement	236,820	236,820	200,640		36,180				
Section 108 Loan Repayment	464,000	464,000	332,000	132,000					
TOTAL ALLOCATION	8,984,355	6,122,355	1,956,148	525,000	922,457	125,000	1,805,265	788,485	2,862,000

PART D: CDBG, HOME, AND ESG SPECIFIC INFORMATION

Community Development Block Grant (CDBG) Program

Use of CDBG Funds

The use of funds reasonably expected to be available to the City are described throughout this annual plan. As can be seen in the table above, CDBG funds will be used for the following programs and activities:

- Rehabilitation in the Neighborhood Revitalization Strategy Area (NRSA), including handicap accessibility and hazard reduction (lead-based paint) work, as applicable
- Emergency repairs citywide
- Program operating costs of the Rehabilitation program
- Loans and technical assistance to businesses
- Operating costs to non-profit agencies that provide counseling and case management, employment training, and assistance to neighborhood groups
- Planning and administration
- Repayment of Section 108 loans

Estimate of Projected Benefit for Low and Moderate Income Persons

According to Section 5301(c) of the Act, not less than 70% of CDBG funds shall be used for the support of activities that benefit persons of low- and moderate-income, which are defined as families and individuals whose incomes do not exceed 80% of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. Expenditures for planning and administration and repayment of the Section 108 loans are excluded from the calculation, as they are considered to meet the national objectives. The only activity the City funds that does not benefit low- and moderate-income persons is property maintenance and disposition.

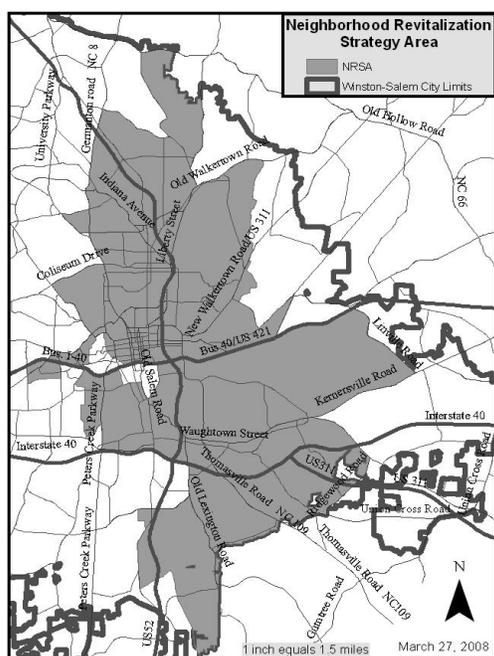
Calculation of Estimated Low and Moderate Income Benefit

Projected Expenditures Subject to Program Benefit Rules	2,628,508
Project Expenditures Principally Benefiting Low- and Moderate-Income Persons	2,567,308
Projected Percent Benefit to Low- and Moderate-Income Persons	97.7%

Neighborhood Revitalization Strategy Area

The Neighborhood Revitalization Strategy submitted pursuant to Notice CPD-96-01 was approved by the U.S. Department of HUD and implementation was initiated during FY 2001 and recertified in FY 2004 and FY 2009. The Revitalization Strategy accomplishes or facilitates accomplishment of several objectives directed toward the goal of economic empowerment of residents, including:

- Consolidation of a patchwork of disconnected target areas into a contiguous, central corridor which is more closely aligned with the Neighborhood Strategy Areas under code enforcement, ensuring consistency of services to neighborhoods;
- Facilitates implementation of Empowerment Zone strategic plan elements which integrates housing, economic and community development under the umbrella of revitalization;
- Greater equity in housing service provision -- ability to serve both sides of the street in each targeted neighborhood;
- Increased emphasis on *primary care* in housing conservation -- the ability to rehabilitate units at lower average cost before substantial deterioration makes rehabilitation infeasible and more costly acquisition and rehabilitation, clearance or other redevelopment is required;
- Facilitation of neighborhood-based organizational development processes through exemption from the public services cap.
- Reduction of reporting burden on the part of businesses, which has been a disincentive to the use of CDBG funds in job creation/retention activities;
- Streamlined tracking and reporting and in general, greater flexibility in the use of CDBG funds to meet needs within the Revitalization Area.



The Revitalization Strategy Area is a contiguous area, primarily residential in character and contains a percentage of low- and moderate-income residents that is no less than the upper quartile percentage as defined by the regulations at 24 CFR 570.208(a)(1)(ii) and reflected in the accompanying map.

Goals and objectives for the NRSA are outlined in the Neighborhood Revitalization Strategy, which is an appendix to the Five-Year Consolidated Plan.

HOME Investment Partnership (HOME) Program

The Winston-Salem/Forsyth Housing Consortium consists of the City of Winston-Salem as the lead entity, Forsyth County, and all of the other cooperating municipalities of the County, consisting of Bethania, Clemmons, Kernersville, Lewisville, Rural Hall, Tobaccoville and Walkertown. The accompanying program description is submitted on behalf of the Consortium as a participating jurisdiction pursuant to HUD approval of February 23, 1993 with subsequent extensions.

HOME program activities focus on increasing the number of "affordable" housing units for lower income individuals and families and increasing the leverage of public funds through financing partnerships. These activities are consistent with Five-Year Consolidated Plan priorities and strategies and also the objectives of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended.

Of the \$922,457 of new grant funds, \$166,100 is allocated to Forsyth County, in accordance with the provisions of the Consortium Agreement, and \$756,357 is allocated to the City of Winston-Salem with an additional \$125,000 in program income. The program activities and expenditures to be derived from FFY13 HOME funds, prior year carryover/reprogrammed funds, and program income, are as follows:

851,032	-	Rehab: Owner, Rental and Hazard Reduction
469,145	-	First-Time Homebuyer Assistance/Construction
0	-	Multi-Family Production
190,000	-	Tenant-Based Rental Assistance
<u>140,000</u>	-	CHDO Set-Aside: New Construction (15.2% FFY 13 Grant)
1,650,177	-	Sub-Total City Program Activities
74,750	-	Single-Family Owner Rehab
<u>74,740</u>	-	First-Time Homebuyer Assistance
149,490	-	Sub-Total County Program Activities
16,610	-	County Program Admin (10% County Allocation)
<u>46,180</u>	-	City Training, Admin, and Indirect Cost (6.1% City Allocation)
62,790	-	Sub-Total (6.8% of FFY 13 Grant)
1,862,457	-	Total Available HOME Fund Resources

HOME regulations require the participating jurisdiction to match 25% of HOME funds drawn for program activities. The Consortium meets the match requirement through funds from the County and the participating municipalities and from private sector contributions to one Community Housing Development Organization (CHDO) for new construction ownership units. HOME match funds for FY14 are projected to total \$37,755 from Forsyth County and participating municipalities and \$600,000 from private sector contributions.

As HOME program funding will be used to leverage and complement ongoing housing program activities funded from other sources, program administration will be undertaken by the operating

departments administering CDBG and other housing activities. Program administration and project implementation functions are to be conducted by the City of Winston-Salem for those activities taking place within the City and by Forsyth County for those activities taking place within the other cooperating municipalities and unincorporated areas of the County.

A. Single-Family Rehab

The City provides direct and deferred loans to rehabilitate owner-occupied single-family housing units citywide to applicants with total household incomes below 80% of area median income. The City projects to assist up to 15 homeowners during FY14.

B. First-Time Homebuyer Assistance

The City provides a down payment and second mortgage assistance program for the purchase of newly constructed or existing units citywide to applicants with total household incomes below 80% of area median income and who qualify as first-time home buyers. This assistance is provided in conjunction with fixed-rate, 15- to 30-year first mortgage loans and is due and payable on sale or transfer of the property, when the property ceases to be owner-occupied, or when the first mortgage is paid in full. The program is funded with local and HOME funds, and the City projects to assist approximately 15 homebuyers during FY14. Program policies are included in Appendix C.

C. CHDO Set-Aside

The FFY 13 Community Housing Development Organization (CHDO) set-aside is reserved for one CHDO for up to 15 new construction or rehabilitation units for home ownership in multiple locations, noting that additional, previously encumbered funds remain from prior years.

D. Multi-Family Rehabilitation/Production

The use of HOME funds for multi-family projects is principally reserved, as a policy decision, for low-income housing tax credit projects or projects sponsored by non-profit, public agency entities, given the complexities of the HOME Program affordability restrictions; however, proposals may be reviewed on a case-by-case basis for projects serving special needs populations. No projects are proposed to be funded for FY14, although applications may be considered throughout the year.

E. Forsyth County Programs

The County's mission is to provide affordable housing to low- and moderate-income residents in unincorporated areas and small municipalities by the effective utilization of local, state and federal grant programs for activities such as housing rehabilitation, first-time homebuyer programs, and code enforcement.

Neighborhood Stabilization Program

The County, as the lead entity and in partnership with the City of Winston-Salem, in FY10 was awarded a \$3,625,000 Neighborhood Stabilization Program (NSP-1) Grant from the North

Carolina Department of Commerce Division of Community Assistance. The purpose of NSP-1 is to provide attractive financing for the purchase and rehabilitation of foreclosed homes in targeted census tracts throughout the City and County. The County/City NSP-1 had all of the funds expended or obligated by the end of FY2011 and has presently helped 45 households purchase single family homes including rehab repairs to 31 homes. The County/City has funded the 68-unit multi-family Enclave project. The County/City, in collaboration with Habitat for Humanity, has also funded the purchase of 42 lots for single-family units in the Smith Farms and Trent Hill subdivisions. The properties will be marketed to individuals and families up to 120% of the area median income. The NSP-1 is scheduled to have all units occupied by February 2013. Below is the progress to date (March 2013) of the occupancy of the NSP-1 affordable housing units.

<u>Project</u>	<u>Occupied/Purchased</u>	<u>Total NSP Units</u>	<u>All Units</u>
1. Enclave Apartments (phase I)	68	68	68
2. Single Family Home Purchases	45	45	45
3. Trent Hill (Habitat)	15	15	25
4. Smith Farms (Habitat)	18	18	18
	<u>146</u>	<u>146</u>	<u>156</u>

- 16.75 remaining acres in Phase II of Enclave not yet planned

The County may be eligible for surplus NSP funds that may be awarded by the North Carolina Department of Commerce. If funds are available, the County will make application for additional NSP funds to develop the remaining 16.75 acres of the Enclave Apartment complex.

First Time Homebuyer

The County anticipates providing first-time home ownership opportunities for approximately 20 low-income households (at or below 80% of median income) with new and existing home acquisition. The financing will be provided through a combination of HOME Program funds and other funding programs, such as County Match, Individual Development Accounts, North Carolina Housing Finance Agency (NCHFA), and private bank fund contributions. The assistance will come in the form of deferred down payment loans, and some funds under the IDA program will be provided as a matching \$3,000 grant for \$1,500 provided by the home buyer. The NCHFA loans will be deferred until the first mortgage is fully amortized. The County HOME down payment assistance loan is a 30-year deferred loan that requires a balloon payment of the principal upon the completion of the 30th year. The County HOME loan will also be due upon sale of the property or when the home is no longer occupied by the HOME-assisted buyer. It is estimated that each household will be provided with an average of \$8,500 in financial assistance.

The Winston-Salem/Forsyth Housing Consortium utilizes the recapture provision of the HOME regulations. This is where the City/County, as per HUD regulations, requires recapture of HOME funds for down payment assistance for a “period of affordability”. The HUD minimum period of affordability is detailed below and is based upon the amount of HOME financial assistance provided. The County period of affordability is the minimum period required by HOME regulations. During this period the County will recapture the entire direct subsidy, which is the

amount of the County HOME loan for down payment assistance and closing costs. If the buyer sells the home during this period and the sales price is too low to pay off all debt, the County will only recapture the amount left after paying the first mortgage and closing costs. Recapture is limited to the net proceeds available at sale. The County ensures the period of affordability is preserved by utilizing a separate Buyer Written Agreement between the County and the homebuyer, a deed of trust, and promissory note.

<u>HOME Investment</u>	<u>Period of Affordability</u>
Under \$15,000	5 years
Between \$15,000 and \$40,000	10 years
Over \$40,000	15 years

Single-Family Owner Rehab

The County anticipates having between \$80,000 to \$100,000 in HOME funds available for use in rehabilitating five to ten substandard, owner-occupied homes. These funds will be loaned as deferred forgiveness no interest loans that will only be paid back upon early sale of the property or relocation of the owner from the property. In some cases where rehabilitation assistance exceeds \$25,000, those loans may be amortized at 0% interest for the amount above the \$25,000 threshold.

The County Housing Department will include other rehabilitation funds as they become available, including locally derived municipal/county match, Community Development Block Grant, Duke Energy, NC Housing Finance Agency (NCHFA) Single-Family Rehab/Urgent Repair funding, and a NC Health Hazards Control Grant Program Lead Grant. Properties assisted will be located in the other cooperating municipalities as well as in the unincorporated areas of the County.

The County in FY13 anticipates being awarded a \$225,000 Community Development Block Grant to rehab approximately 8 to 11 dwellings. Depending on availability of funding, an additional \$200,000 to 400,000 loan pool amount from NCHFA to rehab 10 to 18 dwellings is also anticipated. Owner occupants under the Emergency/Urgent Repair Program will be provided with \$6,000 grants for repairs/replacement of heating systems, septic systems, and roofs. The HOME-funded projects for comprehensive rehab will have an average funding of \$20,000 per structure.

Matching Funds

From County appropriation and \$12,000 to be derived from the small municipalities, it is anticipated that the County will provide up to \$25,755 in matching funds for the 2013-2014 program year. Other funds that may be used as match include, but are not limited to, eligible matching funds and volunteer labor generated by Habitat for Humanity.

Code Enforcement

The County enforces a limited number of minimum housing code complaints in unincorporated areas and participating municipalities outside the Winston-Salem city limits. Inspections are initiated by a citizen's complaint process.

F. Tenant Based Rental Assistance (TBRA)

Tenant based rental assistance is an essential element of the consolidated plan. The goal of this component is to provide assisted households with supportive services designed to enable them to become self-sufficient by the end of two years. Implementation of one segment of the program requires close coordination between the Transitional Housing Program staff of the Experiment in Self-Reliance (ESR), the Housing Authority of Winston-Salem and other support social service agencies. An added component is the provision of assistance to mentally ill adults who are transitioning back into the community with supportive services coordinated through CenterPoint Human Services, the local mental health authority. In addition, TBRA will be used to help implement the Ten-Year Plan to End Chronic Homelessness. Transitional Housing Program staff screen and select families in accordance with program guidelines and the Administrative Plan which is not inconsistent with the PHA's Preferences established under 24 CFR 882.219.

Emergency Solutions Grant (ESG) Program

The City of Winston-Salem receives ESG funds on an entitlement basis. The City will also apply to the State of North Carolina on behalf of homeless service providers for ESG funds that the State receives from HUD. City ESG entitlement funds will be used to provide for the operational needs of emergency shelters and for rapid re-housing activities. State ESG funds will be used for shelter operations, rapid re-housing and coordinated intake. Non-profit organizations to carry out these activities were selected through the City's annual request for proposal process, which was open to community and faith-based organizations. A rating panel made up of members appointed by the Council on Services for the Homeless reviewed all proposals and made recommendations for funding.

Standards for providing ESG assistance as well as performance standards for evaluating activities and consulting with homeless or formerly homeless individuals are described in Appendix F. As the collaborative applicant for the Winston-Salem/Forsyth County Continuum of Care, the City is involved in planning and developing programs to meet the needs of individuals and families in the community that are homeless or at risk of homelessness and works with service providers that assist them.

PART E: OTHER ACTIONS

Public Housing

The Housing Authority of the City of Winston-Salem (HAWS) currently manages and or provides operating subsidies to 1,351 units of public housing in 13 conventional public housing and HOPE VI developments. The stock consists of three towers that serve primarily the elderly and disabled; two fairly dense and aging traditional public housing communities; two smaller duplex communities; and six new HOPE VI developments, two for elderly and four for families, in which public housing units comprise one-third to one-half of the total units in the development.

As a result of HUD requirements and funding decisions, HAWS continues to assess its assets, policies and programs. The focus will continue to be on creating a strategy that will result in providing quality, mixed-income developments of choice and support the agency mission. Goals are:

- HAWS was awarded two HOPE VI grants, one for Gateway Commons (formerly Kimberly Park Terrace) and one for Happy Hill Gardens. Three multi-family rental developments at each site have been completed. Efforts currently focus on completing the home ownership component. Habitat for Humanity has completed 24 units at Gateway Commons and will construct ten more, with the remaining units developed by a private builder. HAWS is working with a developer to complete the 59 single-family homes and 89 townhouse units in the former Happy Hill Gardens.
- The Oaks at Tenth (formally Johnson Square) is a 50-unit new construction development consisting of 22 one-bedroom, 22 two-bedroom and 6 three-bedroom units, scheduled for completion late 2013. This development will embody a new concept called “step-up housing”.
- The Housing Authority operates a Housing Choice Voucher Program consisting of 3,982 tenant-based vouchers, 73 Mainstream vouchers, 85 VASH vouchers, 327 project-based vouchers, and 158 moderate rehabilitation units. In addition, the Housing Authority administers approximately 200 special use vouchers for other agencies, such as Shelter Plus Care, HOME Tenant-Based Rental Assistance and Housing Opportunity for Persons with AIDS vouchers. The waiting list for the HCV tenant-based program has approximately 2,500 families and has been closed since April, 2010. Families who have a HCV tenant-based voucher and participate in the Family Self-Sufficiency Program are eligible to participate in the HCV Homeownership Program. The Housing Authority currently administers 63 HCV homeownership vouchers. The total annual budget authority for the Housing Choice Voucher Program is approximately \$27 million.
- HAWS will continue and improve its self-sufficiency programs. These include Housing Choice Vouchers Family Self-Sufficiency Program; the Homeownership Program, which provides counseling and training to help residents save money and earn sound credit; William H. Andrews/HAWS Scholarship; and the PATH Program, a partnership with

Piedmont Triad Regional Council Workforce Development, which provides an array of educational and employment supportive services to public housing tenants.

- HAWS will make capital improvements to its public housing properties, including those described below. HAWS is currently having a physical assessment of its public housing properties completed, which may result in a change of priorities.
 - Kitchen floor replacement and bath plumbing upgrades at Piedmont Park.
 - \$2.5 million rehabilitation of Stoney Glen
 - Upgrades to Healy Towers kitchens
 - Upgrades to Healy Towers lobby
 - Security cameras at Townview and Stoney Glen
 - Apartment door replacements at Sunrise Towers and Crystal Towers
- HAWS will continue to implement management improvements, including contract security guards, staff and resident training, UPCS Inspections Contract, and computer software upgrades.

The public housing agency is not designated as troubled under 24 CFR Part 902 and is not subject to a Section 504 Voluntary Compliance Agreement.

Jurisdiction/Housing Authority Relationship. The Mayor of the City of Winston-Salem appoints all nine commissioners of the public housing agency. The jurisdiction participates in review of the comprehensive grant submission of the Housing Authority in both the five-year and one-year intervals. The Housing Authority participates in development of the jurisdiction's Consolidated Plan, including participation in public meetings. Collaboration between the jurisdiction and the Housing Authority insures that the Comprehensive Grant annual statement is consistent with the jurisdiction's assessment of low-income housing needs as evidenced in the Consolidated Plan.

Homeless and Other Special Needs Activities

Outreach

The Continuum of Care (CoC) has adopted coordinated intake and assessment as a key central element of its system of care for homeless persons. Coordinated intake and assessment is accomplished through the Community Intake Center. Homeless persons served by shelters and street outreach are referred to the Community Intake Center. Street outreach is funded by HUD Continuum of Care grant funds and conducted by staff of The Bethesda Center for the Homeless and also through funding from the U.S. Department of Health and Human Services by the Projects for Assistance in Transition from Homelessness (PATH) Program, which is operated through Wake Forest University Baptist Medical Center.

Emergency Shelter and Transitional Housing

ESG funds support emergency shelter (operation, services, and renovation), rapid re-housing, and coordinated intake. In addition, CoC funds support case management programs to support the transition from homelessness to housing.

Permanent Housing

Permanent housing includes rapid re-housing, permanent supportive housing and housing stabilization services. Due to the HEARTH Act and new rules for the Emergency Solutions Grant and Continuum of Care grant, the community has reallocated funds to programs using a housing first approach, which shortens the period of times that households remain homeless. Coordinated intake and assessment includes a barrier assessment and vulnerability assessment. Households needing longer-term supports, including chronically homeless individuals and families, are referred to permanent supportive housing. Homeless households also may receive rapid re-housing assistance, as either a bridge to housing self-sufficiency or to permanent supportive housing. Veterans and their families may avail themselves of these resources, as well as utilize Supportive Services for Veterans Families (SSVF), which is a form of rapid re-housing for veterans, and Veterans Affairs Supported Housing (VASH), which is permanent supportive housing. All households have access to Permanent Housing Case Management to prevent individuals and families who were recently homeless from becoming homeless again. Unaccompanied youth are served primarily by The Children's Home, which provides a bridge to stable permanent housing.

Homeless Prevention

Coordinated intake and assessment uses a progressive engagement approach designed to forestall homelessness. In addition, the community has a strong history in prevention of evictions through emergency financial assistance. In 2011-2012, \$5,325,150 in financial assistance was provided in 20,749 instances to prevent eviction, prevent loss of utilities, or to pay for rental deposits after housing was lost. This assistance was provided by agencies including Crisis Control Ministry, The Salvation Army, Sunnyside Ministry, the Forsyth County Department of Social Services, and many churches and other faith-based organizations.

The community has created the Youth in Transition Community Initiative to improve outcomes for youth transitioning out of foster care. Goodwill Industries of Northwest North Carolina is the lead agency for the program and has implemented supportive programs such as Youth Opportunities Coaches, mentoring programs, housing support, and financial literacy training. Also, the community, at the invitation of the U.S. Interagency Council on Homelessness, has become involved in "YouthCount!", which is being incorporated into the annual point-in-time count of homeless persons, under the leadership of United Way of Forsyth County. This initiative will improve assessment of the needs of homeless youth and allow improved strategy and program development.

The plan goals support linkages to mainstream supportive services. Under the leadership of United Way of Forsyth County and the Ten Year Plan Commission on Homelessness, a monthly Resource Center connects homeless households to mainstream health, social, income-maintenance and employment services. The Community Intake Center, opening in 2013, will support this connectivity function on an ongoing basis.

Lead-Based Paint

Overview: The City operates a Hazard Reduction Program, funded with CDBG and HOME funds. Hazard reduction is primarily accomplished in conjunction with all programs administered by the City's Rehabilitation Division. However, referrals may also be made by the

Forsyth County Health Department. Should Rehabilitation costs on a project exceed \$25,000, the HUD mandated threshold, abatement of the lead hazard occurs. If below the \$25,000 threshold, interim controls, a less invasive method, can be utilized. Since inception of the Hazard Reduction Program, to date 723 units have been tested, with 466 units testing positive with lead. Since 1999, 347 units have received assistance to reduce lead hazards.

The City of Winston-Salem has just completed a three-year \$2,000,000 Lead-Based Paint Hazard Reduction Grant and a \$70,000 Healthy Homes grant from HUD in 2009. The program began January 15, 2010, and ended March 31, 2013 Under the grant work plan, a total of 186 homes were inspected Contractors hired by the City performed hazard control and clearances on ~~400~~ 105 homes over a three-year period. The City also applied in February 2013 for a new Lead-Based Paint and Healthy Homes Grant. Awards notifications are scheduled for April or May 2013.

Annual Activities: Projected activities in 2013-2014 will be to: 1) test 96 units, 2) provide treatment to ~~65~~ 43 units and 3) continue education and poison prevention. Training and state certification programs for staff and contractors will continue as required. Additionally, rehabilitation staff will continue to utilize an XRF analyzer to perform lead-based paint inspections on properties that have been selected for the City's Rehabilitation Program. The City's Rehabilitation Division staff will continue to utilize a XRF analyzer to perform lead-based paint inspections on properties supplemented with the use of outside lead consultants as needed. Typically the properties are single-family homes but may also be multi-family apartments.

Staff and Training: An investment in human resources has continued to be the first priority in hazard reduction activities. Qualified, as well as certified staff personnel are necessary to reduce hazards safely and effectively. Regulated yearly training and refresher courses will continue to expand the capacity and education of staff. During the upcoming period, staff will renew annual certifications for Lead Inspector and Risk Assessor. Because of state certification requirements, Lead Inspector and Risk Assessor licenses renew yearly, and refresher courses are mandated every two years to continue active licensure. Finally, as new personnel are hired, Lead Inspector training and certification will become an integral part of overall staff development.

Education and Prevention: City of Winston-Salem staff will utilize an outreach strategy to promote the principles of Environmental Justice. We anticipate reaching individuals using information that will be distributed through presentations made and activities conducted at churches, schools, doctor's offices, clinics and community events which serve minorities, LEP populations, and persons with disabilities. Marketing will be done through traditional methods such as paid ads, and public service announcements on radio and television, and newspapers, as well as any other means available. City and County staff continue to participate in the Lead Poisoning Prevention and Education Coalition, led by the Forsyth County Health Department, Childhood Lead Poisoning Prevention Program staff. Initiatives include ways to identify and intervene in cases of no or low-level poisoning and poisoning in non-HUD-assisted housing, as well as ways to partner with other organizations to reach various populations, such as Latinos through the Hispanic Services Coalition.

Relation to Economic Empowerment: A shortage of certified abatement contractors in North Carolina continues, but with the evolution of more certification courses being offered by

educational organizations in North Carolina and South Carolina, more contractors will be certified RRP Renovators and Supervisors, and have employees certified as Lead Workers. Even so, economic opportunities continue to abound in the field for those willing and able to be trained and certified. For example, the City's Community and Business Development Rehabilitation Division will continue to offer training to its contractors and staff as often as possible and when available through lead grant training requirements.

Barriers to Affordable Housing

Staff will review the recommendations of the Development Review-Related Advisory Committee to improve the City/County development review and make procedural changes and recommend changes to ordinances as appropriate.

Institutional Structure and Coordination

The City's Community and Business Development Department is the City's liaison with federal, state, and other local public agencies as well as with private sector for-profit and non-profit entities, including lenders, realtors, builders and developers, for the production and rehabilitation of affordable housing, and as the lead entity for the Winston-Salem/Forsyth Housing Consortium. The City will continue to maintain and improve these relationships.

The need for greater service coordination is somewhat dictated by the statutory division of governmental service functions between municipal and county entities. The primary responsibility for coordination of activities, to assure that agencies and programs are working together and that overlap and duplication of services is minimized, rests with coordinating bodies that are coalitions of citizens and agencies that have a targeted service or group focus. Such groups that have housing or related interests are The Council on Services for the Homeless, the National Alliance for the Mentally Ill–Forsyth, the Workforce Development Board, the Human Relations Commission, and the Drug and Alcohol Coalition. The ongoing role of monitoring accomplishment of Con Plan goals will lie with these coordinating bodies and collaborative networks for their respective service areas and through the broader citizen participation process.

Other Actions

Actions planned to address obstacles to meeting underserved needs, to foster and maintain affordable housing, and to reduce the number of poverty-level families are incorporated into all of the activities described in this Action Plan.

CERTIFICATIONS

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Signature/Authorized Official Date

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) FFY11, FFY12 and FFY13 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.

Signature/Authorized Official Date

City Manager
Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

Signature/Authorized Official Date

City Manager
Title

ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

Major rehabilitation/conversion – If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Matching Funds – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction’s consolidated plan.

Discharge Policy – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health

facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Signature/Authorized Official Date

City Manager
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

MONITORING PLAN AND SCHEDULE

**MONITORING PLAN AND SCHEDULE, 2013-2014
SUBRECIPIENTS, CHDOs, HOME RENTAL AND TBRA PROJECTS**

Subrecipient and CHDO Monitoring Plan

Subrecipients and CHDOs Subrecipient and CHDO monitoring is scheduled using a risk-based approach.

I. Applicability:

Period: Program Year 2013-2014
Subrecipient Funding Sources Covered: HOME, CDBG, SHP, Shelter Plus Care, ESG, Neighborhood Stabilization
Types of Entities to be Monitored: Nonprofit corporations; Regional Council; Public Housing Authority; Forsyth County, and other City departments, offices and programs.

II. Monitoring Objectives:

Primary: To ensure that subrecipients comply with applicable rules of the funding program, including financial management standards and eligibility requirements for participants. To ensure that subrecipients meet benchmarks and performance standards proposed for the program.
Secondary: To identify areas where training and technical assistance may be offered to improve performance and build capacity.

III. Site Visit Procedures:

Step # 1: Prepare for visit by reviewing applicable rules and guidelines and the subrecipient proposal and agreement.
Step # 2: Conduct visit as follows: a. Notify subrecipient of date, scope, and focus of review. b. Begin visit with entrance conference with designated official c. Document, gather, analyze and ask questions d. Hold exit conference to report preliminary results, hear reaction/explanations and form conclusions
Step # 3: a. Follow up with letter that commends successful performance and identifies findings and concerns. b. Institute corrective actions as necessary

At this step, post-monitoring intervention may include:

- ▶ Low-level Intervention: recommendation of actions; more frequent or more thorough reporting; more frequent monitoring; participation in technical assistance or training.
- ▶ Medium-level Intervention: restriction on funding of payment requests; disallowing payments; requiring repayment; impose probationary status.
- ▶ High-level Intervention: temporarily or indefinitely suspend funding; do not renew funding in the subsequent year; terminate funding for the current year; initiate legal action.

IV. Desk Monitoring Procedure

Step # 1:	Ensure that subrecipient file is up-to-date in terms of annual audit report, personnel and procurement policies, board roster, and all other items required in the Subrecipient Agreement.
Step # 2:	Review all requests for reimbursement to ensure that they are accurate, identify eligible costs of eligible activities and serve eligible beneficiaries. Assure that required program reports and back-up documentation are submitted; request any missing information or documentation. Funds may be withheld until missing items are provided by the subrecipient.
Step # 3:	For subrecipients for whom reimbursement requests typically are submitted by staff in a location different from program staff (e.g. Family Services, WSFC Schools), ensure that all program reports due have been received.
Step # 4:	Financial and accounting staff will pre-audit reimbursement request before processing payment.
Step # 5:	Performance reports must be submitted satisfactorily and on time or reimbursement will be delayed.

V. **Monitoring Policy Based on Risk Assessments:**

<i>Relative Risk Category</i>	<i>Frequency & Type of Monitoring</i>
High Risk	Annual site visits to include comprehensive program and fiscal monitoring; ongoing desk monitoring.
Moderate Risk	Annual site visits; focus of visits limited to targeted program and/or fiscal issues; ongoing desk monitoring.
Low Risk	Site visits at least every two years; focus of visits may be comprehensive or limited to targeted program and/or fiscal issues; ongoing desk monitoring.

NOTE: All subrecipients are subject to participation in required training and/or technical assistance, which will be considered on a case-by-case basis, as needed.

VI. **Risk Assessment:**

A. **Risk Factors:** Subrecipients undertaking multiple activities or using multiple HUD funding sources, especially with relatively large amounts of funds; subrecipients conducting rental housing, rental assistance or economic development projects; new subrecipients or subrecipients with new management; subrecipients with recent turnover among funded staff or with history of high turnover; subrecipients with prior history of concerns and findings; subrecipients with large or complex organizational structures; subrecipients with changes in leadership, goals or direction of agency; subrecipients failing to meet schedules or failure to submit timely reports; subrecipients with unresolved audit findings or no audit; subrecipients failing to meet federal program or OMB compliance requirements; subrecipients with low quality documentation; subrecipients with unexplained decrease or increase in productivity; failure to resolved findings or concerns from prior monitoring.

B. **Ranking:** (*highest risk first*)

i. **High Risk:**

- Habitat for Humanity – high risk (large funding amounts from multiple sources–HOME and Local; special HOME CHDO requirements; special lender requirements e.g. truth-in-lending)
- Experiment in Self-Reliance – high risk (multiple activities of rental housing, TBRA and case management and multiple funding sources–HOME, CDBG and SHP; Shelter Plus Care project-based assistance in HOME project; relatively large funding amounts; HOME CHDO)
- Housing Authority of the City of Winston-Salem – high risk (multiple funding sources for multiple rental assistance programs–HOME and Shelter Plus Care)
- **Moderate Risk**
- AIDS Care Service – moderate risk (multiple activities funded as CDBG public services; multiple funding sources–CDBG and Shelter Plus Care)
- Bethesda Center – moderate risk (case management and outreach staff expenses & mileage; SHP and Shelter Plus Care programs)
- Financial Pathways of the Piedmont (Center for Homeownership) – moderate risk (various costs paid through CDBG, with many applications of OMB circular requirements)

- Goodwill Industries – moderate risk (staff funding only, but new subgrantee beginning late FY13)
- Hosanna House of Transition – moderate risk (multiple, small grants, phasing out in FY13 and FY14)
- North Carolina Housing Foundation – moderate risk (small operational grant, but new subgrantee beginning in FY12)
- The Salvation Army—moderate risk (multiple funding sources—ESG, SHP, Shelter Plus Care)
- United Way – moderate risk (funding for IDA match disbursed through closing attorneys; modest Ten Year Plan subgrant; ESG rapid re-housing)

iii. Low Risk

- Family Services – low risk (case management staff expenses; single funding source—SHP)
- Forsyth County Housing— low risk (multiple activities, single funding source—HOME)
- Liberty Community Development Corporation – low risk (limited activities; funding from single source—CDBG)
- Liberty East Redevelopment – low risk (small, single funding source; very low utilization of funds)
- Piedmont Triad Regional Council – low risk (limited activities & single funding source—CDBG)
- Samaritan Ministries – low risk (case management and miscellaneous supportive services; single funding source—SHP)
- Summer Youth Employment – low risk (limited period each year, with intensive desk monitoring)
- WSFC Schools (Project HOPE) – low risk (case management only; single funding source only (SHP)
- WS Foundation/Neighbors for Better Neighborhoods – low risk (very limited activities & small amount from single source—CDBG)

VII. 2013-2014 Subrecipient Monitoring Schedule:

<i>Type of Monitoring</i>	<i>Agencies</i>	<i>Current Year or Last On-Site Visit</i>	<i>Next On-Site Visit</i>
Comprehensive Site Visits (Higher Risk Programs)	Experiment in Self-Reliance	April, 2013	April, 2014
	Habitat for Humanity	June, 2013	June, 2014
	HAWS	April, 2013	April, 2014
Focused Visit on Targeted Issues (Moderate Risk)	AIDS Care Service	June, 2013	June, 2014
	Bethesda Center	April, 2013	April, 2014
	Financial Pathways	June, 2013	June, 2014
	Goodwill Industries	June, 2013	June, 2014
	Hosanna House	April, 2013	Sept., 2013
	NC Housing Foundation	June, 2013	June, 2014
	Salvation Army	June, 2013	June, 2014
	United Way	May, 2013	May, 2014
Biennial Monitoring (Low Risk Programs)	Family Services	May, 2013	May, 2015
	Forsyth County Housing	May, 2012	June, 2014
	Liberty CDC	May, 2013	May, 2015
	Liberty East Redevelopment	May, 2013	May, 2015
	Piedmont Triad Regional Council	May, 2013	May, 2015
	Samaritan Ministries	June, 2013	June, 2015
	Summer Youth Employment	June 2013	June 2014
	WSFC Schools–Project HOPE	April, 2013	April, 2015
	WSF-Neighbors for Better Neighborhoods	June, 2013	June, 2015

VIII. 2013-2014 HOME-Assisted Unit Inspection Schedule

HOME-assisted units to be inspected are shown below. First-year warranty inspections are completed for 100% of units in all projects by rehabilitation construction staff. Post-completion monitoring in subsequent years by housing code enforcement staff follows the following schedule. TBRA units are inspected upon initial occupancy and annually as a part of the recertification process.

HOME Rental and TBRA Project Inspections					
<i>Project Name</i>	<i>Agency</i>	<i>Location</i>	<i>HOME/Total Units</i>	<i>Project Type</i>	<i>Frequency</i>
HAWS TBRA	HAWS	Scattered Units	50/50	TBRA	Annually
Spring Street	ESR	800 N. Spring St.	8/8	Rehab	Every 2 years
Gladstone Apts	Community Management	1301 Brookstown Ave.	12/12	Rehab	Every 2 years
Vespers	Community Management	1300 Waughtown Street	28/28	Rehab	Annually
Oak Creek	HAWS	Grove Avenue & Conley St.	30/60	Rehab	Annually
36-East Extension	Community Management	1225 E. 19th Street	8/8	Rehab	Every 2 years
Hunt Park	Community Management	5100 Hunt Park Court	8/60	New Const.	Every 2 years
Andrews Heights	Community Management	125 Ferrell Heights Court	56/56	New Const.	Annually
Griffith Commons	Community Management	Griffith Rd & Burke Mill Rd	74/74	New Const.	Annually
LaDeara Crest	Community Management	2556 Fairchild Hills Rd.	233/233	Rehab	Annually
University Court	Community Management	Third & Dunleith Ave.	12/12	New Const.	Annually
Fifth Street	Experiment in Self-Reliance	1225 East Fifth Street	12/12	Rehab	Annually
Goler Manor	NCHSM	601 N. Chestnut Street	79/79	New Constr.	Annually
Alders Point	Community Management	Mock Street	11/100	New Const.	Annually
Providence Place	Community Management	Gilcrest Street	8/56	New Const.	Annually
Arbor Oaks	Community Management	Hope Lane	35/72	New Const.	Annually
Burton Street	ESR	635-639 Burton St.	4/10	Rehab	Annually
My Aunt's House	The Children's Home	1001 Reynolda Rd.	8/8	Rehab	Annually
Hunters Hill	NCHSM	1067 Hutton St.	12/12	New Const.	Annually
Orchard Creek	Bradley Development	2810 Orchard Creek Ln.	8/64	New Const	Annually

**HOMEOWNERSHIP AND
HOME PROGRAM PROCEDURES**

HOMEOWNERSHIP AND HOME PROGRAM PROCEDURES

First-Time Homebuyer Assistance Component

The City provides permanent and subordinate mortgage financing through HOME funds and local funds to increase the affordability of newly constructed and existing units in the City of Winston-Salem. These programs are described below.

I. HOME Subsidy Assistance Program

The HOME subsidy program provides homebuyer counseling, education and financial assistance for first-time homebuyers with incomes less than 80% of area median, adjusted by household size. The goal of the program is to facilitate the attainment of home ownership by individuals and families that have the income to afford a mortgage, but may have information, cash or other barriers to ownership.

The program is administered by the Community and Business Development Department of the City of Winston-Salem. Homebuyer education services are provided by the Center for Homeownership. Administrative goals of the program are to provide assistance, assure eligibility and compliance, but minimize unnecessary red tape and bureaucracy. The program is comprised of the following steps:

Pre-Qualification and Homebuyer Education – Applicant must interview with The Center for Homeownership (336.773.0286 x101) to determine readiness for a mortgage loan. Deficiencies are identified and resolution counseling provided. Once the applicant is determined eligible, they will be referred to a local lender for pre-approval. All applicants must enroll in a six-hour homebuyer education course through The Center for Homeownership. Completion is mandatory before loan closing.

Financial Assistance - The supplemental down payment and second mortgage assistance will be provided in conjunction with fixed-rate, 15 to 30 year conventional, FNMA or FHA first mortgage loans. Lender or seller paid 2:1 buy-downs will be accepted; however, City subsidies will not be approved in conjunction with ARM or Balloon first mortgage financing. Non-conforming, high interest rate and fee loans are also not acceptable.

Funds may be used for first mortgage reduction (to achieve affordability at acceptable housing expense and long-term debt ratios), downpayment, and/or closing cost; but cannot be used to pay discount points, buy-downs or pre-pays. The subsidy will be in the form of a deferred second mortgage. Repayment is deferred until the property is sold or transferred, the property ceases to be owner-occupied, or the first mortgage is paid in full. The term of deferral of the second mortgage shall be the same as the first mortgage loan and upon payout of the first mortgage loan, shall begin amortization, at the same payment level as the first mortgage for the term required to pay out the second mortgage loan at a zero percent (0%) interest rate.

The assistance levels shown below by income category are an “up to” amount and not an absolute. In instances where a borrower has multiple sources for closing cost, the City’s assistance will be reduced by the amount of “excess” subsidy, i.e. an amount that would result in the Buyer receiving “cash out” on a closing statement, when ratios are in an acceptable range. In addition, the amount of HOME subsidy assistance provided to New Century IDA program graduates will be reduced by \$2,000.

A. Household Income and Subsidy Limits

HOME SUBSIDY ASSISTANCE PROGRAM						
Household Size	Very Low <50%	City Subsidy	Low 51-65%	City Subsidy	Moderate 66-80%	City Subsidy
1	\$21,700	\$8,500	\$28,210	\$7,500	\$34,750	\$6,500
2	24,800	9,100	32,240	8,000	39,700	7,000
3	27,900	9,700	36,270	8,600	44,650	7,500
4	31,000	10,500	40,300	9,200	49,600	8,000
5	33,500	11,200	43,520	9,800	53,600	8,500
6+	36,000	12,000	46,750	10,500	57,550	9,200

B. Down Payment and Cash Requirement

Underwriting guidelines of the applicable loan type used will govern most underwriting criteria. The following is only intended to highlight key program requirements.

Income/Debt Ratios - Although conventional loan underwriting criteria vary within FNMA/FHA/Freddie Mac guidelines, the following reflect acceptable ratios and maximum limits for HOME assistance:

- Housing expense ratio ranging from 25% to 33% of gross income
- Housing and Long-term debt ratio up to 41% of gross income

Credit - ALL delinquent non-medical obligations (collections, judgments, charge-offs) must be paid in full. Medical collections with a cumulative total of \$1,000 or under must be paid in full. Medical collections with a cumulative total exceeding \$1,000 require documentation of payment arrangements.

Reserves - Homebuyer is required to retain the amount of one house payment in their savings or checking account. Reserves must be verified by lender.

Contribution - Purchasers must contribute \$1,000 of their own funds. In order to reduce hardship, the monies paid toward earnest money, appraisal, and inspections are counted toward this contribution.

Eligible Properties – Eligible properties include new, existing or rehabilitated single-family detached homes with purchase price not to exceed \$130,000. Properties must be located within the city limits and must meet housing code standards. A home inspection is required for all existing homes, the cost of which can be included in the HOME assistance.

Loan Approval/Processing - Eligible home buyers must submit an executed sales contract and obtain first mortgage financing from a participating lender to receive approval of a HOME second mortgage. A five business day turnaround time, from receipt of a complete package, is required for approval of a HOME second mortgage. If there are property inspections issues,

additional time may be required. Additionally, the City of Winston-Salem reserves the right to select the closing attorney and may have specific days of the week in which closings can be held. Documents (i.e. HUD1 and Insurance showing evidence of City of Winston-Salem as Loss Payee) will be required in advance of closing.

Asset Limit: Assets must not exceed \$10,000.

C. Other HOME Program Terms and Conditions

1. The HOME program will use the IRS Income definition. Additionally, the following two income tests will be required to be utilized:
 - 2.a) Program Eligibility - For purposes of determining program eligibility, income shall be based on all sources of household gross, annualized income for the twelve month period ending on the date of mortgage loan closing, and shall include:
 - (1) total money earnings received for work performed as an employee before deductions, including wages, salary, recurrent overtime, commissions, fees, tips and bonuses;
 - (2) net self-employment income;
 - (3) net cash income from the operation of real property;
 - (4) interest, dividends, and other investment income;
 - (5) the full amount of recurrent periodic payments received from Social Security, pensions, insurance policies, or other similar annuities;
 - (6) the full amount of periodic public assistance payments, alimony, and other payments or contributions which are received on a recurrent basis and which may reasonably be expected to continue.
 - b) "Qualifying Mortgage Loan Income" is the gross monthly income of the borrower(s), projected for a one-year period from the date of mortgage loan application; including wages (and other recurrent, stable and verifiable income which can be reasonably expected to continue for a three-year period).
3. The appraised value and sales price of assisted units shall not exceed FHA mortgage limits, whether the mortgage is FHA insured or not.
4. City Review and Approval: Upon attainment and receipt of loan processing documentation and verifications (including mortgage credit report, employment, landlord and deposit verifications) and prior to issuance of a mortgage commitment; originating lender will provide copies of the application and loan documentation for review and approval of City assistance. Documentation must also include copies of federal income tax returns for prior three years.
5. City requires a copy of the Homeowner's Insurance Policy listing the City of Winston-Salem as a loss payee AND a copy of the HUD-1 for review prior to closing.
6. Proof of permanent U.S. residency is required.
7. Use of Second Mortgage Subsidy: City provided assistance may be used to meet down payment and closing cost requirements and to reduce the first mortgage principal to a level that makes the first mortgage affordable. City subsidy assistance will not be used to pay discount points, buy-downs, Mortgage Credit Certificates (MCCs) or pre-paid expenses.

8. HOME Affordability Requirements: The Consortium has selected the recapture method. The HOME Affordability Period shall be the minimum period of affordability required in §92.254(a)(4) based on the amount of HOME assistance per unit.
9. HOME Terms and Conditions: As HOME program funds will be utilized in providing subsidy assistance, HOME program regulations and guidelines will govern program eligibility and implementation. These requirements include, but are not limited to, the following provisions:
 - a) Mortgage assistance will be provided in the form of a deferred second mortgage loan secured by a deed of trust and evidenced by a written agreement and promissory note to be executed in conjunction with the first mortgage loan.
 - b) During the affordability period, the City will recapture the entire amount of the HOME direct subsidy if the property is sold, transferred or ceases to remain the principal residence of the owner/family.
 - c) During the affordability period, should the sales price of a HOME-assisted unit not be sufficient to pay off the first mortgage loan and closing costs, the amount of HOME funds subject to recapture will be limited to the net proceeds (the amount left after paying the first mortgage and closing costs).
 - d) During the affordability period, the recapture of the second mortgage will be suspended upon foreclosure by a lender or other transferor in lieu of foreclosure, if such foreclosure recognizes any contractual or legal rights of public agencies, non-profit sponsors or others to take actions that would avoid termination of low-income affordability.
 - e) Assumption of a HOME loan requires City underwriting approval of the mortgagee prior to the transfer of the property to another owner.

II. Supplemental Downpayment Assistance

The Supplemental Downpayment Assistance program provides a subordinate mortgage forgivable loan that can be used for either or a combination of down payment/closing cost and/or principal reduction to facilitate affordability of the first mortgage loan payment by lower income families in the purchase of newly constructed homes or existing homes not requiring rehabilitation. The loan will be forgiven at a rate of 10% yearly to be forgiven over a period of 10 years. Repayment is required only if the home is sold, transferred, or ceases to be occupied as the primary residence during the term of the first mortgage. Subsidy is summarized below:

A. Subsidy Limits

Households Receiving Other Federal, Local or State Homebuyer Assistance Subsidies

- Incomes less than 40% of Median Income - Eligible to receive downpayment assistance of \$5,000 or 6% of the property purchase price whichever is less.
- Incomes from 41% to 60% of Median Income - Eligible to receive downpayment assistance of \$4,500 or 6% of the property purchase price whichever is less
- Incomes from 61% to 80% Median Income - Eligible to receive downpayment assistance of \$3,500 or 6% of the property purchase price whichever is less

Households **Not** Receiving Other Direct Homebuyer Assistance Subsidies. (Lot subsidies tied to specific subdivision locations are not considered “direct” subsidy assistance).

- Incomes less than 50% of Median Income - Eligible to receive downpayment assistance of \$6,000 or 6% of the property purchase price whichever is less.
- Incomes from 51% to 80% Median Income - Eligible to receive downpayment assistance of \$4,500 or 6% of the property purchase price whichever is less

Contribution: \$1,000 (including earnest money, inspections, appraisal and credit reports)

Collections: ALL delinquent non-medical obligations (collections, judgments, charge-offs) must be paid in full. Medical collections with a cumulative total of \$1,000 or under must be paid in full. Medical collections with a cumulative total exceeding \$1,000 require documentation of payment arrangements.

Ratios: Front-end: 33%, Back-end: 41%

Asset Limit: \$10,000

Proof of permanent U.S. residency is required for ALL programs.

B. Other HOME Program Terms and Conditions

1. The HOME program will use the IRS Income definition. Additionally, the following two income tests will be required to be utilized:
- 2.a) Program Eligibility - For purposes of determining program eligibility, income shall be based on all sources of household gross, annualized income for the twelve month period ending on the date of mortgage loan closing, and shall include:
 - (1) total money earnings received for work performed as an employee before deductions, including wages, salary, recurrent overtime, commissions, fees, tips and bonuses;
 - (2) net self-employment income;
 - (3) net cash income from the operation of real property;
 - (4) interest, dividends, and other investment income;
 - (5) the full amount of recurrent periodic payments received from Social Security, pensions, insurance policies, or other similar annuities;
 - (6) the full amount of periodic public assistance payments, alimony, and other payments or contributions which are received on a recurrent basis and which may reasonably be expected to continue.

b) "Qualifying Mortgage Loan Income" is the gross monthly income of the borrower(s), projected for a one-year period from the date of mortgage loan application; including wages (and other recurrent, stable and verifiable income which can be reasonably expected to continue for a three-year period).
3. The appraised value and sales price of assisted units shall not exceed FHA mortgage limits, whether the mortgage is FHA insured or not.
4. City Review and Approval: Upon attainment and receipt of loan processing documentation and verifications (including mortgage credit report, employment, landlord and deposit verifications) and prior to issuance of a mortgage commitment; originating lender will provide copies of the application and loan documentation for review and approval of City assistance. Documentation must also include copies of federal income tax returns for prior three years.

5. City requires a copy of the Homeowner's Insurance Policy listing the City of Winston-Salem as a loss payee AND a copy of the HUD-1 for review prior to closing.
6. Proof of permanent U.S. residency is required.
7. Use of Second Mortgage Subsidy: City provided assistance may be used to meet down payment and closing cost requirements and to reduce the first mortgage principal to a level that makes the first mortgage affordable. City subsidy assistance will not be used to pay discount points, buy-downs, Mortgage Credit Certificates (MCCs) or pre-paid expenses.
8. HOME Affordability Requirements: The Consortium has selected the recapture method. The HOME Affordability Period shall be the minimum period of affordability required in §92.254(a)(4) based on the amount of HOME assistance per unit.
9. HOME Terms and Conditions: As HOME program funds will be utilized in providing subsidy assistance, HOME program regulations and guidelines will govern program eligibility and implementation. These requirements include, but are not limited to, the following provisions:
 - a) Mortgage assistance will be provided in the form of a deferred second mortgage loan secured by a deed of trust and evidenced by a written agreement and promissory note to be executed in conjunction with the first mortgage loan.
 - b) During the affordability period, the City will recapture the entire amount of the HOME direct subsidy if the property is sold, transferred or ceases to remain the principal residence of the owner/family.
 - c) During the affordability period, should the sales price of a HOME-assisted unit not be sufficient to pay off the first mortgage loan and closing costs, the amount of HOME funds subject to recapture will be limited to the net proceeds (the amount left after paying the first mortgage and closing costs).
 - d) During the affordability period, the recapture of the second mortgage will be suspended upon foreclosure by a lender or other transferor in lieu of foreclosure, if such foreclosure recognizes any contractual or legal rights of public agencies, non-profit sponsors or others to take actions that would avoid termination of low-income affordability.
 - e) Assumption of a HOME loan requires City underwriting approval of the mortgagee prior to the transfer of the property to another owner.

III. Citywide Homeownership Assistance Program (C-HAP)

The Citywide Homeownership Assistance Program (C-HAP) provides homebuyer counseling, education and financial assistance for first-time homebuyers with incomes 80% or less than the area median, adjusted by household size. The goal of the program is to facilitate the attainment of home ownership by individuals and families that have the income to afford a mortgage, but may have information, cash or other barriers to ownership.

C-HAP is administered by the Community and Business Development Department of the City of Winston-Salem. Homebuyer education services are provided by the Center for Homeownership. An administrative goal of the program is to provide assistance, assure eligibility and compliance, but minimize unnecessary red tape and bureaucracy. The program is comprised of the following steps:

Pre-Qualification and Homebuyer Education – Applicant must interview with The Center for Homeownership (336.773.0286) to determine readiness for a mortgage loan. Deficiencies are identified and resolution counseling provided. Once the applicant is determined eligible, they will be referred to a local lender for pre-approval. All applicants must enroll in a six-hour homebuyer education course through The Center for Homeownership. Completion is mandatory before loan closing.

Financial Assistance - The supplemental down payment and second mortgage assistance will be provided in conjunction with fixed-rate, 15 to 30 year conventional, FNMA or FHA first mortgage loans. Lender or seller paid 2:1 buy-downs will be accepted, however, City subsidies will not be approved in conjunction with ARM or Balloon first mortgage financing. Non-conforming, high interest rate and fee loans are also not acceptable.

Funds may be used for first mortgage reduction, downpayment, and/or closing cost. It can be used toward pre-pays and discount points or pre-pays and origination fees. It cannot, however, be used for buy-downs. The City subsidy will be in the form of a deferred, no-interest second mortgage. Repayment is deferred until the property is sold, transferred, or refinanced; if the home ceases to be owner-occupied, or the first mortgage is paid in full.

Household Size and Income Limits

Household Size	Income Limit
1	\$34,750
2	39,700
3	44,650
4	49,600
5	53,600
6+	57,550

The maximum second mortgage amount is \$12,000 or 20% of the sales price, whichever is less. This assistance is an *up to* amount and not an absolute. In instances where a borrower has multiple sources for closing cost, the City’s assistance will be reduced by the amount of excess subsidy. The City must be in second lien-holder position.

Down Payment and Cash Requirement

Underwriting guidelines of the applicable loan type used will govern most underwriting criteria. The following is only intended to highlight key program requirements.

Income/Debt Ratios - Although conventional loan underwriting criteria vary within FNMA/FHA/Freddie Mac guidelines, the following reflect acceptable ratios and maximum limits for C-HAP assistance:

- ◆ Housing expense ratio ranging 20% to 33% of gross income
- ◆ Housing and long-term debt ratio up to 41% of gross income

Credit - ALL delinquent non-medical obligations (collections, judgments, charge-offs) must be paid in full. Medical collections with a cumulative total of \$1,000 or under must be paid in full. Medical collections with a cumulative total exceeding \$1,000 require documentation of payment arrangements.

Reserves - Homebuyer is required to retain the amount of one house payment in their savings or checking account. Reserves must be verified by lender.

Contribution - Purchasers must contribute 1% of the sales price with a minimum contribution of \$1,000. This must come from their own funds. In order to reduce hardship, the monies paid toward Earnest Money, Appraisal, and Inspections are counted toward this contribution.

Eligible Properties - Includes new, existing or rehabilitated single-family detached homes with purchase price not to exceed \$140,000. Properties must be located within the city limits and must meet housing code standards. A home inspection and a termite inspection are required for **all** existing homes, the cost of which can be included in the C-HAP assistance.

Loan Approval/Processing - Eligible home buyers must submit an executed sales contract and obtain first mortgage financing from a participating lender to receive approval of a C-HAP second mortgage. A five (5) business day turnaround time, from receipt of a complete package, is required for approval of a C-HAP loan. If there are property inspections issues, additional time may be required. Additionally, the City of Winston-Salem reserves the right to select the closing attorney and may have specific days of the week in which closings can be held. Documents (i.e. HUD1 and Insurance showing evidence of City of Winston-Salem as Loss Payee) may be required in advance of closing.

Asset Limit: Assets must not exceed \$10,000.

Other Terms and Conditions

1. The appraised value and sales price of assisted units shall not exceed FHA mortgage limits, whether the mortgage is FHA insured or not.
2. City Review and Approval: Upon attainment and receipt of loan processing documentation and verifications (including mortgage credit report, employment, landlord and deposit verifications) and prior to issuance of a mortgage commitment; originating lender will provide copies of the application and loan documentation for review and approval of City assistance. Documentation must also include copies of federal income tax returns for prior three years.
3. The Loss Payee clause should read as “*City of Winston-Salem, Revenue Department, PO Box 2756, Winston-Salem, NC 27102*”.
4. Use of Second Mortgage Subsidy: City provided assistance may be used to meet down payment and closing cost requirements and for principal reduction to increase buyer affordability. City subsidy assistance will not be used to pay discount points, buy-downs, or MCC's expenses.
5. Proof of U.S. Residency Status is required.
6. Terms and Conditions of Second Mortgage Subsidy:
 7. The second mortgage assistance will be provided in the form of a no-interest deferred second mortgage loan secured by a deed of trust and evidenced by a promissory note.
 8. The term of deferral of the second mortgage shall be the same as the first mortgage loan,

with a minimum of fifteen (15) years and a maximum of thirty (30) years. Upon payout of the first mortgage loan, the second mortgage shall begin amortization, at the same payment level as the first mortgage for the term required to pay-out the second mortgage loan at a zero percent (0%) interest rate.

9. Repayment of all of the second mortgage will be required if the property is sold, transferred or ceases to remain in owner/family occupancy during the term of the primary mortgage loan.
10. Assumption of a C-HAP loan requires City underwriting approval of the mortgagee prior to the transfer of the property to another owner.

Application packages must be complete, and may be submitted by the Lender.

The program is funded with locally derived funds.

IV. Second Mortgage Assistance (70/30) Program

The City of Winston-Salem Community and Business Development offers financial assistance to first-time homeowners by providing below-market financing for the purchase of newly constructed homes in redevelopment areas. The borrower must have not had an ownership interest in a principal residence for the prior three tax years. Home owners displaced by local government action are exempt from this requirement. The City Second Mortgage Assistance programs combine two low-interest mortgage loans to make the purchase of a house in City redevelopment areas affordable for moderate income households. Seventy percent (70%) is borrowed from a lender at a fixed rate for 15 years. Thirty percent (30%) is borrowed from the City at a 5% rate for a term of approximately five years. The monthly house payment to the City is based on the amount of the first mortgage and does not begin until the sixteenth year. The maximum household income should not exceed 120% Area Median Income (AMI).

Contribution: \$1,000 (which includes amounts paid for earnest money, inspections, appraisal and credit reports). In addition, applicants exceeding 80% AMI are required to contribute a minimum 1% downpayment. Downpayment monies paid toward obtaining the first mortgage will be considered as a part of this contribution.

Collections: ALL delinquent non-medical obligations (collections, judgments, charge-offs) must be paid in full. Medical collections with a cumulative total of \$1,000 or under must be paid in full. Medical collections with a cumulative total exceeding \$1,000 require documentation of payment arrangements.

Ratios: Front-end: 33%, Back-end: 41%

Inspections: The mortgagee reserves the option to inspect/evaluate the property annually throughout the term of the loan to ensure the property is owner-occupied.

Asset Limit: \$10,000

The program is funded with locally derived funds.

V. Section 8 Homeownership

The U.S. Department of Housing and Urban Development (HUD) authorizes funds for local Public Housing Authorities (PHA) to supplement low-to-moderate income families with monthly housing assistance. These funds are paid directly to the landlord. Within the last few years HUD has authorized these funds to be used toward the purchase of a home, and the monthly housing payment can be applied toward a mortgage. For applicants that are in need of additional assistance the City of Winston-Salem's Housing/Neighborhood Development Department offers a second mortgage program specifically designed for Section 8 participants.

The maximum City Second Mortgage amount is based on the loan amount that can be supported by the Section 8 subsidy for a maximum term of 30 years up to \$20,000 at an interest rate of 0%. The monthly Housing Assistance Payment (HAP) is forwarded to the City of Winston-Salem and is applied toward the Second Mortgage. The following guidelines will apply:

1. Debt Ratios: 33% - 41%.
2. For program eligibility, "Total" family income will be reviewed, and it must not exceed 80% AMI depending upon the family size.
3. The maximum asset limit is \$10,000.
4. Must be a permanent U.S. resident.
5. The term of the loan will be identical to the term of the HAP subsidy.
6. The Section 8 check will be endorsed and mailed to the City's Revenue collector on a monthly basis. Late fees incurred as a result of a lack of timely payment will be the buyer's responsibility. Buyer must sign the "Section 8 Voucher Rider" if receiving this type of Second Mortgage.
7. Buyer must present a copy of 30-day notice to landlord for evacuating.
8. Applicant must provide the signed "Purchase Contract" along with the "Addendum to Residential Purchase Agreement".
9. Applicant/Buyer must submit a letter (on company letterhead) of approval from HAWS indicating mortgage readiness.
10. A copy of the "Section 8 Homeownership Voucher" indicating the anticipated HAP payment.
11. The following loan requirements apply:
 - a. Interest rate less than 1% over the prevailing interest.
 - b. Origination fee no more than 1%.
 - c. Must not charge any form of associated cost, fees for providing a loan.
 - c. All loans must be a fixed rate for the entire life (30 year max) of the loan.
 - d. All mortgage payments must include escrows for Taxes and Insurance.
12. Applicant/Buyer must attend Housing Counseling and take homeownership classes offered by Center for Homeownership or as designated by City of Winston-Salem Housing/Neighborhood Development Department.

13. If an applicant's income/debt does not justify utilizing this program, applications for other homeownership programs will be reviewed on a case-by-case basis.

The program is funded with locally derived funds.

VI. CHDO Homeownership Development

The City provides HOME funds to a Community Housing Development Organization (CHDO) to develop single-family housing for sale to owner-occupants. Units may be newly constructed units or the purchase and rehabilitation of existing vacant units.

Pre-qualification, homebuyer education, and loan underwriting are conducted by the CHDO in accordance with HOME regulations and its own standards. The financing is structured as a subordinate mortgage to the homebuyer from the City equal to the amount of HOME assistance for the unit. The subordinate mortgage is recorded by a deferred Note and Deed of Trust that is due on sale or transfer of the property or when the home no longer remains owner-occupied by the initial purchasers. The amount of HOME assistance is a set amount based on the City's funding priorities and the needs of the CHDO, in compliance with HOME subsidy limit requirements. Approval by the City is required before any said deferred Note and Deed of Trust may be assumed upon transfer of property to another owner. The City requires a copy of the homeowner's insurance policy listing the City of Winston-Salem as a loss payee. Permanent U.S. residency is required.

HOME Affordability Requirements: The Consortium has selected the recapture method. The HOME Affordability Period shall be the minimum period of affordability required in §92.254(a)(4) based on the amount of HOME assistance per unit.

HOME Terms and Conditions: As HOME program funds will be utilized in providing subsidy assistance, HOME program regulations and guidelines will govern program eligibility and implementation. These requirements include, but are not limited to, the following provisions:

- a) Mortgage assistance will be provided in the form of a deferred second mortgage loan secured by a deed of trust and evidenced by a written agreement and promissory note to be executed in conjunction with the first mortgage loan.
- b) During the affordability period, the City will recapture the entire amount of the HOME direct subsidy if the property is sold, transferred or ceases to remain the principal residence of the owner/family.
- c) During the affordability period, should the sales price of a HOME-assisted unit not be sufficient to pay off the first mortgage loan and closing costs, the amount of HOME funds subject to recapture will be limited to the net proceeds (the amount left after paying the first mortgage and closing costs).
- d) During the affordability period, the recapture of the second mortgage will be suspended upon foreclosure by a lender or other transferor in lieu of foreclosure, if such foreclosure recognizes any contractual or legal rights of public agencies, non-profit sponsors or others to take actions that would avoid termination of low-income affordability.
- e) Assumption of a HOME loan requires City underwriting approval of the mortgagee prior to the transfer of the property to another owner.

Tenant-Based Rental Assistance (TBRA) Component

The program shall follow the guidelines of the Section 8 Existing Housing Program Administrative Plan of the Housing Authority of the City of Winston-Salem (HAWS) unless otherwise specified in the agreement with HAWS.

A. Program Goal

The program's goal is to help participants achieve residential stability and self-sufficiency. The City of Winston-Salem will contract with the Housing Authority of the City of Winston-Salem (HAWS) to administer HOME funds for tenant-based rental assistance for formerly homeless persons, persons with special needs or other populations needing rental assistance. Local service providers (agencies) will serve as referral and service coordination agencies.

B. Selection Procedures and Criteria

Agencies initially will screen and refer applicants to HAWS. Pursuant to the HOME regulations at 24 CFR 92.209, tenant-based rental assistance may only be provided to very low- and low-income families, adjusted for household size. However, to ensure compliance with HOME regulations at 24 CFR 92.216, Households accepted into the program must have incomes below 60% of area median income.

HOME funds are allocated 1) to facilitate transition of homeless and formerly homeless persons or families to permanent housing and self-sufficiency, 2) to assist persons who are disabled, and 3) to assist the "working poor," i.e., persons or families at or below forty percent (40%) of Area Median Income and who are employed at the time assistance is committed. To assure the likelihood of continued residential stability, all homeless, formerly homeless and disabled tenants who receive rental assistance must participate in a case management program or receive supportive services from the referring agency, and all other tenants must remain employed or be receiving unemployment compensation.

Participation in the HOME TBRA Program cannot preclude a household from applying for or participating in other programs or forms of assistance, such as the Section 8 Program. In fact, HOME TBRA tenants should be strongly encouraged to apply for Section 8 assistance. However, HOME TBRA tenants must relinquish HOME assistance in order to accept Section 8 assistance.

C. Rental Assistance Administration

HAWS will administer the rental coupon system. The referring agency will assist participants in locating standard, affordable housing. HAWS will pay the HOME TBRA assistance to the owner. The participant will be responsible for paying the balance of rent to the owner. Leases must not contain any of the prohibited lease terms described under 24 CFR 92.253(b).

HAWS shall complete and submit to the City a project set-up form at the time each lease is executed. The format of the project set-up form shall be provided by the City. The City must be notified monthly of changes in the amounts of monthly assistance to participants, and an amended project set-up report form must be submitted by HAWS to the City for such participants.

D. Income Limits and Amounts of Assistance

Households accepted into the program must have incomes below 60% of area median income. New HOME income limits will become effective annually on July 1. HAWS and the referring agency shall obtain new income limits each year from the City for the purpose of determining eligibility of

participants. Each referring agency will screen for income eligibility. HAWS shall verify and calculate annual incomes, adjusted incomes, and assistance amounts. The Section 8 definition of income shall be used. Income recertifications will be effective on each participant's anniversary date. Assistance amounts will be computed using the Section 8 Housing Choice Voucher Program procedures. However, payment standards used must be between 80% and 100% of the Fair Market Rent (FMR), unless a reasonable accommodation for disability is requested, in which case the payment standard may be increased up to 110% of the FMR. The minimum tenant contribution to rent under the program will be the minimum rent applicable under the Section 8 Administrative Plan.

E. Termination of Assistance

Participants who are homeless, formerly homeless, or disabled will be required to participate in a case management program or receive supportive services as a condition of rental assistance. Participants who do not cooperate with program staff or who fail to maintain required contact or who do not make agreed-upon progress towards becoming self-sufficient, as described in an agreed-upon case plan, may be terminated from the program.

Participants who are working poor must maintain employment or be receiving unemployment compensation from the North Carolina Employment Security Commission (NCESC). Failure to meet this requirement will result in termination from the program. If laid off, the participant must provide documentation to HAWS of application for unemployment compensation and the NCESC decision.

Assistance to participants whose incomes rise above 80% of area median income must be terminated after HAWS gives reasonable notice to the tenant. All assistance for any participant may be terminated after one year of participation in the program, regardless of income. Pursuant to 24 CFR 92.209, HAWS may propose to renew assistance to a tenant up to a total of 24 months of assistance. Assistance beyond the initial 24 months must be requested in writing and approved by the City.

F. Other Issues

HOME Program requirements are addressed by the HOME Program Rule at 24 CFR 92, CPD Notice 96-07 and other HUD guidance for the HOME TBRA program.

Affirmative Marketing

HOME Programs are marketed affirmatively to attract prospective buyers or tenants of all minority and non-minority groups in the housing market area regardless of race, color, religion, sex, national origin, disability, or familial status. The purpose of affirmative marketing is to ensure that any group(s) of persons normally not likely to apply for the housing without special outreach efforts know about the housing, feel welcome to apply and have the opportunity to buy or rent. Affirmative marketing efforts include distribution of brochures to neighborhood groups and other organizations, participation in community events using banners, brochures and one-on-one advertising, television announcements, web page information, cross-training on program information with other housing-related organizations, and coordination with public information efforts of other city and county departments. Program materials will display the Equal Opportunity logo. Minority-owned and/or minority-operated media will be used as part of the marketing program.

**PLAN DEVELOPMENT PROCESS, CONSULTATIONS
AND COMMENTS**

PLAN DEVELOPMENT PROCESS, CONSULTATIONS AND COMMENTS

In addition to data collection and analysis, the development process for the Consolidated Plan included special community meetings, agency consultations, neighborhood meetings and public hearings.

Community Meetings

To obtain input on strategies, the City of Winston-Salem held community meetings on November 1, 2012 and February 7, 2013.

The initial meeting of the process was designed as a “kick-off” event and was held on November 1, 2012 at the Lawrence Joel Veterans Memorial Coliseum from 6:30 p.m. until 8:00 p.m. A total of 68 persons attended. A broad range of participants were in attendance, including staff and Board members of housing and community development organizations, neighborhood residents, foundation representatives, area college students, and others. The private consulting team of Mr. Larry Weston and Dr. Russell Smith served as session facilitators and principal presenters.

The evening’s agenda included a review of the purpose of Consolidated Planning, a preview of the process, and a PowerPoint slide presentation that summarized CBD’s programs, reviewed past goals, and discussed the City’s framework for preparing the content of the new five-year plan. Small group break-out sessions were held to discuss participants’ views on existing and desired characteristics that make up a neighborhood of choice, and afterwards the groups reported the results of their conversations.

Participants presented various definitions and visions of what a desirable neighborhood would consist of, and identified both strengths and weaknesses of existing neighborhood systems. A vision of what “successful” neighborhoods would look like was presented by the full assembly, and a candid/energetic discussion of current problems and residents’ desires for change was held.

Presenters indicated that the kick-off initiated a process for developing the new plan that would include several additional work sessions in February 2013 to continuing planning the goals, objectives, and proposed activities for the 2014-2018 Consolidated Plan. It was also noted that participants would be contacted in the interim with additional information, suggestions, and instructions on how to best prepare for the February sessions. Presenters indicated that social media would be used, along with standard e-mail to provide additional information and preparation for these activities.

Immediate feedback at the event to presenters/facilitators was positive, with participants and jurisdiction staff indicating that the session was successful in providing an overview of the goals of the process, an expression of the intention to achieve broad and constructive input, and the jurisdiction’s goal of better integrating the work of housing and community development organizations with the participation of neighborhood associations and other stakeholders in Winston-Salem and Forsyth County communities.

The 68 persons participating in the event included representatives from key housing, neighborhood, community development, funding and nonprofit service organizations, including the following:

- North Cherry Street Neighborhood Association
- Stonewall Neighborhood Association
- S.G. Atkins CDC
- Ujima CDC
- Goler CDC
- Habitat for Humanity
- CHANGE, Inc.
- Forsyth Futures
- Salvation Army
- Winston-Salem Restoration
- Neighbors for Better Neighborhoods
- Experiment in Self-Reliance
- Kate B. Reynolds Charitable Trust
- Winston-Salem Funder's Collaborative

Relevant statistics from the community's Legacy Comprehensive Plan and from the N.C. State Office of Budget and Management regarding demographic and housing development trends were provided as background for the discussions. Selected demographic trends that were identified included:

- Population: Forsyth County is expected to add almost 50,000 people (13.8%) by 2030.
- Diversification: Non-white population accounted for 82% of Forsyth County's population growth (1990 – 2008).
- Aging: Seniors and baby boomers now account for almost 1/3 of US population. Forsyth County's % of population older than 65 will increase from 13% to 19% by 2030.
- Income Polarization: Growing disparity between high and low wage workers. 16.6% of residents live in poverty (2009).

The feedback from participants was recorded during the session and is noted below.

One-Word Definition (of Desirable Neighborhoods)

1. Community
2. Security
3. Geography/History/Culture
4. Architecture
5. Mixed Uses
6. Diversity

Strengths (of Current Neighborhoods)

1. Location

2. Activities in Walking Distance
3. Strong Communication in Some Neighborhoods
4. Relationships
5. Diversity (age, gender, race)
6. Safety
7. Small Businesses
8. Community Activities
9. Lots of Desirable Neighborhoods
10. Parks, Trees, etc.
11. Rebuilding Central Business District

Weaknesses (of Current Neighborhoods)

1. Historical Growth Patterns (west oriented)
2. Segregation
3. Fluidity/Transient Nature
4. Not Enough Sidewalks
5. Lack of Diversity
6. Healthcare Disparity
7. Too Many Title I Schools
8. Little Use of Parks
9. Lack of Affordable Neighborhoods
10. Lack of Animal Control
11. Bad/Weak Communication in Other Neighborhoods
12. Low Expectations

The February 7th Community Workshops were sponsored by the City of Winston-Salem and the Forsyth County Housing Office in an effort to gather community input that will guide the development of the Consolidated Housing and Community Development Plan ("ConPlan"). Specifically, the meetings were designed to:

1. Serve as a valuable source of information concerning the community's values, likes, dislikes, and dreams.
2. Guide government decisions on future housing and community development policies, programs, and funding.
3. Allow and encourage broad citizen input into the housing and community development process.
4. Expand the base of citizen involvement and collaboration with public entities in the decision-making process regarding housing and community development priorities.

Weston Consulting used the Constant Contact online e-mail facility as the principal mechanism for outreach to community groups and individuals for the workshops. The list contained contact information for 291 active names/addresses.

Larry F. Weston and Dr. Russell M. Smith of Weston Consulting were facilitators for both sessions.

Two sessions were scheduled on February 7th --- a morning meeting and an evening meeting to allow an opportunity for citizens who would find one of the two times convenient for their participation. Both sessions were held in the Winston Room of the Lawrence Joel Veterans Memorial Coliseum on University Parkway in Winston-Salem.

The workshops were first announced at the kick-off event in November, and were publicized via the City of Winston-Salem's TV-13 station, the City's website, local newspapers, and the original community e-mail list developed for the process, along with additional names that were added as a result of the November event.

The morning session began at 8:30 AM and concluded at 10:30 AM; the evening session began at 6:30 PM and concluded at 8:30 PM. The agendas for the two meetings were exactly the same. The focus of the Community Workshops themselves consisted of two primary components:

1. An introductory presentation designed to provide background information on the City and County's housing programs, basic demographic data that may be helpful in establishing policy priorities, and a summary review of the current (2009-2013) Plan; and
2. A small group exercise to identify likes, dislikes, and dreams concerning housing and community development in Winston-Salem and Forsyth County.

Upon completion of the small group exercise the participants were asked to prioritize the five most important issues or concerns facing the County. These issues will be critical to the development of a successful Housing and Community Development Plan that reflects the issues and concerns identified by the public.

Small Group Exercise Process and Results

On February 7th, 23 citizens participated in the morning and evening sessions. As noted above, the small group exercises were preceded by a PowerPoint presentation that reviewed current Consolidated Plan priorities, and provided background information designed to inform participants of relevant demographic and other factors that might affect housing and community development policy-setting. Despite inclement weather for the day that limited attendance, the interest and involvement of those present provided valuable input to the planning process.

In each session participants were divided into small groups for the purpose of detailed discussion, consideration of the information provided, and to note their interests and preferences with respect to housing and community development in Winston-Salem and Forsyth County. Participants were asked to write down their individual "likes," "dislikes," and "dreams" regarding existing policies and programs, and each group was to record those ideas for presentation to the full group.

The ideas presented by each group were noted and listed on easels, and later placed on the walls of the meeting room. Participants were then given ten (10) "dots" with which to register their preferences or votes on the ideas that were collected from all participants. Through this process a priority was established among the various ideas in the three categories (likes, dislikes, and dreams).

Following is a summary of the top priorities that were identified in these three areas and a compilation of the complete results of the two community workshop sessions.

“Top Five” Ideas in the “Like” Category:

These were responses to the instruction to list *“What do you want to see continued (expanded / preserved / more of) with respect to existing housing and community development policies, programs, or occurrences in our neighborhoods?”*

Rank	Issues
1	More affordable housing for seniors and the disabled, specifically in areas that are safe
2	Neighborhood revitalization
3	Emergency shelter and transitional housing
4	Collaboration and partnerships
5	Revitalization of downtown area

The workshop sessions clearly showed that there was strong support for continuing neighborhood revitalization policies and programs, in both residential neighborhoods and in the downtown area. In particular, attendees believed affordable housing for seniors and the disabled, along with provisions for emergency shelter, and that support for collaborations and partnerships were important elements of current public policy.

“Top Five” Ideas in the “Dislike” Category

These were responses to the instruction to list *“What do you want to see stopped (reduced / removed / less of) with respect to existing housing and community development policies, programs, or occurrences in our neighborhoods?”*

Rank	Issues
1	No livable wage program
2	Gangs and neighborhood crime
3	Development not linked to services
4	Not linking housing developments to strong schools
5	Isolated communities/neighborhoods (lack of access to services and resources)

Residents were very concerned about the absence of a livable wage program in the City and County, and believed that the presence of gangs and crime in our neighborhoods were critical barriers to community development. Participants disliked what was perceived as development that was not linked to services and to strong schools. There was also a notable concern that some neighborhoods have been effectively isolated because of the lack of access to important services and resources.

“Top Five” Ideas in the “Dreams” Category

These were responses to the instruction to list “*What do you want to see started (hopes / goals / vision) with respect to existing housing and community development policies, programs, or occurrences in our neighborhoods?*”

Rank	Issues
1	Local nonprofits more engaged in revitalization leadership process
2	Light rail
3	More affordable housing for families, elderly, and disabled
4	More constructive activities for youth
5	Trades training

This category allowed participants to think broadly about the elements of public policy that they believe would be necessary for the establishment of desirable housing and community development policies and programs. Residents identified a strong nonprofit development sector, light rail, additional affordable housing for families, seniors, and the disabled as being very important factors. In addition, more constructive activities for youth and the establishment of trades training were seen as critical elements of an improved policy and program framework. Economic development that produces jobs and higher incomes was seen as an important goal to be further supported in the future.

Listed below are all issues identified by the participants.

Likes: What do you want to see continued? (expanded / preserved /more of)

Votes	Idea
19	More affordable housing for seniors and the disabled, specifically in areas that are safe
14	Neighborhood revitalization
17	Collaboration and partnerships
10	Emergency shelter and transitional housing
7	Revitalization of downtown area
6	Preserving friendliness and small town feel
5	Mixed income developments and neighborhoods
5	Affordable housing/more single family homes
4	Nonprofit capacity development, especially with housing programs
4	Healthy homes/emergency repairs, lead paint remediation
4	Expand economic opportunities
3	Leveraging of funds
2	Small business loan programs
2	Owner-occupied housing rehab
2	Minimum housing code enforcement
1	Preserving green space
1	Creative Corridors Initiative
1	Committed and dedicated to leadership development
1	Commercial business development

1	Homebuyer Assistance Program
1	Current ConPlan Goals 2, 4, and 5
1	Hazard reduction
1	Smaller units for elderly

Dislikes: What do you want to see stopped? (reduced / removed / less of)

Votes	Idea
7	No livable wage program
5	Gangs and neighborhood crime
4	Development not linked to services
3	Not linking housing developments to strong schools
3	Isolated communities/neighborhoods (lack of access to services and resources)
3	Stop new construction until housing market is restored
2	Resources not trickling down to neighborhoods
2	No commitment to economic development linked with housing development
2	Public transportation routing
1	Lack of completion of Hope VI (finish before “moving on”)
1	“Not In My Back Yard”
1	Subsidies going to new single family housing rather than to existing single family housing and rehabilitation
1	Subsidized housing through Section 8 program
1	Lack of marketing to residents about resources and new programs
1	Lack of emphasis on self-help and sweat equity
1	Downtown decay

Dreams: What do you want to see started? (hopes / goals / vision)

Votes	Idea
8	Local nonprofits more engaged in revitalization leadership process
7	Light rail
7	More affordable housing for families, elderly, and disabled
7	More constructive activities for youth
5	Trades training
5	More higher income jobs
4	Enforcement for rental housing codes/funded inspection program
4	Income-based housing
3	More efforts to promote and produce more mixed-income and mixed-use housing and neighborhoods
3	City grants and incentives for refurbishing and repurposing of old buildings
3	Incentives to small businesses to move to or build in under-resourced neighborhoods
3	More education about rehabilitation provided for neighborhood associations
1	Financial literacy program
1	More sustainability policies
1	More green spaces

1	Citywide development program
1	More unified community organizations
1	More NSP funding
1	Attract companies that produce batteries

The results of the community input sessions and the involvement of residents throughout the process is very encouraging. There has been strong interest from the Kick-off event and announcement on November 1, 2012 through the two work sessions on February 7, 2013.

Consultants' overall assessment of the participation and involvement of area citizens is that the public is still actively engaged in activities related to housing and community development issues, and are optimistic about future policies and programs being formulated by the Winston-Salem Forsyth County Housing Consortium --- the City of Winston-Salem Community and Business Department, Forsyth County Housing Office, Housing Authority of Winston-Salem (HAWS) and the Winston-Salem Human Relations Department.

General conclusions relative to the February 7th work sessions include:

1. Overall, the community believes in the existing goals and programs that have been previously identified;
2. Collaboration and cooperation among citizen groups through a more organized structure (perhaps a neighborhood congress) could benefit the City and County's efforts to plan and implement housing and community development policies;
3. Future efforts should continue to incorporate community input through engaging public involvement processes and;
4. In order to get more 'bang for the buck' the plan should place emphasis on combining ideas and programs (e.g. Support affordable housing in downtown and build upon existing plans like Legacy).

Recommendations for preparation of the Five-Year Consolidated Housing and Community Development Plan:

1. Continue revitalization efforts with a focus on neighborhoods to coordinate community development policies and programs;
2. Consider development of new approaches to production of senior housing that recognizes that rapidly growing segment of the population;
3. Encourage greater incorporation of emergency and transitional housing development into neighborhood planning and development;
4. Promote additional cooperation and collaboration between housing and community development organizations in the rehabilitation and new production of needed units, as well as in the creation of jobs and economic value in the area's neighborhoods;
5. Encourage the production of affordable housing (e.g. low and moderate income, senior housing, etc.), in areas that have complimentary transportation and retail services, including the downtown area;
6. Encourage mixed-use and mixed-income developments as a primary community development strategy; and

7. Invite and support ongoing citizen involvement in the preparation of annual action plans through the active use of the ConPlan Website, and community meetings, etc.
(website: <http://tiny.cc/o83ktw>)

Public Hearing Comments and Responses

Where are the properties Youth Build participants will work on to gain construction training experience?

Participants will work on two houses owned by the City. The homes will be rehabbed and sold to homebuyers.

Who is the builder for the Oaks at Tenth?

The Oaks at Tenth is 50 units of public housing under construction by the Housing Authority at Tenth Street and Cleveland Avenue. It is the former site of Johnson Square Apartments. The builder is Colmar Construction.

What are the Housing Authority's plans for Skyline Village and the Columbia Heights area?

The Housing Authority does not own or manage Skyline Village or work in that area.

Consultations

Within Forsyth County, the collaboration process is on-going and year-around. The City participates in key umbrella groups, including the Continuum of Care and Winston-Salem Community Development Support Collaborative (Funder's Collaborative), and the HUD-funded regional planning consortium now known as Piedmont Together, which is coordinated by the Piedmont Authority for Regional Transportation. This consortium includes work groups on housing, economic and workforce development, infrastructure, healthy communities and other key development areas. Through these collaborative groups, the City receives regular input on plans and initiatives. Other partners participating in these groups include the Housing Authority of Winston-Salem, United Way of Forsyth County, foundations, Forsyth County government agencies and CenterPoint Human Services.

Coordination also occurs within the Continuum of Care in an effort to address the needs of homeless persons. Populations receiving focus include chronically homeless individuals and families, families with children, veterans, and unaccompanied youth, as well as persons at risk of homelessness. The Winston-Salem/Forsyth County Continuum of Care (CoC) is designated by HUD as Continuum of Care NC-500.

The lead decision-making group of the CoC is the Winston-Salem/Forsyth County Council on Services for the Homeless (COSH), of which the City is a member and a member of the Executive Board. The COSH includes all provider agencies, consumers and other stakeholders and interested parties, with a total of 45 agency members as well as other individual members. The COSH also includes a Homeless Caucus comprised of homeless and formerly homeless

persons. The COSH Executive Board includes representation of shelters for all homeless populations, consumers, volunteers, the Ten Year Plan to End Chronic Homeless, the Housing Authority, and local government.

The city/county Ten Year Plan Commission on Homelessness also works closely with the CoC, sharing several members with the COSH. The COSH meets semi-monthly, and its Executive Board meetings monthly. Through its committees COSH conducts ongoing assessment of the needs of all persons who are homeless or at risk of homelessness. The COSH and Ten Year Plan Commission continue to collaborate to develop a more formal governance structure for the Continuum of Care.

The Continuum of Care also provides input to assist the jurisdiction in determining how to allocate ESG and Continuum of Care funds, develop performance standards, evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS. For both Continuum of Care and ESG funding, a Rating Panel appointed by the homeless council develops funding recommendation, which are reviewed by the homeless council and Ten Year Plan Commission. The Executive Board of the homeless council is the primary entity developing other policies, including those related to HMIS and performance standards.

The Plan reflects partnerships among all levels of government and the private sector, including for-profit and non-profit organizations. The community consultation process is ongoing and evolves as new partners emerge to address community needs. The table below lists a broad spectrum of consultations from which input was derived for Plan development.

Name	Type	Con Plan Section	Nature of Consultation
AIDS Care Service	Services-Persons with HIV/AIDS	Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy	Assistance with HIV/AIDS-specific data sources, identification of needs and resources; strategy recommendations
Carolina Homeless Information Network	Planning Organization	Homelessness Strategy	Member of advisory board of statewide homeless information system
Center for Homeownership	Other – Services-Housing	Housing Needs Assessment	Advisory Board to address issues impacting the Center, addressing homebuyer concerns and housing counseling and promoting special events.
CenterPoint Human Services	Services-Persons with Disabilities	Homelessness Strategy Non-Homeless Special Needs	Identification of needs; strategy recommendations
City Budget Department	Grantee Department	Other – Annual Plan	Discussions related to local funds available for Plan activities
City/County Planning Board	Grantee Department	Other – Barriers to Affordable Housing	Discussions related to environmental review, historic preservation, and the Unified Development Ordinance
City Finance Department	Grantee Department	Other – Annual Plan	Discussions related to closing out grant years and other finance issues
City Human Relations Department	Grantee Department Services – Fair Housing	Other – Fair Housing	Discussions related to Analysis of Impediments and fair housing program
Communities Helping All Neighbors Gain Empowerment (CHANGE)	Civic Leaders	Non-Housing Community Development Strategy	Discussion of impact of City programs in neighborhoods
Communities in Schools	Civic Leaders	Non-Housing Community Development Strategy	Discuss multi-family services and its impact as it relates to current housing projects
ECHO Council	Foundation	Non-Housing Community Development Strategy	Everyone Can Help Out leadership initiative of Winston-Salem Foundation
Fair Housing Summit	Business Leaders	Market Analysis	Planning group with city staff, lenders and realtors for annual Fair Housing month events
Family Services; Next Step Ministry	Services-Victims of Domestic Violence	Homelessness Strategy	Members of Continuum of Care planning group identifying needs and providing recommendations for strategies and programs
Forsyth County Aging Services Planning Committee	Services – Elderly Persons	Non-Homeless Special Needs	Planning for an aging-friendly community
Forsyth Futures	Planning Organization	Non-Housing Community Development Strategy	Community collaboration to address issues in civic engagement, economic stability, education, health and safety, particularly related to performance outcomes.

Name	Type	Con Plan Section	Nature of Consultation
Forsyth Lead Hazard Reduction Coalition	Services – Children Services – Health Health Agency	Lead-Based Paint Strategy	Discuss prevention of lead poisoning; Health Department is a key partner
Forsyth Working Families Advisory Board	Services - Children	Non-Housing Community Development Strategy	Discussion of issues faced by working families in Forsyth County
Habitat for Humanity of Forsyth County, Inc.	Housing	Housing Needs Assessment	Discuss project issues and potential projects, including neighborhood redevelopment
HMIS Committee	Planning Organization	Homelessness Strategy	Planning committee for local participation in statewide HMIS
HOME Cooperating Units	Other Government – Local	Market Analysis	Forsyth County discussions with municipalities regarding operation of the HOME program and selection of rehab clients
HOME TBRA Committee	PHA	Housing Need Assessment	Meetings sponsored by Housing Authority to discuss HOME TBRA and Shelter Plus Care issues with referral agencies
Housing Authority of Winston-Salem	PHA	Public Housing Needs	Regular consultations regarding capital investment and access to rental housing
Housing Coalition	Services – Homeless	Homeless Needs – Chronically homeless, Families with Children, Veterans	Task-oriented group developing permanent supportive housing, coordinated intake and other specific initiatives
IDA Working Group	Other – Services-Housing	Anti-poverty Strategy	Group coordinating assistance to Individual Development Account program participants
Municipal Economic Opportunity Profile	Regional Organization	Anti-poverty Strategy	Committee meeting to assess community wealth and poverty analysis
NC Coalition to End Homelessness	Other – Advocacy	Homelessness Strategy	Member of statewide membership nonprofit created to secure resources, encourage public dialogue, and advocate for public policy change to end homelessness.
NC Department of Commerce, Division of Community Assistance	Other Government – State	Non-housing Community Development Strategy	Forsyth County discussions regarding availability of funds and program operations
NC Housing Foundation	Housing Services – Persons with Disabilities	Housing Needs Assessment Non-homeless Special Needs	Partner assisting in implementation of housing element of Ten Year Plan to End Chronic Homelessness; developer of housing for elderly and disabled
Neighborhood Stabilization Program	Other Government – County	Housing Need Assessment	Discuss project issues with Forsyth County and opportunity for future funds

Name	Type	Con Plan Section	Nature of Consultation
Piedmont Triad Regional Council	Regional Organization Services – Employment Publicly Funded Institution-System of Care ³	Non-housing Community Development Strategy; Anti- Poverty Strategy	Council of governments working on workforce development and criminal justice, among other issues; Project Re-Entry intervenes in prison discharge system.
Project Homeless Connect Planning Committee	Services – Homeless	Homeless Needs – Chronically Homeless	Committee implementing annual one-day, one stop shop event
Rapid Re-Housing Collaborative Case Assessment Team	Services – Homeless	Homeless Needs – Chronically homeless, Families with Children, Veterans	Review individual cases for ESG Rapid Re-Housing and Supportive Services for Veterans Families (SSVF) program
S.G. Atkins CDC	Other – Community Development Corporation	Non-housing Community Development Strategy	Advisory Board meetings
Small Business Loan Committee	Private Sector Banking/Finance	Anti-poverty Strategy	Review of economic development loan applications
Subgrantee Consultations	Housing	Non-homeless Special Needs Housing Need Assessment	Provide consultation upon request to potential funding applicants.
Ten-Year Plan Commission on Homelessness	Other Government – County	Homelessness Strategy	Implement Ten-Year Plan to End Chronic Homelessness
United Way Impact Council	Foundation	Non-housing Community Development Strategy	Make recommendations on resource allocations in community impact areas
U.S. Department of Veterans Affairs	Other government - Federal	Homelessness Strategy	VA staff as member of Continuum of Care group to help identify needs and develop recommendations
Winston-Salem Community Development Support Collaborative	Foundation	Market Analysis Housing Need Assessment	Address operations and support of community development corporations and entities
WSFC Council on Services for the Homeless and committees	Continuum of Care	Homeless Needs – Chronically homeless, Families with Children, Veterans	Local collaboration and shelter and service coordination; Executive Board membership
WSFC Schools	Services – Education	Homelessness Strategy	Recommendations on meeting education requirements of the HEARTH Act
Youth in Transition	Child Welfare Agency	Homelessness Strategy	Planning committee for point-in-time count of youth providing information on needs and recommendations; Department of Social Services is a key partner in this initiative.

In addition to the organizations listed above, City staff continues to work with the 111 neighborhood associations currently identified within the city, serving as liaisons between the associations and the city relative to the effective delivery of city services. One Community and Business Development staff person is assigned to work with citizens throughout the City on neighborhood improvement projects. There are five Community Assistance Specialist positions that have been created to be liaisons between City government and citizens. Each Community Assistance Liaison is responsible for a quadrant of the city that corresponds to two wards. Liaisons proactively identify citizen issues and concerns, and respond directly to citizens rather than acting as a referral service, or work with City departments to resolve them. As a result, ongoing information about needs in the community is provided to the jurisdiction by citizens.

Relation to Other Plans

The Strategic Plan is consistent with other plans impacting the jurisdiction, as follows:

The Strategic Plan is consistent with **Legacy 2030**, the community's comprehensive plan, for which the lead organization is the City-County Planning Board. Areas of consistency include regional cooperation in planning, a vital and diverse economy, concern for the environment balanced with economic development, downtown as a focal point of the community, livable neighborhoods, communities with special character and identities, high quality of life and active citizenship.

The Strategic Plan also reflects consistency with the **Downtown Plan**. The Downtown Plan focuses on creating a vibrant center city that encourages creativity, social equality and opportunity. This focus is also evidenced in the emphasis in the Strategic Plan on activities in the Neighborhood Revitalization Strategy Area.

The Strategic Plan also is reflective of the **Piedmont Together** regional sustainability planning process. The regional housing plan under development will focus on meeting future housing needs by promoting fair housing, livability, sustainability, equity, and affordability, themes which are also reflected in the Strategic Plan. The Consolidated Plan reflects cooperation and coordination with other public entities, including the State and adjacent units of general local government. Piedmont Together has provided an additional venue for cooperation and coordination.

The goals of the Strategic plan related to homelessness are based on the major goals of the **Continuum of Care Action Plan** developed in 2012 to implement provisions of the HEARTH Act. Also, the goals of the Strategic Plan include strategies consistent with the **Ten Year Plan to End Chronic Homelessness**, such as provision of permanent supportive housing and improvement of the system for all homeless persons. The Strategic Plan reflects themes consistent with **Opening Doors: the Federal Strategic Plan To Prevent and End Homelessness**, including increasing stable and affordable housing, increasing economic security, and retooling the homeless crisis response system.

**ANALYSIS OF IMPEDIMENTS
TO FAIR HOUSING CHOICE**



Winston-Salem

**CITY OF WINSTON-SALEM AND
FORSYTH COUNTY**

**ANALYSIS OF IMPEDIMENTS
TO FAIR HOUSING CHOICE**

A FAIR HOUSING ACTION PLAN

2014-2018



EXECUTIVE SUMMARY

As the following analysis indicates, there is a dire need for the continuation in the work of the Human Relations Department in affirmatively furthering the city's efforts in eliminating barriers to fair housing. The analysis indicates discrimination continues in the areas of lending and in the sale/rental of housing in Forsyth County. Most of the allegations are specifically from the protected classes based on race, gender, familial status, national origin, and disability.

The vision of the Winston-Salem Human Relations Commission is: **“Winston-Salem: A place where everyone is treated fairly.”** Since the arrival of the current director in November 2001, the Commission continues to make improving its image and visibility in the community a Strategic Action Plan priority. By implementing the director's approach in implementing new systems and streamlining successful procedures, an increase in the number of investigations, special projects, and community outreach efforts have resulted. Specifically, the department continues to disseminate quarterly newsletters and tape a quarterly television show on the Government Channel that features human relations topics, programs, issues, and partners.

The Department continues to focus its investigations on the areas in which it has jurisdiction and enforcement authority. These areas are primarily focused on discrimination issues, as ascribed in the Fair Housing Act. The Department will also continue to mediate, investigate and process landlord/tenant issues, as per North Carolina General Statutes, specifically Chapter 42. Additionally, the Department has forged an historic partnership with the Forsyth County District Court, the City Attorney's Office, and Legal Aid of Northwest North Carolina to implement the Alternative Residential Mediation (ARM) program, which will provide residents with a free, expedient, non-litigious way to resolve landlord/tenant complaints. It is the first of its kind in North Carolina and is expected to generate more potential fair housing complaints since many such complaints are derived from what initially appears to be routine landlord/tenant issues.

The Department continues to participate in the administration of the Fair Housing Assistance Program (FHAP) grant through the U.S. Department of Housing and Urban Development (HUD). The FHAP grant's focus parallels the focus of the Commission by emphasizing the importance of continual community education and outreach. Additionally, the FHAP grant utilizes a system of tracking fair housing investigations that is compatible with the Department's internal system of ensuring a thorough, step-by-step process for enforcing the Fair Housing Act.

The Department will continue its focus on community education and outreach with respect to Fair Housing and landlord/tenant laws. The Department will expand its efforts in ensuring that every segment of the City's population has access to the services of the Department. For instance, the Department's comprehensive web site includes information about the Department's jurisdictional areas of specialty as well as additional resources in the community. The Department will also continue to employ a bilingual Human Relations Specialist who can communicate with members of the Hispanic community. Staff will continue to field questions from the general public via telephone and in person. Staff will also continue conduct and track at least one fair housing outreach and/or training per month.

It is the on-going intention of the Human Relations staff to continue working collaboratively with HUD, the Community and Business Development Department, and other community partners in taking on the challenge of affirmatively furthering fair housing in Winston-Salem.

INTRODUCTION

The United States Department of Urban Housing (HUD) requires the City of Winston-Salem to submit Federal grant funding applications for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) as a part of the Consolidated Plan. Previously, these federal grant fund applications were submitted individually throughout the budget year.

This is the second Fair Housing Plan developed by the City of Winston-Salem under the federal guidelines mandated by HUD. As part of its certification to affirmatively further fair housing (AFFH), HUD requires the City to conduct an analysis of impediments to fair housing choice. The City must also take appropriate actions to overcome the effects of any impediments identified in this analysis.

The Federal Housing Administration (FHA) was established by the government to improve housing conditions for Americans. Title VIII of the Fair Housing Act states, "It is the policy of the United States to provide for fair housing throughout the United States." Additionally, the law directs all executive departments and agencies to administer their programs and activities relating to housing and urban development in a manner to further the purposes of the Act.

Title VIII of the Fair Housing Act declares, "It is the policy of the United States to provide, within Constitutional limitations, for fair housing throughout the United States." In addition, the law directs all executive departments and agencies to administer their programs and activities related to housing and urban development in a manner affirmatively to further the purposes of the Act.

Winston-Salem is a progressive southern city that is experiencing significant development. Consequently, Winston Salem has much to offer in addition to its natural beauty, active business sector, strong community based organizations and strong political leadership.

The City of Winston Salem has internally conducted this Analysis of Impediments through its Human Relations Department director and staff. Per City Code, the Human Relations Commission, through its staff in the Human Relations Department, is responsible for administering and enforcing the Fair Housing Act and the local Fair Housing Ordinance in the City of Winston-Salem. As part of its certification to affirmatively further fair housing, HUD has required the City to conduct an analysis of impediments to fair housing choice.

Participants included staff from the departments of Community and Business Development, Planning and Zoning, Inspections, the Housing Authority of the City of Winston-Salem, and the City Manager's Office. The contributions of Shelby Ashley, an intern from Salem College with the Human Relations Department, should be noted. Ms. Ashley significantly contributed to the statistical fair lending research and comparative data included in this report.

METHODOLOGY USED

As a part of its duties to enforce the Fair Housing Act within the jurisdictional city limits of Winston-Salem, the Human Relations Department conducted an analysis of fair housing choice for the City of Winston Salem and Forsyth County. HUD defines this procedure as a "comprehensive review of policies, practices and procedures that effect the location, availability and accessibility of housing and the current residential patterns and conditions." In order to accomplish this task we have examined existing studies and literature, conducted an historical analysis, reviewed the public policies from a fair housing

perspective, analyzed the effectiveness of existing fair housing activities and examined barriers to fair housing choice for each protected class.

In this study, we will:

- Identify any barriers to the use of public and private resources by members of protected groups;
- Analyze the extent to which governmental programs or services (or the lack thereof) contribute to fair housing impediments;
- Analyze the extent to which lending institutions policies and programs (or lack thereof) contribute to community disenfranchisement;
- Analyze the extent of discrimination experienced by protected groups; and
- Analyze the need and resources available for enforcement of fair housing/fair lending laws.

Based upon this analysis, Human Relations has compiled and prepared this report of our findings and recommendations for public comment and review.

Funding

Funding for the Analysis of Impediments study was incurred and derived from funding from Community and Business Development Department and the in-kind staff time and equipment of the Human Relations Department, with contributions from other aforementioned city department staff.

JURISDICTIONAL BACKGROUND AND DATA

There are several laws relating to fair housing and affirmatively furthering fair housing choice. Each of these laws is relevant to the City's role in insuring fair housing opportunity to all citizens. A summary of these laws is provided in APPENDIX A.

CURRENT DEMOGRAPHIC TRENDS AND HISTORICAL BACKGROUND

Forsyth County began as a Moravian settlement in 1753, and was named in honor of Colonel Benjamin Forsyth. After the two settlements of Bethabara and Bethania were established, the town of Salem was begun in 1766 as the central town in Wachovia. Salem grew rapidly both as a religious center and as a center for crafts and trades. Today, Forsyth County has progressed from its rustic past to a modern community which offers a variety of services to its citizens.

Forsyth County experienced tremendous growth between 2000 and 2010. The total population of Forsyth County grew from 306,067 to 350,670, an increase of 14.6 percent. The population of the City of Winston-Salem increased 13.12% in a span of ten years. Approximately 67.1% of the population of Forsyth County now lives within the city limits.¹

Forsyth County has a very diverse racial and ethnic population. According to the 2011 census, Whites make up 68.1% of the total population. The African-American population is 27.1% of the total county population. Asians and Pacific Islanders comprise 0.1% of the population. 12.2% of the population describe themselves as of Hispanic or Latin origin. According to the census, 8.9% of the population is

¹ City of Winston Salem Consolidated Plan, Section 1 Community Profile. p.I-1

foreign born, and 13.4% of the population speaks a language other than English in the home. This has created a number of challenges for the community.²

Fifty-one point two percent (51.2%) of the population of the City of Winston-Salem is White. More than half of the White population in Forsyth County lives in Winston-Salem, approximately 87% of the African-American population lives in the city. In fact, African-Americans comprise 34.7% of the population in Winston-Salem while African-Americans only comprise 21.5% of the population in North Carolina as a whole.³ Winston-Salem is racially segregated along the Hwy 52 corridor. These demographic trends have their basis in Southern history. Prior to the civil rights movement of the 1960s, segregation in the South was the rule. Current segregated housing patterns are attributable to the historical legacy of overt discrimination in housing through both public policy and social practices. Residential segregation became an important component of the institutionalized effort to isolate the races.

"In 1912, it was illegal for black families to move into white neighborhoods in Winston."⁴ The City of Winston voted in July 1912 to prohibit the purchase of a house in a block where the majority of dwellers were of a different race. The law was modeled after a Richmond, VA ordinance.⁵ In 1917 the US Supreme Court ruled that local laws allowing residential segregation were unconstitutional because they violated the 14th amendment.

White homeowners used restrictive covenants to keep African Americans, Jews, and Catholics from living in white neighborhoods in Winston-Salem. In 1930 the City adopted a zoning ordinance to prohibit African-Americans from moving into white neighborhoods.⁶

In the 1940s, government programs designed to promote homeownership helped to increase racial segregation. These programs, particularly the Federal Housing Administration's (FHA) mortgage policy, heightened racial segregation by encouraging the real estate industry to protect the ethnic characteristics of neighborhoods and by refusing to make loans in black communities because they were deemed too risky.⁷

In addition, federal urban renewal programs in the hands of local coalitions, initiated slum clearance practices, whereby poor blacks were moved into high-density housing projects, often in squalid conditions. With the advent of the Federal Interstate Act, highways provided access to jobs for suburban residents with automobiles, while urban minorities had little access to housing and employment opportunities.

As a result, Winston-Salem has housing patterns that are part of an historical legacy of segregation and discrimination. The results of these public policy decisions remain relevant as the majority of black residents continue to reside East of HWY 52, which serves as the unofficial color line.

² Forsyth County: Quick Facts from the 2010 US Census.

³ City of Winston Salem Consolidated Plan, Section 1 Community Profile.

⁴ Winston-Salem Journal, "It Was the Law: City Ordinance mandated segregated housing." April 19, 1998.

⁵ IBID

⁶ IBID

⁷Matthew Charles Bouchard, How Can the State of North Carolina Promote Residential Integration. (Durham: Duke University, 1994), pp. 3-4

EMPLOYMENT

The area's largest employers include R.J. Reynolds, Hanes Brands, BB&T, Forsyth Medical Center, North Carolina Baptist Hospitals, Wake Forest University, Novant Health, Wells Fargo, WSFC Schools, Lowes Foods, and City/County Government. In tandem with state and national trends, the composition of Forsyth County employment by industry category has changed dramatically over the past twenty years. There has been a marked decline in manufacturing and trade, and a significant increase in the service industry.

At-place employment in Forsyth County grew by 17.4 percent between 1990 and 2000, before dropping to a -2.18 percent growth rate between 2000 and 2010. The current unemployment rate for Winston-Salem is 9.4% as of July 2012. In comparison, the state of North Carolina achieved a 25.7 percent growth rate from 1990 to 2000, before slowing to a 2.1 percent rate of growth during the period of 2000 to 2006 (NC-ESC). While these statistics indicate an overall decline in at-place employment, it also suggests that Forsyth County has performed significantly below the industry standards of the state.

From 2000 to 2006, the service industry has experienced a 22.8 percent growth rate, displacing manufacturing as one of the leading stalwarts within the local economy. As a result, many displaced workers in the manufacturing industry have been absorbed by the service industry. Data indicates the presence of health care and social assistance as the prominent employers within the service industry. An aging population, coupled with a weakened economy can be attributed to this trend. Other strong subgroups within the service industry include education as well as accommodation and food services.

POPULATION

Forsyth County is one-third of the north central metropolitan North Carolina region referred to as the Piedmont Triad. According to 2011 estimate, Forsyth County is the 4th largest county in North Carolina with a population of 354,952, and is located in the northern Piedmont region of North Carolina. Winston-Salem, the county seat, has a population of 229,617(2010 estimate), and is ranked 85th in the nation and 5th in the state of North Carolina. Centrally located between Atlanta and Washington D.C., Forsyth County is part of several connected metropolitan areas stretching along Interstate 85 from Raleigh to Alabama that includes Greensboro, Charlotte, Greenville, and Atlanta. Forsyth County is no longer an isolated county. It is now a component of one of the largest and fastest growing agglomerations of urban development in the United States.

Forsyth County experienced tremendous growth between 2000 and 2010. During this period, the total population of Forsyth County grew from 306,063 to 350,670, an increase of 14.6 percent. Roughly 67.1% of the county's population now lives within the city limits.

The growth in Forsyth County and Winston-Salem has been tremendous. Because of the city's rapid growth, the Legacy 2030 plan was developed and then adopted in November 2012. Legacy 2030 is a plan to improve the community of Winston-Salem through revitalization, economic development and increased sustainability.

Forsyth County has a diverse racial and ethnic population. According to the 2008-2010 American Community Survey, Whites make up 63.4% of the total population, while the Black population is 26.0%. 11.5% of the population describe themselves as of Hispanic or Latin origin.⁸ 8.9% of the population is

⁸ 2005 American Community Survey.

foreign born, and 13.4% of the population speaks a language other than English in the home, which has led to a number of challenges for the community.⁹

HOUSING CHARACTERISTICS

Forsyth County's housing stock reflects the demographic constraints of the county and is notable for the following characteristics:

- **Age of the Housing Stock:** Nearly 27% of all occupied housing units were constructed prior to 1960.
- **Moderate Rent to Own Ratio:** 34.1% of all occupied units in Forsyth County are rentals, and 65.9% of all units are owner occupied.
- **Vacancy Rates:** Forsyth County's overall vacancy rate is high at 6.9%, indicating a soft rental market.

The total number of housing units in Forsyth County increased from 146,751 in 2005 to 156,872 in 2010, an increase of 6.9%. The number of occupied units is 125,454, while the number of vacant units is 15,709 (11%).

The housing stock in Forsyth County has incurred a strong increase in both ownership and new housing construction. However, most of the growth is related to rental units, particularly multi-family units, while there has been a decrease in single-family housing construction growth.

At the end of the 2010 fiscal year, a total of 4,392 units¹⁰, or 2.8 percent of the total city housing inventory of 156,872¹¹, was substandard. In the 2005-06 fiscal year, over 41 percent of substandard housing units were concentrated in eight Census tracts.

Forsyth County's housing stock is marked by a diverse array of choices. A new resident can choose between new housing developments or historic neighborhoods. While this diversity provides residents with a number of choices it sometimes hides the fact that much of the housing stock in poorer areas is aging and at increased risk of becoming unsuitable for continued habitation.

According to the 2008-2010 American Community Survey, the median contract rent of occupied rental units in Forsyth County increased by 5.8 percent (from \$503 to \$532 per month). Conversely, the Consumer Price Index grew at 1.7% between August 2011 and August 2012. Consequently, rent increases have consistently increased at a rate greater than the rate of increase in consumer prices in general.

In Forsyth County, an annual income of approximately \$45,583 would be required to afford the median contract rent of \$532 per month in 2009--up from \$20,112 in 2005. This is 56 percent of the 2009 median household income of \$45,583 for Forsyth County.

⁹ 2006 American Community Survey.

¹⁰ City of Winston-Salem, Community and Business Development Department

¹¹ 2005 American Community Survey

According to the 2010 American Community Survey, the median value of owner-occupied units in Forsyth County increased from \$108,900, in 2000, to \$149,000, in 2010, at a rate of 36.8%, or at an average annual rate of 3.7 percent.

The 2010 estimated median housing value of owner occupied housing is \$149,000. The 2010 estimate median value of renter occupied housing is \$668. Owner housing units that are affordable to low- and moderate-income households are unevenly distributed throughout the county.

Rental housing units that are affordable to low- and moderate-income households are unevenly distributed throughout the county. A low- and moderate-income household—earning up to 50 percent of the county median income, or \$22,523—could afford a monthly rent of approximately \$563.

According to the 2008-2010 American Community Survey, of 35,108 Black or African-American households, 16,375 (46.6%) are owner households and 18,733 (53.4%) are renter households.

IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Public Policy

The Fair Housing Act makes it unlawful

- To utilize land use policies or actions that treat groups of persons with disabilities less favorably than groups of non-disabled persons.
- To take action against or deny a permit for a home because of the disability of individuals who live or would live there.
- To refuse to make reasonable accommodation in land use and zoning policies and procedures where such accommodations may be necessary to afford persons or groups of persons with disabilities an equal opportunity to use and enjoy housing.
- What constitutes a reasonable accommodation is a case-by-case determination.
- Not all requested modifications of rules or policies are reasonable. If a requested modification imposes an undue financial or administrative burden on a local government, or if a modification creates a fundamental alteration in a local government's land use and zoning scheme, it is not a "reasonable" accommodation.

Public Sector

Winston-Salem is undergoing several major neighborhood revitalization efforts that will have a direct and significant impact on employment, housing, and transportation.

The Neighborhood Revitalization Strategy Area (NRSA) is an area of the city with the lowest incomes. This section includes significant portions of downtown. The Neighborhood Revitalization Strategy provides a context for monitoring the progress of attainment of established target benchmarks within the areas of the community with the highest needs (upper quartile of low income census tracts) as reflected in the various elements of the Consolidated Plan. Renewed HUD approval additionally provides increased flexibility in the use of CDBG funds for housing and economic development activities. These activities increase access to housing and economic opportunities. Additionally, the Triad Research Park, the Triad

Business Park, and the Winston-Salem baseball stadium are major economic development projects that are expected to employ large numbers of the city's residents.

The City of Winston-Salem has a small business loan program called the Economic Development Revolving Loan Program. This program is available to businesses located in the Neighborhood Revitalization Strategy Area (NRSA), and must create jobs that benefit low to moderate income individuals. The goals of the economic development projects include economic and workforce development which will include low-income residents who have been traditionally minorities and socio-economically disadvantaged. The goal of neighborhood revitalization efforts is to achieve sound, safe, and enriching neighborhoods and to maintain geographic loyalty in retaining existing and attracting new residents. As job development and wealth creation remain central, continued emphasis is given to quality of life issues encompassing quality of housing, transportation access, recreation, open space, community facilities, safety and the physical environment in general. It is also recognized that institutional and social development programs must be in place, to assure the sustainability of physical improvements. Physical improvements in a neighborhood send a positive message that people have indeed received a return on their investment of time. It is for these reasons that the physical aspects of neighborhood revitalization are viewed as particularly important. Furthermore, the economic development projects cover areas that meet HUD's description of low-income areas.

The Anti-Poverty Strategy of the Consolidated Plan also relates to community revitalization. Both the NRSA and the Anti-Poverty Strategy encompass the efforts of many community partners and complementary strategic efforts. The Northwest Piedmont Council of Governments is a key partner in workforce and economic development. Its Northwest Piedmont Development Corporation has been a Certified Development Corporation (CDC) since 1984 and administers the U.S. Small Business Administration (SBA) 503/504 program in the northwest piedmont region of North Carolina. The Small Business Administration 504 program creates employment opportunities by providing financing to help small businesses acquire or construct fixed assets (land, buildings, and long-life machinery). If the required number of jobs is not created, a project must meet a public policy goal (such as veteran, minority, female-owned, or rural business development).

The NWPCOG handles workforce development for the local community. NWPCOG is also a resource that serves as a valuable partner agency to city government. There is some overlap of the Neighborhood Revitalization Strategy and the Antipoverty Strategy. The Antipoverty Strategy ties together economic opportunity and neighborhood revitalization to pursue goals of job creation, wealth creation, workforce development, and social and physical development. A key point of the Antipoverty Strategy is that the City partners with other organizations, such as NWPCOG and Experiment in Self-Reliance, who are engaged in activities. Such activities include Workforce Development and the Individual Development Accounts program, which help people build income and wealth. These efforts relate to the Fair Housing Act in that both strategies often impact minorities and others who are historically impacted by unaffordable and limited housing opportunities.

Homelessness is a serious problem that has resulted in Winston-Salem due, in part, to the lack of affordable housing choices in the immediate community. Approximately 1,800 people experience homelessness in Winston-Salem/Forsyth County each year. Twenty percent are families; around 200 are children. The City of Winston-Salem has created a commission entitled, The Ten-Year Plan Commission on Homelessness. The Commission was created in 2006. The purpose of the Commission is to affect the vision of the Winston-Salem/Forsyth County Ten-Year Plan to End Chronic Homelessness, including overseeing implementation of the strategic initiatives described in the Ten-Year Plan to End Chronic Homelessness. The plan, itself, provides for effective solutions and accessible services to eliminate chronic homelessness and improve the system's effectiveness for all persons

experiencing a housing crisis. Many individuals who experience homelessness are male and families, who are both protected classes of persons under fair housing law.

The Housing Authority of the City of Winston-Salem (HAWS) is another community resource for pursuing its charge of providing affordable housing to the population's low and moderate-income residents. Such resources provided by HAWS included assisted/insured housing provider tenant selection procedures, housing choices for certificate and voucher holders, and public housing/section 8 waiting lists. Specifically, HAWS administers the Section 8 Program which consists of 3,896 tenant-based vouchers, 327 project-based vouchers, and 226 moderate rehabilitation units. The agency administers approximately 130 special use vouchers for other agencies. The waiting list for Section 8 tenant-based housing has approximately 2,500 families and the waiting list has been closed since October 2004. Presently, of those who are still listed on the Section 8 waiting list, the fair housing protected classification statistics are:

Race	Number
Black/African American	645
White/Caucasian	38
Native Hawaiian/Pacific Islander	2
Hispanic	11
American Indian/Alaskan	2

Gender

Female – 545

Male – 155

Disabled – 110

Family Status (children under 18) - 267

The number of HAWS owned and/or managed units are headed by African-Americans, Caucasians, Asians, Native Americans, and Hispanics are:

Race	Number
African Americans	881
Caucasians	119
Asians	3
Native Americans	0
Hispanics	53

Of these HAWS owned and/or managed units, 674 are headed by females versus 382 that are headed by males. HAWS officials further estimate that HAWS-owned and/or managed units including families with a child or children under the age of 18 is approximately 540. Additionally, HAWS officials estimate that 377 of HAWS-owned and/or managed units are occupied by the disabled.

The Forsyth County Tax Office has information available on the internet that shows property values and revaluation of housing stock in the county and city. A sampling of comparable houses with similar square footage, amenities, and lot size were compared within various wards that have been historically defined by race and socio-economic status. The review of this data warrants further research as to why there is a difference in pricing and value.

The City-County Planning and Zoning Board and Building/ City-County Inspections Departments are city departments that provide information that is germane to identifying fair housing impediments.

Local amendments to city development ordinances were also reviewed for their effects on the protected classes under the Fair Housing Act. Specifically, UDO-163 (approved 12/14/06) UDO Text Amendment proposed by Winston-Salem Council on Homelessness and City of Winston-Salem staff to amend Chapters A and B of the Unified Development Ordinances to create new definitions and provisions for Shelters for the Homeless, Temporary Shelters, and Emergency Shelters. One effect of the amendment was to cap each shelter at 100 beds, which resulted in the homeless council having to open an overflow shelter this winter. Traditionally, the disabled tend to be disproportionately represented among the homeless, particularly the chronically homeless who are by definition disabled. UDO-120 (approved 5/13/04), a Zoning Text Amendment proposed by Winston-Salem City Council, added section 6-1.6 "REQUEST FOR REASONABLE ACCOMMODATION" to the UDO. This amendment allows some recourse for disabled persons.

UDO 166 was originated by the Winston-Salem City Council and adopted in 2007 to amortize existing informal "rooming and boarding houses" that had sprung up within single family-zoned neighborhoods. This amendment made it clear that rooming and boarding houses are only allowed in certain multi-family zoning districts and that the renting of individual rooms in dwelling units in other districts is only allowed if the dwelling unit is used as a single housekeeping unit without individual locks on doors.

UDO 204 was proposed by the Winston-Salem Council on Homelessness and the City staff to remove the prohibition of retail sales as an accessory use in Shelters for the Homeless. The amendment, adopted in 2009, will allow Shelters and the homeless to expand their options for the development of useful skills and the generation of revenue.

UDO 237 is under consideration by the Planning Board in November, 2012. This proposal by a private developer allows for the developers of rental single-family subdivisions to be able to build such a subdivision on a single platted parcel rather than platting each home on a separate subdivided lot. This will expand the ability of developers to obtain financing for such a development, which in turn will expand affordable housing options for tenants.

The City-County Planning Department and City-County Planning Board promulgate development and zoning regulations that may impact fair housing. Of specific note was a local ordinance that was instituted in June 2004 that allows any person eligible under the Federal Fair Housing Act to request relief from requirements of local development ordinances through the granting of a reasonable accommodation by the local elected body if it is found that the accommodation is (1) reasonable and (2) necessary to afford handicapped persons equal opportunity to use and enjoy housing.

The City-County Inspections Department administers and enforces the North Carolina State Building Codes (NCSBC) that also have a direct impact on the disabled. Under the provisions of NCSBC, all new privately or publicly owned covered multi-family residential facilities must comply with the accessibility requirements of the building codes for both "Type A" & "Type B" dwelling units. Existing privately or publicly owned covered multi-family residential facilities that are altered or remodeled also must comply with the accessibility requirements of the building codes, but only for "Type A" dwelling units. In existing covered multi-family facilities, alterations would also trigger "Path of Travel" improvements to upgrade the accessibility of existing building or site features. However, expenditures for path of travel improvements do not have to exceed 20% of the cost of building improvements to the altered dwelling units. For example, if building renovations to existing covered dwelling units cost \$100,000, at least \$20,000 has to be spent making the building or site more accessible.

The Winston-Salem City Council and Forsyth County Board of Commissioners both voted unanimously to adopt the Legacy 2030 comprehensive plan in November 2012. Legacy 2030 is built on ideas from numerous public meetings and will guide our community's growth for the next twenty years. Under the Legacy Plan, there are several areas that relate to the importance of community diversity and inclusion that can only exist once barriers to affordable and fair housing are removed. Specifically, such items in Chapter 1 of the Legacy Vision and Goals include:

Goal 12- A vibrant city center which is the focus of the economic and social life of our community, a center of civic, entertainment and cultural activities, and a symbol of community identity.

1. The Human Relations Department sponsors an International Row at the annual Rock the Block festival to ensure the inclusion of residents of various international backgrounds and cultures.

Goal 16- People of different races, ages, abilities, and incomes work together to overcome community problems, provide accessible resources to residents, and attain a high quality of life in Forsyth County.

The Human Relations Commission addresses this issue within the context of accessibility and the removal of stigmatizing barriers that can and often do serve as impediments and barriers to housing choice. Specifically, the Commission:

1. Enforces the local fair housing ordinance that ensures non-discriminatory treatment in all residential real estate transactions for all people based on someone's race, color, national origin, familial status, gender, religion, and disability.
2. Mediates disputes between landlords and tenants to offer a non-confrontational, informal way to resolve complaints and issues.
3. Administers the Limited English Proficiency Program to ensure that all residents have accessibility to local government resources, despite language barriers.
4. Sponsors programs that focus on bettering race relations and educating the public on various religious faiths in order to dispel misconceptions and stereotypes.
5. Analyzes impediments to fair housing by affirmatively furthering fair housing opportunities for all citizens through programs and outreach.
6. Works with the College Advisory Board and the Youth Advisory Council in order to ensure that people from the younger age demographic are included in overcoming community problems and are actively involved in local government.

Goal 17- Active and involved citizens and a responsive environment for citizen participation that promotes involvement in community affairs and contributes to the quality of life in our community.

The Human Relations Commission addresses this issue within the context of accessibility and the removal of stigmatizing barriers that can and often do serve as impediments and barriers to housing choice. Specifically, the Commission:

1. Works as a 13-member citizen volunteer board that is charged with recommending community programs that will encourage positive relationships amongst all people.
2. Employs three Specialists, including one bilingual Hispanic Outreach Specialist who is responsible involving Hispanic residents in outreach efforts and self-education.

Regional Efforts

From a regional perspective, the Piedmont Triad Regional Council and the Piedmont Triad Sustainable Communities Planning Project have missions and goals that can have direct influence and impact on fair housing opportunity and choice in Winston-Salem and Forsyth County.

Formerly the Northwest Piedmont Council of Government (NWPCOG), the Piedmont Triad Regional Council (PTRC) is a voluntary association of local governments - urban and rural - authorized by state law to:

- Make and implement joint regional decisions;
- Provide management, planning and technical services to local governments;
- Identify and solve short and long-term problems best addressed at the regional level;
- Bring together local elected officials on a regular basis, giving them an opportunity to form working relationships;
- Promote regional issues and cooperation among members.

Forsyth County is included as one of the sixteen volunteer counties included in the PTRC. The PTRC provides management, planning and technical services in specific service areas, including housing programs, regional planning and planning technical assistance, transportation planning, and workforce development. PTRC is a resource that serves as a valuable partner agency to city government. There is some overlap of the Neighborhood Revitalization Strategy and the Antipoverty Strategy. The Antipoverty Strategy ties together economic opportunity and neighborhood revitalization to pursue goals of job creation, wealth creation, workforce development, and social and physical development. A key point of the Antipoverty Strategy is that the City partners with other organizations, such as PTRC and Experiment in Self-Reliance, who are engaged in activities. Such activities include Workforce Development and the Individual Development Accounts program, which help people build income and wealth. These efforts relate to the Fair Housing Act in that both strategies often impact minorities and others who are historically impacted by unaffordable and limited housing opportunities.

The Piedmont Triad Sustainable Communities Planning Project is conducting a regional Fair Housing and Equity Assessment (FHEA) that complements the local Analysis of Impediments to Fair Housing information provided in this report. The Piedmont Triad Sustainable Communities Planning Project includes a housing component as a part of its initiative. One of the main objectives of its housing program is to meet future housing needs for all citizens by promoting fair housing practices in response to the livability principle by promoting equitable, affordable housing. Areas addressed are to include segregated housing patterns as well as housing affordability and choice, given the increasing number of manufactured homes. This is accomplished by coordinating five-year consolidated plans for CDBG entitlement communities, drafting outlines for local housing plans, aligning funding streams with housing needs and priorities, and emphasizing the needs to coordinate housing, employment and transportation choices. Building on the recently completed Regional Transit Development Plan (RSPD) that considered both urban and rural needs, the RSPD will more specifically address the jobs/housing/access to transit relationships. In this capacity, the housing component seeks to address outcomes of decreasing the overall combined housing and transportation cost per household and reduced social and economic disparities.

Private Sector

Private Sector lending policies and practices can also be barriers to fair housing. The city's Tandem Loan Committee represents city departments and major banking and lending institutions in Winston-Salem. From this group, reviews of lending policies and practices of the companies and organizations that are represented on the committee were valuable resources.

The Community Reinvestment Act (CRA) requires the federal financial supervisory agencies to encourage insured depository institutions to help meet the credit needs of the local communities in which they operate, consistent with their safe and sound operation, and requires the appropriate federal financial supervisory agency to take into account a relevant depository institution's record of meeting the credit needs of its entire community, including low- and moderate-income ("LMI") neighborhoods, in evaluating bank expansionary proposals.

An instance of a local major lender being reviewed for its community reinvestment efforts as well as its Home Mortgage Disclosure Act (HMDA) activities was Branch Banking and Trust (BB&T), which is based in Winston-Salem. This example serves to show the multiple levels of review which determine whether fair lending practices are being followed.

According to a Federal Reserve Board's 2006 press order: "Beginning January 1, 2004, the HMDA data required to be reported by lenders were expanded to include pricing information for loans on which the annual percentage rate (APR) exceeds the yield for U.S. Treasury securities of comparable maturity by 3 or more percentage points for first-lien mortgages and by 5 or more percentage points for second-lien mortgages. Although the preliminary 2005 HMDA data for BB&T's subsidiary banks and non-bank mortgage lenders indicate that a greater percentage of higher priced loans were made to African-American or Hispanic borrowers relative to non-minority borrowers, HMDA data provide an insufficient basis by themselves on which to conclude whether BB&T or its subsidiaries are excluding or imposing higher costs on any racial or ethnic group on a prohibited basis. The Board reviewed 2004 and preliminary 2005 HMDA data reported by BB&T's subsidiaries, including data for North Carolina."

HMDA data alone provide only limited information about the covered loans, specifically outreach efforts that may attract one community more than another, credit history problems, excessive debt levels relative to income, and high loan amounts relative to the value of the real estate collateral (reasons most frequently cited for a credit denial or higher credit cost) are not available from HMDA data. Furthermore, BB&T's records indicate that the institution takes steps to ensure compliance with fair lending and other consumer protection laws. It also has an internal second-review process for home loan applications that would otherwise be denied and regularly analyzes its HMDA data and disparities in its lending rates for select products and markets.

Finally, the Federal Reserve Board found that BB&T provides fair lending training to its lending personnel, including training to help ensure that loan originators consistently disseminate credit-assistance information to applicants. The Board also has considered the HMDA data in light of other information, including the CRA performance records of each of BB&T's subsidiary banks. Based on all the facts of record, the Board concluded that BB&T's established efforts and record demonstrate its commitment to meeting the credit needs of all facets of the community, as required under the Fair Housing Act.

A state-based organization, the Community Reinvestment Association of North Carolina (CRA- NC) was formed in 1986 as an advocate for change in the lending practices of financial institutions and to promote wealth building in minority and low-income communities. It works to eradicate predatory lending practices that strip the wealth from vulnerable neighborhoods and communities.

By challenging bank mergers, CRA-NC negotiated agreements with financial institutions that enabled more than \$40 billion directed through the Community Reinvestment Act to local low-income neighborhoods. CRA-NC worked with other local groups to help pass the 1999 North Carolina anti-predatory lending legislation. CRA-NC has produced a video and has launched a public education campaign to inform borrowers of excessive interest rates on their loans.

FAIR HOUSING ENFORCEMENT

Fair housing enforcement is the responsibility of the Winston-Salem Human Relations Commission (WSHRC). A review of WSHRC records from 2002-2007 shows a strong commitment to the elimination of illegal housing discrimination and to the promotion of fair housing choice. The Winston Salem Human Relations Commission has successfully continued its Fair Housing Assistance Program grant which is based on the Commission's investigating fair housing complaints as well as educating housing industry and the general public about fair housing laws.

The WSHRC has established an ongoing relationship with industry groups and routinely makes presentations and conducts workshops concerning fair housing for property managers, tenants, and the local Association of Realtors. The WSHRC has worked to develop the capacity of the local bar and legal services program by sponsoring and participating in Continuing Legal Education (CLE) programs regarding fair housing.

INFORMATIONAL PROGRAMS

Since 2001, the WSHRC has averaged 12 workshops or presentations per year to local community groups informing them of their fair housing rights under the law. Further, the WSHRC has run public service announcements and participated in other outreach activities to reach citizens and inform them of their rights. Specific programs include the Nexus TV Show on the local government channel and the Nexus Newsletter, both of which are produced quarterly. Furthermore, Human Relations has partnered with the Marketing and Communications Department and Neighborhood Services Department to produce an educational Spanish television show on the government channel in 2008. The show will inform Spanish speakers about the various services that are offered by city government. The goal is to foster a level of trust between government and Hispanic immigrants.

The WSHRC ordered a baseline audit to determine the level of discrimination in the Winston-Salem area in 1999. It plans to order another one in 2009. In the past, the WSHRC has also trained its own auditors for compliance testing. The enforcement statistics of the WSHRC Commission are equal to its peer agencies and superior to the Atlanta Regional HUD Enforcement Center.

VISITABILITY IN HOUSING

Visitability in housing is considered an extra effort beyond mere accessibility to housing, as required by the Fair Housing Act and the Winston-Salem Fair Housing Ordinance. More broadly, it should be considered in Universal Design, so that disabled citizens will be able to visit homes, not just businesses. According to HUD's model guidelines, although not a requirement, it is recommended that all design, construction and alterations incorporate, whenever practical, the concept of visitability **in addition** to the requirements under Section 504 and the Fair Housing Act. Visitability is a design concept, which for very little or no additional cost, enables persons with disabilities to visit relatives, friends, and neighbors in their homes within a community.

Visitability design incorporates the following in all construction or alterations, in addition to the applicable requirements of Section 504 and the Fair Housing Act, whenever practical and possible for as many units as possible within a development:

- Provide a 32" clear opening in all bathroom and interior doorways

- Provide at least one accessible means of egress/ingress for each unit.

Visitability also expands the availability of housing options for individuals who may not require full accessibility. It will assist project owners in making reasonable accommodations and reduce, in some cases, the need for structural modifications or transfers when individuals become disabled in place. Visitability will also improve the marketability of units. According to HUD, housing that is "visitabile" has a very basic level of accessibility that enables persons with disabilities to visit friends, relatives, and neighbors in their homes within any community. Visitability can be achieved for little cost, with the use of the two simple design standards mentioned above.

HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households. Each year it allocates approximately \$2 billion among the States and hundreds of localities nationwide. The program was designed to reinforce several important values and principles of community development. In many cities, HOME funds are allocated to those who wish to make their residences or places of business visitable. At this time, the City of Winston-Salem encourages and welcomes HOME fund proposals that incorporate HUD's visitability standards into their design and construction features, but at this time the City does not make funding decisions based on whether visitability is a component. The City of Winston-Salem has implemented these concepts in all government-owned buildings and facilities. In many jurisdictions throughout the United States, private incentives are offered for public and private buildings to implement visitability to ensure people with disabilities have an option to receive integrated, community-based services.

ASSESSMENT OF CURRENT PUBLIC AND PRIVATE FAIR HOUSING PROGRAMS AND ACTIVITIES IN THE JURISDICTION

The Role of City Government in Fair Housing

The Winston-Salem Human Relations Department and Commission provide the voice and the opportunity for people to be afforded equal rights in their real estate transactions, including the buying and renting of their homes by enforcing the Fair Housing Act. The Department not only provides conciliation possibilities for citizens to work out their alleged housing discrimination complaints, but it also conducts investigations into discrimination allegations. Upon the completion of the investigations, a final determination is made by the Director to decide whether there is reasonable cause to believe discrimination has taken place. If reasonable cause is determined, the parties are advised and the City Attorney's Office will take over the case. If reasonable cause is not determined, the parties are advised that there appears that no discrimination occurred. Despite the determination, the parties always have the right to pursue the matter with their own personal attorneys through a court of law.

The Human Relations Department and Commission also provide mediation for landlords and tenants regarding disputes and concerns about their rights as mandated by North Carolina General Statute Chapter 42. While the Department staff does not have the jurisdictional authority to enforce the landlord/tenant mediation agreements, many citizens have found that such mediation agreements are very helpful to them in resolving their landlord/tenant issues.¹²

The final major function of the Department and Commission is to encourage and promote positive community and cultural relations throughout the city. The Department staff promotes interpersonal

¹² City of Winston-Salem Human Relations Department, 2007.

relations and interactions amongst its citizens by providing various town hall meetings, roundtable discussions, and other community events that promote and celebrate the theme of cultural diversity.

In 1968, the City of Winston-Salem also established its local Fair Housing Ordinance. As such, the ordinance is substantially equivalent to the Federal Fair Housing Act administered by the U.S. Department of Housing and Urban Development (HUD). In 1975, the Winston-Salem Human Relations Commission was established as an advisory board by city ordinance by the Board of Aldermen (now the "City Council"), pursuant to the provisions of G.S. 160A-492. The duties of the commission were established to:

- (1) Study problems of discrimination in any or all fields of human relationship and encourage fair treatment and mutual understanding among all ethnic groups in the city;
- (2) Promote equality of opportunity for all citizens;
- (3) Provide channels of communication among all ethnic groups;
- (4) Encourage the employment of qualified people of all ethnic groups;
- (5) Encourage youth to become better trained and qualified for employment opportunities;
- (6) Anticipate and discover those practices most likely to create animosity and unrest among racial and ethnic groups and by consultation seek a solution as these problems arise or are anticipated;
- (7) Hold such meetings as the commission may deem necessary or proper to assist in carrying out its functions;
- (8) Make recommendations to the city council for action it deems necessary for the furtherance of harmony among racial and ethnic groups in the city;
- (9) Perform duties consistent with general law as may be assigned from time to time by the city council;
- (10) Perform such other duties as necessary to enforce the powers assigned it in accordance with Article IV, the Fair Housing Ordinance of the City of Winston-Salem, of Chapter 38 of the City Code; and
- (11) Facilitate partnerships with fair housing and cultural community organizations to further the purpose of the commission.

The nature and the extent of its policies and programs are determined and set by the commission and shall be implemented within accepted policies and procedures of the city.

In 1978, the Human Relations Department was established. The Department was staffed to enforce the jurisdictional authority of the Human Relations Commission. Shortly thereafter, the city established a formal cooperative agreement with HUD, for the Human Relations Department staff to enforce fair housing laws in Winston-Salem under the city's ordinance by sharing funding for processing, investigating, and disposing of housing discrimination complaints filed within the city limits of Winston-Salem, with the exception of complaints filed by complainants against public housing agencies (W-S

Housing Authority or tax credit property). In these cases, HUD has original jurisdiction, but may refer the complaint back to the Department for investigation and disposition.

The number of housing discrimination and landlord-tenant complaints received by the commission rose from 214 in 2003-04 to 483 in 2004-05, the last year in which complete figures are available.¹³ The number of cases that resulted in full-fledged investigations tripled from five in 2003-04 to 15 in 2004-05.¹⁴ The majority of the complaints that the commission receives are settled through mediation.

TYPES OF DISCRIMINATION FACED BY PROTECTED CLASS MEMBERS

RACE/ COLOR

AFRICAN-AMERICANS

Race

The greatest impediment to fair housing choice for African-Americans is residential segregation and the economic disparities that foster it. A recent study conducted by the University of Minnesota suggests "residential segregation is an example of a negative constraint for the access to housing markets of African Americans which, in turn, hampers their ability to accumulate wealth.

Based on the Human Relations Department's caseload over the past ten years, there is a strong perception of housing discrimination based on race. This perception is based on incontrovertible data that reflect the fact that the majority of housing discrimination cases filed during these recent fiscal years were filed based, at least in part, on race. For instance, from July 2002-June 2011, approximately 45% of all fair housing complaints included race as a basis for discrimination. Most of the race-based cases were filed by African-Americans.

In response to the trending data, in the fiscal year 2011-2012, the Winston-Salem Human Relations Department conducted "Phase One" of fair housing test audits within Winston-Salem to determine the level and type of discrimination faced by African-Americans in the Winston Salem/Forsyth rental market 1999. "Testing" or auditing, is a simulated search technique, which is used to obtain comparative data on differential treatment. It is a process that has been accepted by the courts, the U.S. Department of Justice and the U.S. Department of Housing and Urban Development. Testing team partners are sent, at closely spaced intervals, to seek information about apartment availability. In general, testers are assigned identical characteristics, except for income, in the race and national origin tests, which, by design, is more favorable for the protected tester -- thus presenting him or her as the more qualified applicant under generally accepted industry standards. In familial status tests, testers are assigned identical characteristics except for the number of children.

The protected classes of persons that were tested during the 2011-2012 test cycle focused on race and national origin. These classes were selected because they were the most frequent complaints filed during the most immediate ten-year period. The sites selected for auditing were chosen based on the frequency of filed complaints against particular apartment complexes, property managers, or property owners over a

¹³ Winston-Salem Journal, "Summit puts Focus on Housing Problems." April 21, 2006

¹⁴ Ibid.

ten-year period. In the most recent testing audits, approximately 30% of testing results suggested that discrimination could have occurred. By contrast, in test audits conducted in Winston-Salem and Forsyth County in 1998-99 by the North Carolina Fair Housing Center, African Americans experiences significant levels of discrimination 48% of the time. In 22% of the audits conducted, the African-American tester was either steered or offered fewer favorable terms and conditions than the white tester. In one test, the White tester was “advised” of the racial make-up of the apartment complex. The national trend indicates that 32.4% of all fair housing complaints filed are based on race.¹⁵

Although not tested during Phase One of testing, there is strong statistical evidence, supported by past limited testing evidence, that African-Americans experience a significant level of possible discrimination by lenders. African-Americans lack access to capital by commercial banks and financial institutions. Subprime and predatory lenders then target these same communities with high cost products. African-Americans are disproportionately located in the subprime market. When all factors other than race are excluded, it appears that at least 30% of African-Americans in the subprime market are “A” borrowers and are entitled to significantly lower interest rates.

In 2011, the FFIEC reported 3,125 applications received for conventional home-purchase loans in the amount of \$512,456.00. Of the 3,125 applications received, 493(15.8%) were denied, and 536 (17.2%) were either: approved but not accepted, withdrawn, or closed as a result of incomplete files.

Of the 3,125 applications originally received, almost a quarter (82%) came from White borrowers, with 5.7 percent attributed to African-American borrowers, and the rest distributed among other races. This trend continued with Whites accounting for 84.3 percent of loans originated, and African-Americans accounting for 4.4 percent. The distribution of races borrowing has changed since 2005. The percentage of white people applying for loans has increased on average of about 5% and the percentage of blacks applying for loans has decreased almost 8%. This pattern changes, however, when looking at application denials. White borrowers accounted for 73.4 percent of all conventional home-purchase loan application denials, while African-Americans accounted for 12.6 percent. FFIEC data indicates that African-American borrowers incurred a 34.8 percent denial rate, while only 14.1 percent of White borrowers were denied loans. This suggests that African-Americans were turned down for conventional home-purchase loans over twice as much as Whites.

Disposition of Applications for Conventional Home-Purchase Loans by Race, Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
Native American	16	1044	2	417	4	290	2	337
Asian	42	7324	34	6382	4	361	4	581
Black	178	22635	92	13172	62	6849	24	2614
Pacific Islander	2	188	1	170	1	18		
White	2564	428,788	1751	311971	362	44322	440	72,495
2+ Minority Races	1	612	1	612				
Joint (White/Minority)	28	6239	16	3803	7	963	5	1473
Race N/A	294	45,626	180	31289	53	7126	61	7211
Total	3,125	512,456	2,077	366,816	493	59,929	536	84,711
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								

¹⁵ The National Fair Housing Alliance, 2012.

Source: Federal Financial Institutions Examination Council

As a result, it is the goal of the Human Relations and Housing and Neighborhood Development Departments to create a position that will be, in part, responsible for investigating subprime and predatory lending complaints in addition to other fair housing investigating and outreach.

Applications Received for FHA, FSA/RHS, and VA Home-Purchase Loans

In 2011, a total of 2,036 FHA, FSA/RHS, and VA Home-Purchase loan applications were received in the Winston-Salem MSA (FFIEC). 74.7 percent (1520) of all total loan applications received came from White adults, in comparison with 15.5 percent (315) from Black residents. Of total applications received, 34 percent were submitted by males, 33 percent by females, and 29 percent were submitted jointly. In addition, roughly 4.3 percent were submitted by people identifying themselves as Hispanic or Latino, and 88 percent were submitted by those identifying themselves as Non-Hispanic/Latino. Of the 2,036 total applications received, by far the greatest proportion was 33.4 percent (681) submitted by those in the income bracket of 50-79 percent of the MSA's median income of \$55,064. The second most applications received were by those under the median MSA income, (455) 22.3 percent. The total loan amount requested in the application process was approximately \$261,270,000. The following table breaks down the applications received by race:

FHA, FSA/RHS, and VA Home-Purchase Applications by Race, Winston-Salem MSA, 2011		
	Applications Received	\$000's
Native American	2	210
Asian	15	2,105
Black	315	38,716
Pacific Islander	2	185
White	1,520	195,649
2+ Minority Races	2	239
Joint (White/Minority)	19	2,831
Race N/A	161	21,335
Total	2,036	261,270

Source: Federal Financial Institutions Examination Council

Loans Originated for FHA, FSA/RHS, and VA Home-Purchase Loans

The FFIEC documented a total of 1,431 loans (around 70.3% of all applications received) in the amount of \$187,753,000 originating in 2011. Of that total, 77.5 percent (1109) were from White borrowers, and 14.1 percent (202) came from African-American borrowers. These rates are consistent with the statistical stratifications of applications received. Loans originated by race are profiled in the table below.

Loans Originated for FHA, FSA/RHS, and VA Home-Purchase Loans by Race		
Winston-Salem MSA, 2011		
	Loans Originated	\$000's
Native American	1	135
Asian	10	1319
Black	202	25,177
Pacific Islander	2	185
White	1,109	145,833
2+ Minority Races	1	114
Joint (White/Minority)	14	2063
Race N/A	92	12,927
Total	1,431	187,753
Source: Federal Financial Institutions Examination Council		

The pattern of correlation repeats itself when looking at gender. In 2011, 34.6 percent (495) loans originated from male borrowers, 31.2 percent (447) from female borrowers, and 30.5 percent (436) originated jointly. Accordingly, 4.3 percent (59) of loans originated from the Hispanic/Latino population, while 89.4 percent (1280) originated from non-Hispanic borrowers. We can thus ascertain that there is no discernable bias in the transformation from application to origination on the basis of strictly gender or ethnicity alone.

Denials for FHA, FSA/RHS, and VA Home-Purchase Loans

Of the 2,036 loan applications originally received in 2011, 241 (11.8%) were denied overall, 67.6 percent (163) of the loan denials were given to White borrowers, 19.1 percent (46) to African-Americans, and over 11.2 percent (27) could not be identified with race. This indicates a slight proportional shift, as loans are denied to African-Americans at a slightly higher increment when compared to the rate of applications received, and loan origination. Conversely, application data for White borrowers suggests a decrease in denials in proportion to applications received and loans originated.

Disposition of Applications for FHA, FSA/RHS, and VA Home-Purchase Loans by Race				
Winston-Salem MSA, 2011				
	Applications Denied	\$000's	Other¹	\$000's
Native American			1	75
Asian	2	364	3	422
Black	46	5,621	67	7,918
Pacific Islander				
White	163	18864	248	30,952
2+ Minority Races	1	125		
Joint (White/Minority)	2	321	3	447
Race N/A	27	26,267	42	5,141
Total	219	51,562	364	44,955

¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness

Source: Federal Financial Institutions Examination Council

Males experienced a higher rate of application denials (40.6%), than either females (39.7%), or joint couples (24.7%). In terms of ethnicity, the Hispanic/Latino population experienced an 8.2 percent (18) denial rate, while those not identified as being of Hispanic or Latino ethnicity suffered a 92.2 percent (202) denial rate. Those of Hispanic ethnicity incurred 18 denials (8.2%) out of the 219 total denials, while the non-Hispanic population accounted for the other 92.2% or 202 denials. And 40.1 percent (88) of all applications denied were incurred by the population below the median income level for the MSA. The following table illustrates the great demand for home loans concentrated below the median income level of \$55,064.

Disposition of Applications for FHA, FSA/RHS, and VA Home-Purchase Loans by Income								
Winston-Salem MSA, 2011								
% of AMI	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
< 50%	458	39,387	276	24,587	88	7,300	91	7500
50-79%	681	78,090	497	57351	71	7932	113	15815
80-99%	312	43728	223	31035	33	4927	56	7766
100-119%	196	28965	141	21018	15	2585	40	5362
120%+	345	63798	255	47389	31	5571	59	10830
Total	1992	253968	1,192	181380	238	28315	359	47273

¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness
 AMI is Area Median Income for the Metropolitan Statistical Area
 This chart compiles totals of each race

Source: Federal Financial Institutions Examination Council

Others

Roughly 17.9 percent (364) of total loans originated valuing \$44,955,000 did not make it through to completion for a variety of reasons. The three reasons given for these terminations are 1.) The application was approved but not accepted; 2.) The application was withdrawn; 3.) The file was closed for incompleteness.

Disposition of Applications for Home Improvement Loans

In 2011, the FFIEC reported 799 home improvement loan applications received in the amount of \$45,605,000. Furthermore, 37.5 percent (330) of the applications were denied, and 12.2 percent (98) were either: approved but not accepted, withdrawn, or closed for incompleteness.

Of the 799 home improvement loan applications received, 75.6 percent (604) came from White borrowers, 14 percent (112) came from African-American borrowers, and 1.8 percent (14) came from borrowers of other racial backgrounds (Asian, Pacific Islander, multi-racial). In addition, 8.4 percent (67) of the applications received could not be determined by racial background.

Disposition of Applications for Home Improvement Loans by Race								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
Native American	2	18			2	18		
Asian	4	84			4	84		
Black	112	3240	33	1340	70	1524	9	376
Pacific Islander	2	18			2	18		
White	604	37954	307	25289	220	6382	77	6283
2+ Minority Races								
Joint White/Minority	2	21	1	218	1	3		
Race N/A	67	3868	28	1633	27	1584	12	651
Total	793	45201	369	28480	326	9613	98	7310
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Of the applications received, White non-Hispanic borrowers applied for home improvement loans at a rate of over 3:1 when compared with other minority groups. In addition, White non-Hispanic borrowers incurred both a significantly lower denial rate (35.3 %) than other minority groups (60.5%), as well as a higher loan origination rate (61.8%) than other minority groups (52.3%).

Disposition of Applications for Home Improvement Loans by Minority Status								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
White Non-Hispanic	564	36790	295	24832	199	5931	70	6027
Male	177	10218	74	5861	79	2531	24	1826
Female	149	6530	74	5861	59	1154	16	878
Joint	238	20042	147	14473	61	2246	30	3323
Others, Including Hispanic	157	4624	27	2088	95	1961	15	575
Male	70	1651	18	746	45	607	7	298
Female	55	1314	13	480	37	733	5	101
Joint	31	1649	16	862	12	611	3	176
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Of the applications received, White non-Hispanic borrowers applied for home improvement loans at a rate of over 2:1 when compared with other minority groups. In addition, White non-Hispanic borrowers incurred both a significantly lower denial rate (33.9%) than other minority groups (48.3%), as well as a higher loan origination rate (46.6%) than other minority groups (31.1%).

Note that 4.1 percent (799) of the home improvement applications received in 2011 came from the Hispanic sector. Conversely, nearly 85.9 percent (687) of the applicants were not of Hispanic/Latino ethnicity, and 9.6 percent (77) of the data could not be related to ethnicity. 4.1 percent (33) of the total originations were borrowers of Hispanic/Latino descent, while 85.9 percent (687) were not of Hispanic/Latino ethnicity. 5.2 percent (17) of the total loan denials were denied to those of Hispanic/Latino descent, while 83 percent (274) were not of Hispanic/Latino ethnicity.

Within each respective ethnic group, those of Hispanic/Latino ethnicity incurred a 30.3 percent origination rate and a 51.5 percent denial rate. Comparatively, those of non-Hispanic/Latino ethnicity incurred a 48.3 percent origination rate and a 39.9 percent denial rate. Overall, the total origination rate was 46.4 percent and the denial rate was 41.3 percent.

Disposition of Applications for Home Improvement Loans by Ethnicity								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
Hispanic or Latino	28	2344	13	1093	10	688	5	563
Not Hispanic or Latino	889	87905	502	50682	238	21248	149	15975
Joint	6	377	3	243	2	102	1	32
Data N/A	195	25431	121	17398	40	4177	34	2856
Total	1118	116057	639	69416	290	26215	34	3856
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Disposition of Applications to Refinance Homes (Winston-Salem MSA)

In the Winston-Salem MSA, the FFIEC reported 12,095 applications (in the amount of \$1,839,171,000) received to refinance home loans in 2011. Of the applications received, 77.5 percent (9,373) were generated by the White population, 8.9 percent (1,085) came from the African-American population, and the rest were dispersed among the other races with 11.1 percent (1,351) of the data unavailable by race.

Of the 12,095 applications received, 50.2 percent (6,801) originated, with White borrowers comprising 26.1 percent (1,772) of the originations, and African-American borrowers comprising 6.3 percent (428) of the total originations. 7.6 percent (517) of the origination data was not available by race.

21.6 percent (2,617) of the applications were denied, with White borrowers comprising 67.7 percent (1,772) of the total denials, and African-Americans comprising 15.4 percent (403) of the total denials. 14.2 percent (371) of denial data was not available by race.

Racially, White borrowers had both the highest origination rate (60.8%) and the lowest denial rate (18.9%). In comparison, African-Americans had an origination rate of 39.4 percent and a denial rate of 37.1 percent. Overall, the origination rate was 56.2 percent, and the denial rate was 21.6 percent.

Disposition of Applications to Refinance Loans by Race								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other ¹	\$000's
Native American	28	2856	9	951	14	1447	5	458
Asian	142	24300	85	15133	33	5033	24	4134
Black	1085	133186	428	55761	403	45111	254	32314
Pacific Islander	21	2709	11	1706	7	699	3	304
White	9373	1455515	5703	884556	1772	266183	1898	304776
2+ Minority Races	4	433			2	200	2	233
Joint White/Minority	91	15814	48	8186	15	2951	28	4677
Race N/A	1351	204358	517	82673	371	51347	463	70338
Total	12095	1639171	6801	1048966	2617	372971	3190576	417235
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Of the 12,095 refinancing applications received in 2011, the FFIEC reports that 86.3 percent (10,433) of the applicants were identified as *non*-Hispanic/Latino, while 2.6 percent (312) were of Hispanic or Latino ethnicity. Furthermore, less than one percent (98) of potential borrowers were considered of joint ethnicity, and 10.3 percent (1,252) were not identified by ethnicity.

Of the 6,801 refinancing loans that originated in 2011, 90.1 percent (6,131) belonged to the non-Hispanic/Latino category, while less than 1.8 percent (121) were dispersed to Hispanics or Latinos. Moreover, White borrowers incurred 82.2 percent (2,153) of the total 2,617 loan denials, while the Hispanic/Latino sector incurred 4.2 percent (110) of total refinancing loan denials in 2011.

Within their respective ethnicities, the Hispanic/Latino group received both the *highest* loan denial rate (35.2%) as well as the *lowest* loan origination rate (38.8%). By comparison the non-Hispanic/Latino population incurred an origination rate of 58.8 percent, as well as a denial rate of 20.6 percent. Overall, the total origination rate was 56.2 percent, and the denial rate was 21.6 percent.

Disposition of Applications to Refinance Loans by Ethnicity								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other ¹	\$000's
Hispanic or Latino	312	38224	121	16762	110	11869	81	9593
Not Hispanic or Latino	10433	1590784	6131	943196	2153	309546	2149	338042
Joint	98	17495	63	10824	17	3654	18	3017
Data N/A	1252	1926688	286	78184	337	47902	429	66582
Total	12095	3573191	6601	1048966	2617	372971	2677	417234
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Disposition of Loan Applications in Forsyth County

FHA, FSA/RHS & VA

According to the FFIEC, 71.3 percent (1,107) loans in the amount of \$157,919,000 were originated from 1,552 FHA, FSA/RHS and VA home-purchase loan applications in Forsyth County for 2011. 8.6 percent (98) of the loan applications were denied, while the rest were withdrawn, closed for incompleteness, or approved but not accepted.

Conventional

The FFIEC reported out of 2,426 conventional home-purchase loan applications received in 2011, 69.9 percent (1,695) were originated, while 13.7 percent (332) were denied. Furthermore, 16.4 percent (399) were either: withdrawn, closed for incompleteness, or approved but not accepted. The following table illustrates the disposition of home-purchase loan applications in Forsyth County in 2011:

Disposition of Home-Purchase Loan Applications				
Forsyth County, 2011				
	FHA, FSA/RHS & VA		CONVENTIONAL	
	Number	\$000's	Number	\$000's
Loans Originated	1107	157,919	1,695	307,334
Approved, Not Accepted	45	6,167	134	20,777
Denied	163	19,798	332	46,592
Withdrawn	206	26,596	222	37,708
Closed for Incompleteness	31	3,724	43	6,856
TOTAL	1,552	214,204	2,426	419,267
Source: Federal Financial Institutions Examination Council				

Refinancing

In 2011, the FFIEC reported 9,189 loan applications received for refinancing in Forsyth County in the amount of \$1,408,027,000. Of these applications received, 55.5 percent (5,101) were originated, while 16.3 percent (1,948) were denied. Of the rest, 23.3 percent (2,140) were either: withdrawn, closed for incompleteness, or approved, but not accepted.

Disposition of Refinancing Loan Applications		
Forsyth County, 2011		
	Number	\$000's
Loans Originated	5,101	813,596
Approved, Not Accepted	498	61,600
Denied	1,948	272,046
Withdrawn	1,195	188,588
Closed for Incompleteness	447	72,197
TOTAL	9,189	1,408,027
Source: Federal Financial Institutions Examination Council		

Denial of Applications for FHA, FSA/RHS, and VA Home-Purchase Loans—Winston-Salem MSA

The FFIEC identified 249 FHA, FSA/RHS, and VA Home-Purchase Loans loan denials in the Winston-Salem MSA in 2011. Of the 249 denials, 39 (15.7%) of these loans were denied to African-Americans, while 180 (72.3%) of White borrowers were denied loans. Additionally, 4 (1.6%) loans were denied to those of other races, and 25 (10%) loan denials could not be associated with the borrower's race.

Reasons for Denials

Of the 249 denials, 46 (18.5%) loans were denied due to debt-to-income ratio, 15 (6%) due to employment history, 65 (26.1%) due to credit history, 42 (16.9%) due to collateral issues, 17 (6.8%) due to insufficient cash, 16 (6.4%) due to unverifiable information, 9 (3.6%) due to incomplete credit applications, and 34(13.7%) due to unspecified other reasons. It is clear that credit history is the greatest obstacle to obtaining these kinds of home-purchase loans.

Race

Data shows that 44 percent (17) of African-American borrowers were turned down because of credit history issues, while 18 percent (7) were denied as a result of debt-to-income ratio. The remaining 38.5 percent (15) of Blacks were denied as a result of various other reasons. Comparatively, 36 percent (37) of White borrowers were turned down because of credit history issues, while 16 percent (16) were denied as a result of debt-to-income ratio.

Ethnicity

The data also shows that 19 (7.6%) of the 249 loan denials were incurred by people of Hispanic or Latino ethnicity. Of these denials, 16 percent (3) were directly linked to credit history problems and 37 percent (7) as a result of debt-to-income issues.

Minority Status

It is also seen that 27.3 percent (68) of all denials were incurred by minorities. In addition, 34 percent (23) of minorities in the MSA were denied because of credit history issues, while 22 percent (15) were denied due to debt-to-income ratios.

Denial of Applications for Conventional Home-Purchase Loans

Race

In 2011, the FFIEC reported 404 conventional home-purchase loan application denials in the Winston-Salem MSA. Of these 404 denials, 301 (74.5%) were denied to White borrowers, and 51 (10.1%) were denied to Blacks. In addition, 8(1.9%) loan applications were denied to borrowers of other races (Asian, Pacific Islander, American Indian), while 6 (1.5%) were denied to borrowers of joint (White/Minority) race. Finally, 38 (9.4%) denials could not be associated with race.

Of the 301 conventional home-purchase loan application denials incurred by White borrowers, 88 (29%) were due to credit history, 42 (14%) were due to collateral issues, and 67 (22%) were due to debt-to-income ratio. These were the primary issues that prevented White borrowers from obtaining these types of loans. However, other issues such as employment history, insufficient cash, unverifiable information, and

incomplete applications, played a lesser role. The most significant obstacles faced by Black borrowers were: credit history (29%), and debt-to-income ratio (20%).

Ethnicity

Hispanic or Latino borrowers accounted for 34 (8.4%) of the 404 denials. Of the denials by ethnicity, Hispanic/Latino borrowers were mainly denied due to: credit history (26%), collateral (18%), and debt to income ratio (24%). Non-Hispanic/Latino borrowers made up 332 (82.2%) of the total denials, and were denied mainly as a result of credit history (28%) and debt-to-income ratio (21%).

Minority Status

65.6 percent of conventional home-purchase loans were denied to White non-Hispanic borrowers, mainly because of credit history (28%), debt-to-income ratio (22%), and collateral (14%). Comparatively, minorities constituted 25.2 percent of conventional home-purchase loan denials, mainly due to credit history (28%), and debt-to-income ratio (22%).

Denial of Applications for Home Improvement Loans

In 2011, the FFIEC reported 408 home improvement loan applications denied in the Winston-Salem MSA. Of these denials, 271 (66.4%) were incurred by White borrowers; 87 (21.3%) by African-American borrowers; 16 (3.9%) by other races; and 34 (8.3%) not available by race.

Across the board, credit history was the biggest reason for home improvement loan application denials. Among the races, both Black borrowers were denied at a rate of 61% due to credit history while White borrowers were denied at a rate of 52% due to credit history. Similarly, both female and joint borrowers experienced a 55% denial rate (males had a 54% denial rate) due to their credit history. Borrowers of all income levels incurred a denial rate in the 40s or above due to credit history. Credit history played the biggest role in home improvement loan application denials.

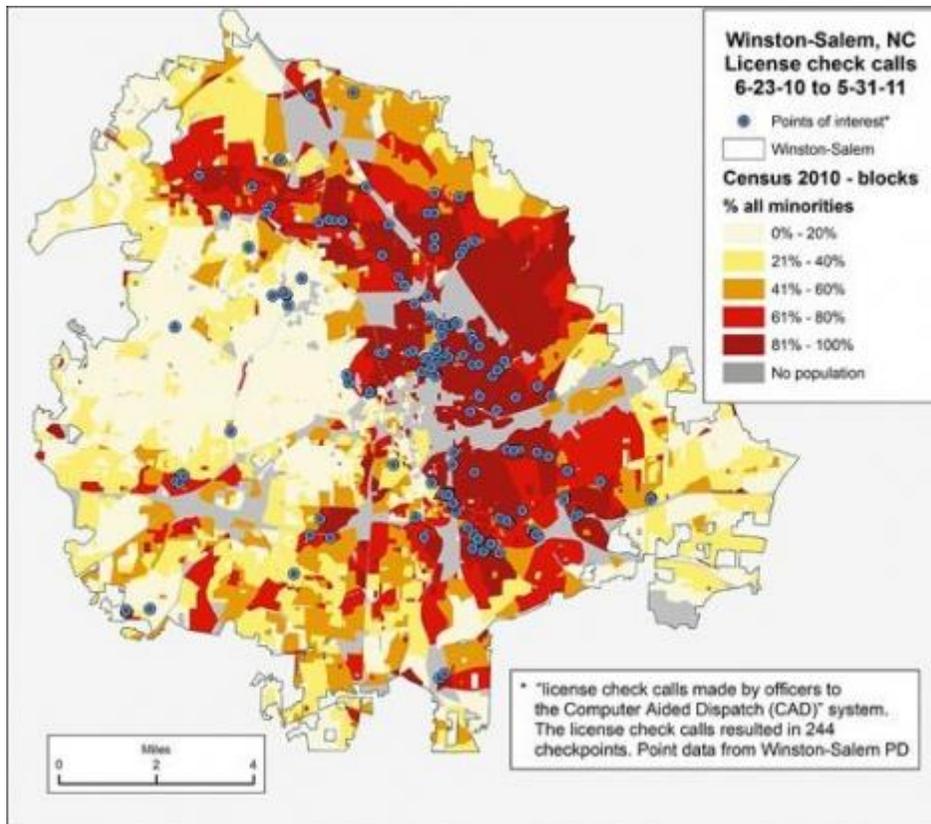
Denial of Applications to Refinance Loans – Winston-Salem MSA 2011

In 2011, the FFIEC reported 2,419 applications to refinance loans on 1 to 4- families and manufactured homes were denied in the Winston-Salem MSA. Of these 2,419 denials, 354 (14.6%) were incurred by African-American borrowers, and 1,682 (69.5%) were incurred by White borrowers. Furthermore, 310 (12.8%) could not be determined by race, and 71 (2.9%) were incurred by other races (including: American Indian, Asian, Pacific Islander, and multi-racial). Minorities (including Hispanics) incurred 531 (21.9%) denials, while White non-Hispanic borrowers experienced 1,568 (64.8%) application denials.

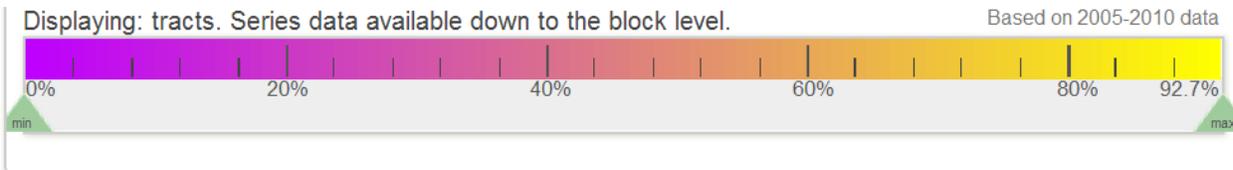
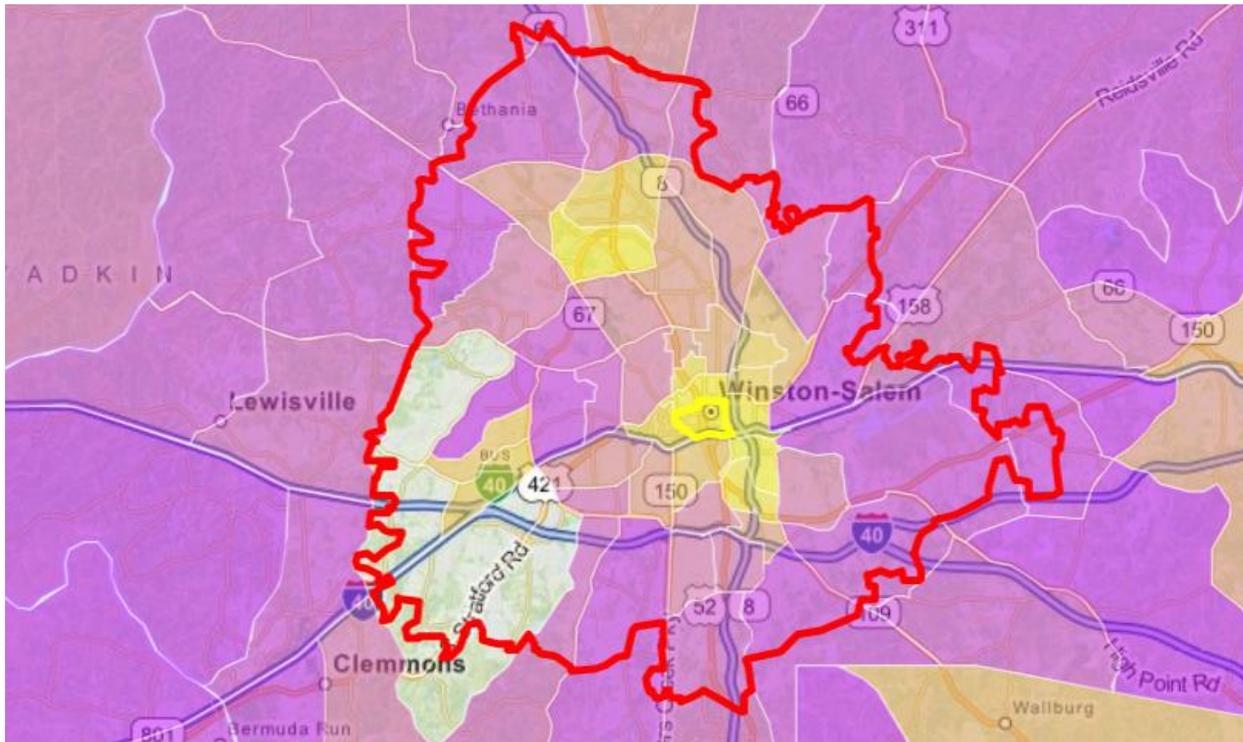
Summary of Reasons for Denial Rates

<u>Credit History</u>	<u>Debt-to-Income Ratio</u>	<u>Collateral</u>
Black/African-American- 29%	Black/African-American- 20%	Black/African-American- 8%
White- 29%	White- 22%	White- 14%
Hispanic/Latino- 26%	Hispanic/Latino- 21%	Hispanic/Latino- 18%
Non- Hispanic/Latino- 28%	Non- Hispanic/Latino- 21%	Non- Hispanic/Latino- 14%

***Winston Salem, Forsyth County Minority Population**



***Winston Salem, Forsyth County Renting Population**



Source: City-Data

NATIVE AMERICANS

The North Carolina Fair Housing Center conducted a survey of Native Americans through their tribal councils. Native American leaders were concerned that current methodologies would not capture a lot of their complaints because they are often listed as "other".

Native Americans may experience COLOR discrimination. Native Americans are often mistaken for persons of Middle Eastern descent or for Hispanics and are treated differently because of their color.

ASIANS

There are no reported cases where race alone was a factor for Asians. Most Asians filed complaints on the basis of their National Origin. There is no statistical evidence that indicates Asians are discriminated against by lenders.

RELIGION

During the past two decades, North Carolina, once commonly referred to as the heart of the Bible Belt, has experienced a growing diversity in religions and religious expression. This influx of new religions and cultures serves as a ripening basis for housing discrimination based on religion.

Winston-Salem has a growing population of the Islamic faith. Since the tragedy of September 11, 2001, members of the Islamic faith continue to report being subjected to unfair treatment and stereotyping in all social aspects of their lives. As the result of interfaith programming efforts by the Human Relations Department, staff has learned that many Muslims are continuously categorized as terrorist members of the extremist Al-Qaeda. This type of stereotyping continues to increase as the national “War on Terror” continues. Based on the housing discrimination caseload, none of these incidents were housing related or in Forsyth County.

The emerging presence of eastern religions continues to be relatively new for the majority of Winston-Salem residents. Over the past couple of decades, the prevailing eastern religion with which most residents are familiar is the Greek Orthodox faith. During the past several years, however, a burgeoning Ethiopian Orthodox population has grown significantly in Winston-Salem and the Triad at large. The Human Relations Department has conducted community outreach in order to educate the public about the differences in eastern religion and cultures. The hope is to thwart instances of housing discrimination based on religion.

The Human Relations Commission has received a number of inquiries and requests for technical assistance from housing providers around various rituals and requirements of tenants of certain religious affiliations. Many housing providers have adopted religious accommodation policies and procedures in an effort to address these issues. During the past ten years, the Human Relations Commission has received only one fair housing complaint based on religion, which constitutes less than 1% of total case load. Nationally, the trend is that 2.9% of all fair housing complaints are based on religion.¹⁶

As the eastern practice of feng shui continues to become popular in the United States, including Winston-Salem, more homebuilders are faced with accommodating homebuyers who wish to build houses based on the principals of feng shui. For many homebuyers, these principals have eastern religious roots. In contrast, some tenants wish to live in apartments or houses facing certain directions. Many Realtors and property managers in the Triad area have begun carrying compasses to accommodate these persons.

SEX

Housing discrimination complaints filed with the Human Relations Department often list sex, or gender, as a basis for discrimination in conjunction with another protected class. The most frequently protected class that is coupled with sex discrimination is race discrimination. In the majority of the cases, females who are African-American are filing these complaints.

The Human Relations Commission has noted that 18% of fair housing cases are based on sex discrimination. Although this number appears to be relatively low, current trends indicate a significant increase in the number of single female-headed households in Forsyth County. As this trend continues,

¹⁶ The National Fair Housing Alliance, 2012.

sex discrimination is likely to develop as a significant barrier to housing choice. The national trend for fair housing complaints based on sex/gender is 11.3%.¹⁷

Conventional home-purchase loan applications were distributed fairly evenly between males (29.6%), females (23.7%), and joint-couples (46.7%). Females constituted roughly a quarter (22.3%) of loans originated, while males accounted for 28.2 percent and joint borrowers 49.5 percent. However, males made up a higher proportion (36.2%) of application denials than both females (27.8 %) and joint borrowers (35.9%). This data is indicated in the following table:

Disposition for Conventional Home-Purchase Loans by Gender								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other ¹	\$000's
Male	862	130,800	548	91,736	168	18,788	143	20,276
Female	692	81,089	434	55,282	129	11,577	129	14,230
Joint Male/Female	1,360	269,578	961	198,917	167	25,926	232	44,735
Total	2,914	481,467	1,943	345,935	464	56,291	503	79,241
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Of the home improvement loan applications received in 2011, 33.8 percent (252) came from male borrowers, 28.9 percent (215) came from female borrowers, and 37.3 percent (278) from joint (male/female) borrowers. Of the total loans that originated, males accounted for 26.4 percent (93), females for 26.1 percent (92), and joint borrowers for 47.4 percent (167). Of the total loans that were denied, males accounted for 45.3 percent (128), females for 32.9 percent (100), and joint borrowers for 25 percent (76).

Within each respective gender, females incurred the *lowest* origination rate (26.1%) while males incurred the *highest* denial rate (45.3%). Conversely, joint borrowers incurred the *highest* origination rate (47.4%) as well as the *lowest* rate of loan denials (25%).

Disposition of Applications for Home Improvement Loans by Gender								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other ¹	\$000's
Male	252	11,642	93	6,667	128	3,411	31	2,124
Female	215	8,352	92	5,214	100	2,002	31	1,136
Joint Male/Female	278	22,326	167	15,606	76	3,053	35	3,667
Total	745	42,320	352	27,487	304	7,466	97	6,927
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

Refinancing by gender showed that 27.4 percent of all applications received came from male borrowers, 22.6 percent from females, and 50 percent from joint (male/female) borrowers. Furthermore, males comprised 24.8 percent of all loan originations, while females made up 20.5 percent, and joint borrowers 54.7 percent. Male borrowers comprised 31.4 percent of all loan denials, while females made up 26.4

¹⁷ Ibid

percent, and joint borrowers 42.1 percent. Within each gender grouping, joint borrowers accrued both the highest origination rate and the lowest denial rate.

Disposition of Applications to Refinance Loans by Gender								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other ¹	\$000's
Male	3,081	461,826	1,602	245,852	749	105,612	730	110,362
Female	2,549	302,186	1,321	155,663	630	73,289	623	72,234
Joint Male/Female	5,633	944,598	3,535	590,686	1,003	164,044	1,065	189,868
Total	11,263	1,708,610	6,458	992,201	2,382	342,945	2,418	372,464
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

NATIONAL ORIGIN

Language and culture serve as significant barriers to housing opportunity for persons of Hispanic/Latino background. Many Latinos come from countries where there was very little trust in government and there were often negative consequences for going to government agencies for assistance. This suspicion causes many victims of illegal discrimination to shy away from reporting violations to appropriate agencies. Language also serves as a significant barrier for many Hispanic/Latinos who have difficulty in understanding complex legal documents such as leases and mortgages that are often only available in English. Currently, there are 33,752 Hispanics/Latinos residing in Winston-Salem, composing 14.7% of the population.¹⁸

In response, Human Relations and its partners developed tenant-relevant information that was translated into Spanish and disseminated to all tenants. Shortly thereafter, it was discovered that the majority of the tenants were functionally illiterate in Spanish. As a result, the Human Relations Commission developed a television outreach program and newsletter entitled, “Tu Comunidad.” Tu Comunidad is aired in both English and Spanish on WSTV-13, the government channel on a quarterly basis. A newsletter version of the program is also disseminated on a quarterly basis. Tu Comunidad was initially received with outrage and anger by some in the community who felt that non-English-speaking Hispanics should learn English in order to understand city services and how to live within the requirements of the code of ordinances. However, Tu Comunidad has been well-received by most in the community, including the Hispanic community. Also, the Human Relations Commission hired three full-time bilingual Human Relations Specialists (Spanish speaking) who are either responsible for investigating housing discrimination complaints originating from Hispanic complainants or who can assist with such complaints. One of the three Specialists also serves as the Hispanic Outreach Coordinator who creates and addresses the need for public education regarding the Hispanic culture, in addition to conducting fair housing investigations. Another of the three Specialists focuses on the international community for outreach purposes.

Lakeside Apartments continues to be monitored given its past landlord/tenant issues with Hispanic residents. At Lakeside, approximately 95% of the tenants are Hispanic. Hispanic advocates continue to complain that the apartment units are deplorable and in violation of basic standards for human habitation. Human Relations has partnered with other city departments and the Mayor to create a line of communication between the property management and the tenants. It was quickly discovered that language was a primary barrier. It was also deduced that significant cultural differences constituted a

¹⁸ City-Data

large part of the issue. Specifically, the property management complained that as soon as they made repairs to the apartment units, tenants would not attempt to maintain or upkeep their homes. In contrast, Hispanic tenants communicated that they did not know or understand the rules for repairs and property maintenance.

Many times landlords refuse to carry out repairs and routine maintenance for immigrant tenants. Hispanic tenants are often segregated into mobile home parks that have failing septic systems and mobile homes that could not be placed in any manufactured housing park if that one is condemned. Hispanics are also subjected to different lease terms such as charging rent by the number of occupants. These serve as significant barriers to housing opportunity for Hispanics.

As a result of reports of housing discrimination against Hispanics, the Human Relations Commission partnered with Hispanic community activists and organizations to identify where the bulk of the alleged discrimination was occurring. It was quickly concluded that the vast majority of complaints stemmed from a housing community that was once historically considered African-American. This community, Lakeside Apartments, also happens to lie in the eastern part of Winston-Salem, which is also east of Hwy. 52, the perceived color line. This co-habitation of Hispanics and African-Americans resulted in increased tensions between the two. In response, the Human Relations staff developed an outreach program, "Beyond Soul and Salsa: African-American and Hispanic Relations," which was a series of forums designed to address issues of stereotyping that often resulted in potential housing discrimination allegations. The response to and interest in the series of forums proved to be beneficial and educational.

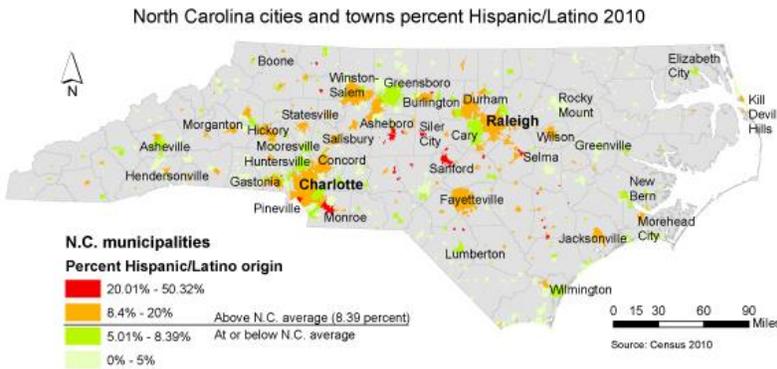
Over the past five years, the WSHRC has been heavily involved in investigating housing complaints originating from the Hispanic community. Five years ago, the majority of such complaints were reported by Hispanic community advocates and as non-formal complaints. Now, as a result of concentrated outreach and education efforts in the Spanish-speaking community, formal complainants are being filed by actual Hispanic alleged victims of discriminatory conduct. The most common complaints have been based on refusals of landlords to make repairs and limiting the number of people who can reside in a rental unit. As a result, most housing discrimination complaints filed with the WSHRC were based on national origin and familial status. In 2005-2006, there were no fair housing complaints filed based on national origin. However, in 2006-2007, 6% of fair housing complaints based on a single protected class were based on national origin. During that same year, 40% of fair housing cases were listed national origin as one of the protected classes. In contrast, during the 2011-2012 year, 90% of fair housing cases investigated were based on national origin discrimination, of which nearly 80% were filed by Hispanic complainants. The high number of filings from Hispanics primarily stemmed from multiple complainants who all resided in the same trailer park. The remaining 20% of those cases were filed by Asian complainants. These complaints all stemmed from multiple complainants who all resided within the same apartment complex. The WSHRC anticipates seeing a growing trend of more and more immigrants coming forward to assert their rights under fair housing laws. Therefore, the WSHRC has expanded its outreach and education efforts in the international community.

Hispanics and other immigrants also experience discrimination in the terms and conditions of occupancy. Specifically, during the FY 11-12 test audits conducted by Human Relations, 45% of tests suggested discrimination occurred based on national origin. The testers were of Hispanic origin. These testers were provided with different and variant information based on unit availability, terms, conditions, and privileges. For instance, Hispanic testers also noted that they were either questioned more extensively about their credit worthiness and family size or they were given limited information about how to acquire housing. These questions were not asked of the non-Hispanic testers. Therefore, it is more likely than not that stereotypes pertaining to Hispanic residents persist. It is also likely that other international populations experience similar types of stereotyping and possible discrimination.

Immigrants from different countries like India, Syria, Jordan, Palestine, Saudi Arabia, UAE, Egypt, Sudan, Morocco, Algeria, Tunisia, Bosnia, Afghanistan, Guyana, Pakistan, Somalia, Malaysia, and Ethiopia, have come to call Winston-Salem home. Over the past ten years, there have been 39 fair housing complaints filed from persons representing various immigrant communities. These complaints constitute approximately one third (32%) of all housing discrimination cases filed with the commission. The national trend for fair housing complaints filed based on national origin is 13.1%.

As more international persons immigrate to Winston-Salem, Human Relations staff expects to see this current trend of complaints based on national origin increase. As a result, Human Relations has hired a full-time employee who is responsible for conducting outreach to the international population in Winston-Salem. This employee’s position is 100% HUD-funded.

Hispanic / Latino population



As seen in the chart above, the Hispanic population has increased in Winston-Salem. As a result, Winston-Salem has become a popular city of choice for Hispanics in the state of North Carolina.

FFIEC data suggests that White, joint-couples identified as non-Hispanic/Latino experienced the highest rate of loan origination (71%) while male Hispanic borrowers had the least success (15.2%).

Disposition of Applications for Conventional Home-Purchase Loans by Minority Status						
Winston-Salem MSA, 2011						
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's
White Non-Hispanic	2349	406,169	1,667	301,200	288	36,939
Male	694	109,936	470	80,249	113	12,441
Female	522	64,413	352	46,582	70	6,339
Joint	1127	230,606	841	174,185	105	18,099
Others, Including Hispanic	396	53,874	216	33,992	119	12,742
Male	113	14,427	60	8,982	33	3,488
Female	129	12,519	68	6,947	46	4,204
Joint	151	27,575	86	17,785	39	4,975

¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness

Source: Federal Financial Institutions Examination Council

Disposition of Applications for Conventional Home-Purchase Loans by Ethnicity								
Winston-Salem MSA, 2011								
	Applications Received	\$000's	Loans Originated	\$000's	Applications Denied	\$000's	Other¹	\$000's
Hispanic or Latino	120	12,114	55	6,745	41	3,469	24	4,348
Not Hispanic/Latino	2,623	448,385	1830	328,812	364	46,112	429	73,641
Joint	23	4,220	15	2,691	4	1,041	4	505
Ethnicity Data N/A	351	47,737	177	29,568	84	9,334	90	8,835
Total	3,117	512,455	2,077	367,744	493	59,956	547	87,329
¹ Includes: Applications approved but not accepted, applications withdrawn, and files closed for incompleteness								
Source: Federal Financial Institutions Examination Council								

FAMILIAL STATUS

Large families continue to have difficulty finding affordable units in the Winston-Salem market. Over the past five years, the Human Relations Department has conducted investigations into allegations of discrimination based on familial status. The most common complaint is based on landlords imposing a different set of rules for children than adults for the full use and enjoyment of the rental property's amenities and facilities.

In 1999, The North Carolina Fair Housing Center conducted audits to determine the level and type of discrimination faced by families with children in the Winston-Salem rental market. Overall, the audit uncovered little evidence of widespread discrimination based upon familial status in the Winston-Salem rental market. The testing performed by the North Carolina Fair Housing Center found that testers with children experienced significant levels of discrimination in 34.7% of the tests completed.

Familial status discrimination tends to be overt; however, upon examining Human Relations case reports over the past ten years, only 11% of complaints filed were based on familial status. This indicates that many tenants may be unaware that familial status is protected under the law. It also possibly indicates that landlords may be using other reasons as pretext for treating families with children differently than those without children.

In 2006-2007, the case load did not include any fair housing complaints based solely on familial status. However, 40% of fair housing complaints filed based on more than one protected class named familial status as a basis. The current trend for fair housing complaints that are filed based on familial status is 16%.¹⁹

EMERGING ISSUE

The North Carolina Division of Aging has cited that the fastest growing household type in the state is that of the elderly head of household with children under age 18. This has grave implications for the future. Many of the households that fall into this category are low-income. Federal Law the Housing for Older Persons Act states that housing communities designated for persons 62 or older, and housing communities designated for persons 55 and older are exempt from the familial status provisions of the Fair Housing Act.

¹⁹ The National Fair Housing Alliance, 2012.

HANDICAP

Handicap is the legal term used under the Fair Housing Act. Handicap is defined as a person with a physical or mental impairment that substantially limits one or more major life activities or has a history of or is perceived to have such impairments. Major life activities include but are not limited to walking, talking, breathing, standing, ability to work, ability to care for oneself, and procreation.

The Human Relations Commission has received complaints of discrimination based on both physical and mental handicap over the past five years. The most common complaint has been based on tenants being denied their reasonable accommodation requests. In 2005-2006, 15% of the fair housing complaints received were based solely on disability. When examining cases that were based upon more than one protected class of persons, 25% included disability as a basis. In 2006-2007, 18% of the fair housing complaints received were based solely on disability. In contrast, fair housing complaints based on more than one protected class listed disability 10% of the time. Over the past ten years (2002-2011), the Human Relations Commission notes that 8% of its fair housing cases were filed based on handicap.

According to the National Fair Housing Alliance, the national trend for fair housing complaints based on handicap/disability is 46.5%.²⁰

DESIGN AND CONSTRUCTION REQUIREMENTS

The Federal Fair Housing Act requires that all ground floor units in covered multi-family buildings ready for first occupancy on or after March 13, 1991 and all units in buildings with elevators must meet seven accessibility requirements. The seven standards are as follows:

1. an accessible building on an accessible route;
2. accessible and usable public and common use areas;
3. useable doors;
4. accessible route into and through the covered dwelling unit;
5. accessible light switches, electric outlets, thermostats and other environmental controls in accessible location;
6. reinforced walls for grab bars;
7. Usable kitchens and bathrooms.

All ground floor units in covered multi-family buildings ready for first occupancy on or after March 13, 1991 are required to meet the above requirements. A covered multi-family building is comprised of four or more attached units.

In 1999, testing performed by the N.C. Fair Housing Center found that 92.5% of all buildings tested for compliance over a three-year period were out of compliance with the law. Identifiable needs for improvement included most of the seven standards referenced above. Evidence of illegal steering was noted in several of the audit reports. Based on the audit results, a number of enforcement actions were taken by the Winston Salem Human Relations Commission to increase the availability of housing for persons with disabilities. In addition, numerous training sessions were designed for architects, builders and developers in the Winston-Salem area. Testing in this area is being planned within the next two to three years.

²⁰ The National Fair Housing Alliance, 2012.

Information received from disability advocates in the Winston-Salem area indicate that there is still a shortage of accessible housing units in Winston-Salem and that there is still significant noncompliance although there has been some improvement. It was also reported that many persons with disabilities are faced with landlords' perceptions that a person with disabilities will require more attention than other tenants and are reluctant to rent to them.

VI. EMERGING ISSUES AND TRENDS

A. Sexual Orientation and Fair Housing

The U.S. Department of Housing and Urban Development (HUD) issued a rule in 2012 giving local Fair Housing Assistance Program (FHAP) agencies, such as the Human Relations Commission of the city of Winston-Salem, the authority to investigate fair housing discrimination complaints based on sexual orientation or gender identity, which includes lesbian, gay, bisexual and transgender people are among those who would be protected under the new rule.

The new ruling applies to recipients of HUD funds and to FHA-backed mortgage lenders. Such recipients include banks, public-housing complexes and homeless shelters, among other entities. The rule also covers how HUD-funded programs are monitored. If a violation is found, it would be treated as a HUD-program violation, not a violation of the Fair Housing Act. Regardless, they are all required to provide equal access to HUD-funded or HUD-insured properties, programs and services regardless of actual or perceived sexual orientation, gender identity or marital status.

As a result of HUD's new rule, Human Relations has the authority to refer cases originating from same-sex couples to HUD for investigation or to investigate allegations of discrimination based on gender. Although the new HUD ruling does not change the Fair Housing Act or the city's fair-housing ordinance, sexual orientation, gender identity, or sexual harassment discrimination can be considered gender discrimination, which is one of the seven protected classes under the fair housing laws.

Housing discrimination has been a problem nationwide for LGBT people, according to a study released last year by the National Gay and Lesbian Task Force and the National Center for Transgender Equality, both of which are based in Washington, D.C. Of the 6,500 respondents included in the study, one out of five reported being denied a home or apartment, and one out of ten reported being evicted because of their gender identity or expression. Advocates argue that such discrimination has a disproportionate impact on LGBT youth and results in many of them being homeless.

As the LGBTQIA population continues to become more comfortable with disclosing or openly expressing their sexual orientation, it can be reasonably expected that their community may experience increased discrimination in housing. Transgendered people and those not conforming to traditional gender identity appearances are particularly vulnerable to discrimination, including housing discrimination. As a result, this is a newly emerging area in the community of which both landlords and tenants need to be aware.

B. Domestic Violence and Fair Housing

HUD has issued guidance stating that victims of domestic violence can be discriminated against based on sex. The most vulnerable situation in which victims of domestic violence

may experience discrimination includes when a victim is seeking the rental of a home. Discrimination is often based on the gender stereotypes of battered women. Common stereotypes include that victims of domestic violence are too troublesome to have as tenants because their abusers will follow them, that property will be destroyed as a result of renting to victims of domestic violence, that renting to victims of domestic violence means that the police will always be called to the property or unit, and/or that domestic violence victims cause their own abuse and could end it if they wished. Basing a victim's eviction or treatment on those stereotypes would be discrimination based on sex under fair housing laws. Specifically, policies prohibiting renting to domestic violence victims are discriminatory despite a neutral or non-discriminatory intention. Since statistics show that 95% of domestic violence victims are women, policies that have a negative impact on domestic violence victims have a disparate impact on women.

Statistics also show that victims of domestic violence are often racial minorities, primarily African-Americans, Hispanics, and Native Americans. All victims falling into any of these categories could base a claim of discrimination on race or national origin, in addition to sex/gender. As the most recent census shows, our community continues to become more and more racially and ethnically diverse; therefore, it can be reasonably anticipated that these newly-emerging populations will be subject to some forms of discrimination, including victims of domestic violence who tend to be racial minorities and of international populations.

As a result, this is also a newly emerging area in the community of which both landlords and tenants need to be aware.

VII. CONCLUSIONS AND RECOMMENDATIONS

A. Updates on Recommendations and Conclusions for Previously-Identified Barriers

1. Continue to provide effective enforcement of Fair Housing Laws.

Over the past three years, the Human Relations Commission has exceeded previous case load statistics. The Commission launched and implemented a print and media campaign to provide education and outreach to a variety of residents from various national, ethnic, and socio-economic backgrounds.

2. Continue to work with other governmental and nonprofit agencies to develop programs to alleviate discrimination and further Fair Housing.

The Commission worked closely with the Winston-Salem Regional Association of Realtors, particularly the Property Management and Cultural Outreach Committees, to provide technical assistance and training to industry professionals on Fair Housing issues. It also works closely with other city departments, such as Neighborhood Services, Housing and Neighborhood Development, Marketing and Communications, the Office of the Mayor, and the Winston-Salem Police Department in order to communicate city residents' rights and responsibilities in both English and Spanish through outreach forums and the city's the government channel, WSTV-13.

3. Review survey results that were conducted through outreach and education in the Hispanic community to determine what is driving current housing patterns.

Surveys were conducted of the Hispanic community by a private consultant hired by the city. The survey information revealed how Hispanic residents perceived their community, what made the community attractive to them, and what could be done to encourage greater housing choice for this community. The results indicated the need for a more hands-on approach to educating and getting to know the Hispanic community at large, in order to foster a sense of mutual trust and respect. As a result of the survey results, Hispanic outreach programs such as the Beyond Soul and Salsa race relations series, the renters' educational video, the Fiesta Hispanic Festival, and the Tu Comunidad Spanish television program were implemented in order to have direct, non-threatening contact directly with the community to identify cultural and housing barriers. Human Relations also conducted national origin testing during the 2011-2012 fiscal year to further identify and address Hispanic housing patterns. Based on preliminary test results, the Hispanic community is not receiving equal housing opportunities.

4. *Conduct lending and sales baseline audits to determine what role unlawful discrimination plays in the lower homeownership rates experienced by African-Americans.*

Human Relations focused on fair lending education during its annual Fair and Affordable Housing Summit for two consecutive years. The Summit is a tool for educating lenders, Realtors, housing agencies, home builders, and local government regarding fair housing and lending laws. Human Relations partnered with several housing industry organizations, including the Winston-Salem Regional Association of Realtors, when sponsoring the Summit each year. Human Relations also supported the annual American Dream Weekend, which is conducted by the Winston-Salem Regional Association of Realtors. This program was aimed at first-time homebuyers and provides a one-stop-shop for them to learn their credit score, seek financing, and learn about affordable housing choice programs and communities. Human Relations also launched fair lending discrimination commercials in the immediate television market. Human Relations also conducted testing during the FY 2011-2012 calendar year. Fair lending will be the focus of upcoming testing phases.

5. *Conduct a study of the appraisal industry in the Winston-Salem Forsyth communities to determine what role unlawful discrimination plays in the lower housing values of African American.*

Human Relations discusses the illegality of steering during its annual Fair and Affordable Housing Summit. The Summit is a tool for educating lenders, Realtors, housing agencies, home builders, and local government regarding fair housing and lending laws. Human Relations partnered with several housing industry organizations, including the Winston-Salem Regional Association of Realtors, when sponsoring the Summit each year. Human Relations also supported the annual American Dream Weekend, which is conducted by the Winston-Salem Regional Association of Realtors. This program was aimed at first-time homebuyers and provides a one-stop-shop for them to learn their credit score, seek financing, and learn about affordable housing choice programs and communities.

6. *Continue to support financial literacy, first time homebuyer programs and anti-predatory lending campaigns in the community.*

Human Relations discusses the illegality of steering during its annual Fair and Affordable Housing Summit. The Summit is a tool for educating lenders, Realtors, housing agencies, home builders, and local government regarding fair housing and lending laws. There are a number of active public private partnerships in the Winston-Salem community aimed at reducing the number of borrowers who enter the sub-prime market or who are susceptible to predatory loans. Winston Salem serves as a Regional Banking Center and benefits from the substantial community investments of BB&T and Wachovia Bank. As a result, Human Relations created the Fair and Affordable Housing Summit. This annual program has been a huge success since its implementation four years ago. Housing professionals from all industries gather to discuss housing trends, policies, legislation, and barriers to fair and affordable housing in Forsyth County and state-wide. Human Relations also supports the annual American Dream Weekend, which is conducted by the Winston-Salem Regional Association of Realtors. This program is aimed at first-time homebuyers and provides a one-stop-shop for them to learn their credit score, seek financing, and learn about affordable housing choice programs and communities.

7. *Continue to conduct education and outreach activities to the Muslim and Middle Eastern Communities.*

It is important for the community to inform them of their Fair Housing rights under the law. In order to build trust between the government and this community, Human Relations continued to develop its Interfaith Committee and created programs that unite all major faiths for dialogue, such as “I Have a Question About...Islam,” and “I Have a Question About...Judaism.” Both programs resulted in standing-room-only audiences who had an opportunity to have their stereotypes, perceptions, and questions answered by expert panelists representing the respective religions. Human Relations also created a Global Festival Series that spotlighted a different emerging culture in the city and introduced food, music, clothes, and dance to the community from that particular culture.

8. *Continue to implement strategies concentrating on increasing local activities to identify and reduce barriers to fair and affordable housing choices in all areas of the City.*

The City offered a number of activities to increase the availability of affordable housing opportunities throughout the Winston-Salem/Forsyth area. The City has developed programs to preserve existing housing stock throughout the community in an effort to keep units affordable.

Finally, the City co-trained with local homeownership agencies to provide fair housing law information while supporting housing opportunities through financial literacy, credit counseling and rental assistance.

B. Recommendations and Conclusions for Currently Identified Barriers

1. *Educate community-at-large regarding the illegality of steering.*

Human Relations will continue working with television, radio, and print media in order to educate all segments of the community regarding the illegality of steering.

- 2. Focus on developing new outreach for the international populations in order to educate them about national origin discrimination.*

Human Relations has developed a grant-funded position to assist in developing and implanting engaging new forms of outreach for international populations. One such program is the International Village at the City's Rock the Block festival. During this program, materials will continue to be disseminated to the general public regarding fair housing discrimination.

- 3. Develop outreach and marketing information for victims of domestic violence in order to educate them about their possible legal protections under the fair housing laws.*

Human Relations will continue its new partnership with Legal Aid and Family Services, Inc. to develop creative ways of reaching out to victims of domestic violence as well as to housing providers to educate them about HUD's new guidance and regulation concerning domestic violence and fair housing.

- 4. Identify partner agencies in LGBTQIA, immigrant, and domestic violence communities to pro-actively identify and address barriers to fair and equal housing opportunity.*

Human Relations will continue developing and forming partnerships with existing and emerging organizations within the community that address barriers and discrimination in the areas of LGBTQIA, immigrant, and domestic violence.

- 5. Continue fair housing testing within the local community until all protected classes have been tested.*

Human Relations plans to continue with multiple phases of testing over the next five years that will cover all seven of the protected classes of persons under the Fair Housing Act.

- 6. Develop creative media campaigns using social media, television, radio, and print media in order to reach younger segments of the community who are often not targeted for education awareness.*

Human Relations will work with the city's Marketing and Communications Department and the College Advisory Board to educate the young adult population who may be first-time homebuyers or renters regarding their rights under fair housing laws.

- 7. Continue to support and/or implement strategies concentrating on increasing local activities to identify and reduce barriers to fair and affordable housing choices in all areas of the City.*

The City will continue to offer a number of activities to increase the availability of affordable housing opportunities throughout the Winston-Salem/Forsyth area. Affordable housing initiatives will be developed and successful affordable housing initiatives will be cultivated and continued. The City will continue to work with and encourage local lending and banking institutions to be mindful of identifying and implementing programs and loan review policies that are equitable and fair to all segments of the community. The City will also continue developing programs to preserve existing housing stock throughout the community in an effort to keep units affordable.

Appendix A

Relevant Civil Rights Laws

Civil Rights Act of 1866

The Civil Rights Act of 1866 prohibits all racial discrimination in the sale or rental of property.

Section 1982

Section 1982 of Title 42 of the U.S. Code—part of the Civil Rights Act of 1866—protects citizens of the United States from racial discrimination in, among other things, private and public rental housing. Although Hispanics are not technically a race (the group consists of many races), the statute prohibits discrimination against Hispanic citizens in rental housing because Section 1982 defines racial discrimination as Congress considered it in 1866. Thus Section 1982 protects citizens against discrimination based not only on racial characteristics but also on ethnic characteristics and ancestry that were considered racial in the nineteenth century. Hispanics were considered a race in 1866.

Section 1981

Section 1981 of Title 42 of the U.S. Code—another part of the Civil Rights Act of 1866—prohibits discrimination based on race in the making of contracts. Section 1981 grants to all people the same rights as “white citizens” to make and enforce contracts. The statute is broad enough to cover housing discrimination cases alleging refusal to rent or to grant privileges that normally accompany rental contracts. Section 1981 applies to private as well as public discrimination. Like Section 1982, Section 1981 protects all people who were considered to be nonwhite in 1866. Section 1981 is broader than Section 1982, however, because it protects all people (including aliens), not just citizens.

The Equal Protection Clause

The Equal Protection Clause of the U.S. Constitution requires courts to scrutinize strictly any governmental distinctions based on “suspect classifications,” which include race, national origin, and alienage (whether or not a person is a citizen). To recover monetary damages for a violation of the U.S. Constitution, a plaintiff must sue under the Civil Rights Act of 1871, which is codified as Section 1983 of Title 42 of the U.S. Code. The purpose of Section 1983 is to allow people to seek compensation from local governments for violations of federally protected rights. A plaintiff may sue a private defendant under Section 1983 only when some nexus, or connection, exists between the private defendant’s action and the state. In other words, there must be some governmental, or state, action. The mere fact that a private landlord has received federal or state funding or is subject to heavy governmental regulation may not by itself provide a sufficient nexus for the court to find state action under Section 1983. The lower courts are in conflict about whether there is sufficient governmental action when a private landlord participates in the federal Section 8 program under Section 1437 of Title 42 of the U.S. Code, which provides vouchers or certificates for low-income people, to subsidize the cost of private rents.

North Carolina Fair Housing Act

The state Fair Housing Act (Chapter 41A of the North Carolina General Statutes) makes illegal the same actions as the federal Fair Housing Act. The protected classes are race, color, sex, national origin, handicapping condition, and familial status. The state Fair Housing Act designates the North Carolina Human Relations Commission, which was created in 1963 to promote civil rights and equal opportunities for North Carolina residents, as the enforcing agency.

The Equal Credit Opportunity Act

The Equal Credit Opportunity Act makes discrimination unlawful with respect to any aspect of a credit application on the basis of race, color, religion, national origin, sex, marital status, age or because all or part of the applicant's income derives from any public assistance program.

Americans with Disabilities Act

Title III of the Americans with Disabilities Act prohibits discrimination against persons with disabilities in places of public accommodations and commercial facilities.

FAIR HOUSING ACT

Summary

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).

What the Fair Housing Act Prohibits

In the Sale and Rental of Housing: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap:

- Refuse to rent or sell housing
- Refuse to negotiate for housing
- Make housing unavailable
- Deny a dwelling
- Set different terms, conditions or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Falsely deny that housing is available for inspection, sale, or rental
- For profit, persuade owners to sell or rent (blockbusting) or
- Deny anyone access to or membership in a facility or service (such as a multiple listing service) related to the sale or rental of housing.

In Mortgage Lending: No one may take any of the following actions based on race, color, national origin, religion, sex, familial status or handicap (disability):

- Refuse to make a mortgage loan
- Refuse to provide information regarding loans

- Impose different terms or conditions on a loan, such as different interest rates, points, or fees
- Discriminate in appraising property
- Refuse to purchase a loan or
- Set different terms or conditions for purchasing a loan.

In Addition: It is illegal for anyone to:

- Threaten, coerce, intimidate or interfere with anyone exercising a fair housing right or assisting others who exercise that right
- Advertise or make any statement that indicates a limitation or preference based on race, color, national origin, religion, sex, familial status, or handicap. This prohibition against discriminatory advertising applies to single-family and owner-occupied housing that is otherwise exempt from the Fair Housing Act.

ADDITIONAL PROTECTION IF YOU HAVE A DISABILITY

If you or someone associated with you:

- Have a physical or mental disability (including hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex and mental retardation) that substantially limits one or more major life activities
- Have a record of such a disability or
- Are regarded as having such a disability

your landlord **may not:**

- Refuse to let you make reasonable modifications to your dwelling or common use areas, at your expense, if necessary for the disabled person to use the housing. (Where reasonable, the landlord may permit changes only if you agree to restore the property to its original condition when you move.)
- Refuse to make reasonable accommodations in rules, policies, practices or services if necessary for the disabled person to use the housing.

**EMERGENCY SOLUTIONS GRANT POLICIES AND
PROCEDURES**

Emergency Solutions Grants (ESG) Policies and Procedures

ESG Assistance to Participants

a. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

- Rapid Re-housing Program participants must be homeless as defined by HUD with a priority given to those who are currently either in shelter or living in a place not fit for human habitation.
- Rapid re-housing and prevention program participants must have an annual income below 30 percent of median family income for the area, as determined by HUD. Outreach and shelter participants are not subject to an income limit.
- The participant is subject to an initial assessment prior to assistance.
- Participants must agree to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability, unless prohibited by the Violence Against Women Act of 1994 or the Family Violence Prevention and Services Act.
- Participants must agree to participate with the subrecipient in developing a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area.

b. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

The Continuum of Care system will use coordinated intake and assessment, which will apply to all persons entering shelter. Rapid re-housing cases will be reviewed by a multi-agency team prior to acceptance. Participants in each case will be assessed for needs and assisted in accessing all mainstream services they need and for which they are eligible. All ESG subrecipients must enter data into the Homeless Management Information System (HMIS), which facilitates coordination of services. Program policies and progress will be reported to the Council on Services for the Homeless and the Ten Year Plan Commission on Homelessness.

c. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Rapid re-housing assistance will be targeted to persons in Category 1: Literally Homeless. However, persons fleeing or attempting to flee domestic violence also will be eligible for rapid re-housing assistance, in cases where the individual or family also meets the criteria for Category 1. Persons served in emergency shelters under ESG may come from any of the four eligibility categories. Prevention assistance will not be funded with ESG funds in FY14.

Rapid re-housing assistance will be available to those who are literally homeless (in shelter or on the streets). Consistent with goal one of *Opening Doors*, the list of most vulnerable homeless persons established during the point-in-time count will be utilized to target outreach to chronically homeless persons to reduce the chronically homeless shelter and street population. In addition, consistent with goal three of *Opening Doors*, ESG re-housing funds will be available as a tool for progressive engagement with families with children, including both those families who are chronically homeless and those who are not chronically homeless. Among these priorities, assistance will be provided on a first-come, first served basis, subject to referral by shelter and street outreach staff.

An income and barrier assessment will be used to determine whether persons and families have other resources and support systems to move them from homelessness. The program will assist only those for whom the assessment determines that they will continue to be homeless without the ESG re-housing assistance. Documentation of homeless eligibility for ESG services and assistance will be accomplished using forms provided by the North Carolina Department of Health and Human Services, or substantially equivalent forms.

d. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

Each case will be evaluated for feasibility, based on program resources. Upon program entry, program assistance may cover the costs of up-front assistance for rental application fees, moving and storage, rental and utility arrears and rental and utility deposits. ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants. ESG funds may pay for a security deposit that is equal to no more than 2 months' rent. If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.

ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance (per utility) within any 3-year period. ESG funds may pay for a standard utility deposit required by the utility company for all customers.

ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving housing location assistance and/or housing stability case management under the program and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

Clients shall pay an increasing share of their housing costs until they are responsible for the full amount of housing costs. The participant's assumption of housing cost responsibility shall be assessed monthly in consultation between the participant and the case manager, and the participant shall pay the maximum amount of housing costs allowed by their income. At all times, the participant will be expected to pay the maximum amount possible towards their rent and utility obligations that allows them to achieve their housing stability goals as determined in their case plan. Other provisions above notwithstanding, no participant may receive rental and/or utility assistance in more than 24 months in any three-year period.

The rental assistance paid by the program must be based on an amount of rent that does not exceed HUD's Fair Market rents, adjusted for bedroom size.

For participants facing eviction for not paying their share of rent and/or utilities while in the program, the housing stability plan must be re-evaluated. Any participant who does not make progress on their housing stability plan may be terminated from the program, subject to following the termination procedures described below.

If a program participant violates program requirements, the program may terminate the assistance in accordance with the formal process to be established for the program. The program must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, will consist of: (1) Written notice to the program participant containing a clear statement of the reasons for termination; (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and (3) Prompt written notice of the final decision to the program participant. (c) Termination under this section does not bar the program from providing further assistance at a later date to the same family or individual.

e. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

Section (d) above describes how long assistance will be provided and how it may be adjusted over time.

f. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance; or the maximum number of times the program participants may receive assistance.

Section (d) above describes how long assistance will be provided and how it may be adjusted over time.

Performance Standards

Performance in the Continuum of Care system will be evaluated based on length of stay, returns to homelessness and new incidences of homelessness. Specific projects are expected to be evaluated based on placement of participants into permanent housing, housing stability and increases in overall income of participants. Standards will be modified as necessary as HUD publishes reporting requirements for the ESG Program.

Consultation

The Winston-Salem/Forsyth County Continuum of Care (CoC) is designated by HUD as Continuum of Care NC-500. The lead decision-making group of the CoC is the Winston-Salem/Forsyth County Council on Services for the Homeless (COSH), of which the City is a member and a member of the Executive Board. The COSH includes all provider agencies, consumers and other stakeholders and interested parties, with a total of 45 agency members as well as other individual members. The COSH also includes a Homeless Caucus comprised of homeless and formerly homeless persons. The COSH Executive Board includes representation of shelters for all homeless populations, consumers, volunteers, the Ten Year Plan to End Chronic Homeless, the Housing Authority, and local government. The city/county Ten Year Plan Commission on Homelessness also works closely with the CoC, sharing several members with the COSH. The COSH meets semi-monthly, and its Executive Board meetings monthly. All ESG funding recommendations are developed by a CoC Rating Panel appointed by the COSH. Pursuant to the Continuum of Care Interim Rule, the CoC will develop a formal governance structure by August 30, 2014, which will include a board, charter and written policies. The City conducts an ongoing consultative process regarding ESG and CoC policies and procedures through the COSH and its committees.

CITIZEN PARTICIPATION PLAN

HOUSING AND COMMUNITY DEVELOPMENT CITIZEN PARTICIPATION PLAN

(Effective July 1, 2013)

Winston-Salem/Forsyth Housing Consortium

City of Winston-Salem
Community and Business Development Department
100 East First Street, Suite 423
Winston-Salem, NC 27101
(336) 727-8000

Forsyth County Department of Housing
201 North Chestnut Street
Winston-Salem, NC 27101
(336) 703-2680

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I. INTRODUCTION

Citizen Participation (CP) is viewed basically as a communication process in which a beneficial exchange of ideas will occur among citizens, their Council Member, and City staff. The following plan outlines the Citizen Participation process in Winston-Salem's Consolidated Plan process in implementation of the Community Development Block Grant (CDBG), HOME Investment Partnership, Emergency Solutions Grant, and overall housing programs.

The Consolidated Plan is the basis of eligibility for federally funded entitlement and competitive programs designed to address the needs of the respective community and, as stated in the Housing and Community Development Act of 1974, to obtain "...viable urban communities, by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income."

Since the early 1980s, the City of Winston-Salem has provided local funds to supplement federal resources in implementation of redevelopment activities and housing stimulation programs. The scope and focus of priority activities continue to be in the areas of:

- Neighborhood Redevelopment - including acquisition, relocation, clearance
- Neighborhood Revitalization and Housing Development
- Housing Rehabilitation
- Economic Development
- Homelessness

II. GOALS OF THE CITIZEN PARTICIPATION PLAN

- A. To provide for continuous involvement of citizens in all aspects of the Housing and Community Development (CD) program, including identification of community development needs, review of proposed activities, and assessment of program performance.
- B. To enable the City to respond to the needs of its citizens through Housing and Community Development programs, policies, and plans.
- C. To encourage citizens, particularly low and moderate income persons, residents of blighted neighborhoods, and members of minority groups to submit their comments, questions and proposals regarding the City's Housing and Community Development program.
- D. To help City residents to become better informed about and more involved in the Housing and Community Development program and City government as a whole.

III. THE PARTICIPATION PROCESS

A. Two Levels

The citizen participation process is conducted at two levels: community-wide and in neighborhoods where development activity is proposed or underway. The community-wide process centers around official public hearings before the annual submission statement is adopted, and citywide forums for citizens and City officials to discuss community development and housing issues at various stages of the program.

The neighborhood process involves citizens through organized neighborhood associations, where they exist, and periodic neighborhood meetings where there is no organization. Neighborhood associations give citizens a stronger, collective voice and provide a democratic, on-going body to participate in advising the City's programs.

B. Advisory Role of Participation Process

The role of the citizens and organizations in the process is advisory to staff and the City Council. This includes activities such as working with staff to develop neighborhood plans, monitoring and assisting in implementation, evaluating program results, and participating in neighborhood meetings.

The fundamental policy-setting and decision-making role in Housing and Community Development, as in any other City activity, lies with the City Council. Through the participation process, citizens advise and inform the staff; the staff, in turn, takes citizens' views, statements, proposals, and opinions, applies these to its own analysis of problems, issues, and needs, and recommends a program of activities and projects. In essence, the staff advises the City Council on the program that best addresses the community's needs as perceived by citizens and as derived from an examination of data and trends. Ultimately, the participation process is a political process involving citizens with their elected officials, since the Council makes the final decisions.

C. The Citizen Participation Process Cycle

Although much involvement occurs around the preparation of the City's Consolidated Housing and Community Development Plan for funds from the U. S. Department of Housing and Urban Development (HUD), the planning process is a continuous cycle. Soon after the beginning of each program year in July, the preliminary planning for the following year begins with the review process, which is a continuous cycle with participation encouraged in all stages. Agency consultations are also a part of the ongoing process that includes service providers, advocacy groups and coordinating bodies responsible for providing services, especially to populations with special housing needs.

The CP Process cycle includes involvement of citizens in:

1. Identification of the community development and housing needs of the City. As the initial step in the development of the Consolidated Plan, this shall include at least one public hearing, which will be advertised at least two weeks prior to the hearing.
2. Development of the annual Consolidated Housing and Community Development Plan as an overall strategy, and the setting of priorities for funding.
3. Planning the City's annual Housing and Community Development Program.
4. Preparing project plans and budgets.
5. Implementation of the Housing and Community Development Program's projects and activities.
6. Assessment of the City's performance on the program.
7. Creating new proposals and programs.
8. Refining the Citizen Participation process and updating the CD Plan.

D. Neighborhood Participation

1. General Planning Input

The Community and Business Development (CBD) staff will work with existing and potential CD project neighborhoods through neighborhood associations where such organizations exist. In project neighborhoods without a formal association, the staff will encourage residents, owners, and businesses to form an organization. The Community Services Division of CBD and Neighbors for Better Neighborhoods will assist residents in forming an organization.

The City may hold periodic neighborhood meetings to involve area residents in the funded program and to hear their views and proposals. Here again, the main lines of communication with elected officials and City staff will be open. The City's operating staff will hear views, criticisms, and opinions whenever they are in the neighborhood working with individual citizens.

The concentration of neighborhood-level participation efforts on CD project neighborhoods should achieve the objective of involving people most likely to be affected by the program and low and moderate income people.

2. Community and Business Development Department – Support of Neighborhoods

Community and Business Development and Community Assistance Liaison

staff continues to work with the 111 neighborhood associations currently identified within the city, serving as liaisons between the associations and the city relative to the effective delivery of city services. One Community and Business Development staff person is assigned to work with citizens throughout the City on neighborhood improvement projects. There are five Community Assistance Specialist positions that have been created to be liaisons between City government and citizens. Each Community Assistance Liaison is responsible for a quadrant of the city that corresponds to two wards. Liaisons proactively identify citizen issues and concerns, and respond directly to citizens rather than acting as a referral service, or work with City departments to resolve them.

Most of the associations hold regularly scheduled monthly meetings during which concerns are expressed and addressed by staff. If resolutions are not immediately reached, referrals are made by staff to the appropriate city department and are followed up on to insure that the concern is addressed. The association requests to have a response to said concern that either resolves the issue or explains why it cannot be resolved immediately or within the ten-day time frame. This insures that an association receives a response within a reasonable amount of time. On those issues that cannot be resolved immediately, staff is responsible for monitoring the department, agency or organization to insure that the concern is not forgotten and that it is resolved at some point.

Various city departments are invited to attend the meetings, particularly if a concern is in their area of expertise. Community and Business Development and Community Assistance Liaison has particularly developed a close working relationship with the Police Department. Several neighborhoods have expressed concerns regarding residences being used for illegal purposes (sale of drugs, disturbances, etc.). These property addresses are relayed to the Police Department to be monitored and appropriate action taken. In addition, staff has aggressively pursued code enforcement as a means to address vacant properties which have become problem spots within neighborhoods. The Community and Business Development Department resolves many concerns relating to the environment, housing, and abandoned vehicle issues as neighborhoods request.

They attend these meetings, recording concerns expressed and providing follow up to insure the concerns are addressed. Often the concerns that cannot be addressed by existing programs or services become the basis for program development and are used as input indices of community needs. The use of regularly scheduled neighborhood meetings is additionally utilized to provide program information, status reports of projects in process (or not in process and the reasons or circumstances); and receive input from citizens regarding city proposal for programs and activities. The number of residents who are reached through this process substantially far exceeds the number that are generally attracted to citywide meetings.

Community and Business Development Department will feature a Neighborhood News page consisting of information submitted from various neighborhoods on their activities, successes, or problems they face. Current distribution is state-wide (over 300 copy circulation), thus the public is kept informed about neighborhoods and their activities (networking).

The local television station is used to promote and advertise upcoming events and staff has appeared as guests of neighborhood associations on programs discussing topics relating to city services and the city's overall efforts to provide good customer service.

E. Citywide Participation

The citywide process consists of public hearings and information forums, over and above the other available lines of communication.

1. Public hearings will be held at two points within each budget preparation cycle.

a. At the beginning of the budget preparation cycle, a hearing will be held to review past program performance, to obtain citizens' views on community development and housing needs and general strategic priorities for funding and gather citizens' views on the City's program achievements.

All comments received will be considered in the preparation of the Plan, and a summary of such comments and the City's response will be included in the final submission document.

b. After staff has drafted the proposed Annual Plan, a second public hearing will be scheduled for Plan consideration by the City Council and submission to HUD. The draft plan will be available for public review and comment for thirty (30) days prior to submission.

All public hearings will be advertised in local newspapers of general and minority community circulation at least two (2) weeks prior to the scheduled date, on the City Government Information television channel, WSTV-13, and on the City's website.

All public hearings will be held at locations providing accessibility for the mobility handicapped. All requests for appropriate auxiliary aids and services, such as an interpreter for the hearing impaired, must be made 48 hours prior to the public hearing. Persons requiring TDD service may call 1-800-735-8262 for Voice to TDD or 1-800-735-2962 for TDD to Voice. City staff will provide a translator for non-English speaking residents should the need arise and if notified 48 hours prior to the hearing. The CBD and Human Relations Departments have bilingual English-Spanish staff.

2. Agency Consultation Process

Community and Business Development staff regularly meets with a number of local, regional and statewide housing, social service, business, educational, economic development, and faith-based agencies to determine the housing and community development needs of specific populations and groups. Staff also provides technical assistance, where needed, and serves as a liaison between these agencies and other city departments. Periodically, the City will convene agencies to share information, develop more effective programs, and increase collaboration.

3. Continuum of Care

As the Collaborative Applicant for the Winston-Salem/Forsyth County Continuum of Care, CBD staff regularly meets with homeless service providers and other entities that address issues related to homelessness to discuss use of Continuum of Care and Emergency Solutions Grant funds. Staff also works with the Ten-Year Plan Commission to End Homelessness.

4. Public Housing Residents

The Community and Business Development Department works closely with the local Housing Authority to define and address the housing needs of its residents. Staff encourages the involvement of public housing residents in the citizen participation process through the provision of technical assistance to tenant associations and conducting special neighborhood meetings within each public housing development to assure that residents are aware of the Housing and Community Development Program's planned activities and benefits.

5. Informal Discussions

Community and Business Development staff is continually involved in community-wide meetings throughout the year and may hold informal discussion groups to review CD and housing questions. The views expressed at these discussions are considered when planning occurs.

Although such discussions are valuable, the Community and Business Development Department is most interested in planning and sharing ideas at the neighborhood level. We encourage each neighborhood interested in Housing and Community Development to discuss their needs and ideas with us at any time. Also, Community and Business Development staff is available to provide technical assistance to neighborhoods upon request.

6. Annual Performance Report

The Consolidated Annual Performance and Evaluation Report (CAPER) is a summary of Community Development Block Grant, HOME, and Emergency

Solutions Grant program accomplishments for the past fiscal year.

Prior to its submission to HUD, citizens will have an opportunity to review and comment on the CAPER. A public notice advertising the availability of the CAPER will be published in local newspapers of general and minority community circulation at least fifteen (15) days prior to submission of the CAPER. Copies of the draft document will be provided for public review at the offices of the Community and Business Development Department and posted on the City's website. Written comments must be addressed to Director, Community and Business Development, P.O. Box 2511, 100 E. First Street, Suite 423, Winston-Salem, NC 27102. Staff will respond to written comments within ten days of receipt. A summary of all comments and responses will be attached as a part of the final CAPER submission to HUD.

F. Amendments to Consolidated Plan

From time to time, it is necessary to amend portions of the Consolidated Plan. Funds may be moved between budget line items within an authorized program/project with approval of the City Manager and Budget Office, i.e. moving Rehabilitation program funds between citywide and emergency repair. Funds that are moved between programs and/or projects for activities that are included in the approved Annual Plan are subject to authorization by the City Council through an ordinance of the Budget Office, for example, between infrastructure and rehabilitation. Amendments to fund programs and/or projects for activities that are not in the approved Annual Plan, to change the purpose, scope location or beneficiaries of an activity, or cumulative amendments that exceed 10% of the Housing and Community Development Budget for the Year are substantial amendments and require a Program Amendment process that includes public notice, a public hearing, approval of the City Council and submission to the U. S. Department of Housing and Urban Development.

G. Displacement Policy

Minimizing displacement is inherent in the Conservation and Neighborhood Revitalization goals and strategies of the current and prior Five-Year Consolidated Plans. The objective is attained through the community planning and review process through which projected displacement requires justification and incorporation as an element of project feasibility assessment. Some Housing and Community Development activities require the displacement, or relocation, of a person or household. Displacement is generally permanent (but may occur on a temporary basis on rehabilitation projects); and may be generated by concentrated code enforcement activity, the rehabilitation of property, or acquisition and clearance of substandard property for redevelopment projects. Any person or household displaced as a result of Community Development or HOME program activity will receive a full range of relocation services, including housing counseling, in compliance with the Uniform Relocation Act (URA) and Section 104(d) Barney Frank regulations, as applicable.

As code is a locally funded “general purpose” government activity, with no support from federal funds, any displacement generated by enforcement activities is funded with locally generated revenues and subject to the City’s Local Relocation Policy.

1. Concentrated Code Enforcement: Families and individuals may be displaced by code enforcement if:
 - a. they reside in a dwelling unit found unfit for human habitation and which has been ordered to be removed or vacated and closed by the City Council; or
 - b. they reside in a dwelling unit found unfit for human habitation in which conditions are so severe as to warrant the initiation, by CBD staff, of procedures to assist the resident to relocate to housing not unfit for human habitation in advance of Council action.

The local relocation policy provides for a combined Residential Moving Expense and Dislocation Allowance Payment based on a schedule determined by the Department of Transportation (DOT) and published annually in the Federal Register.

2. Acquisition, Rehabilitation and Demolition

All persons (families, individuals, businesses and non-profit organizations) displaced as a direct result of acquisition, rehabilitation, or demolition under a federally assisted project are entitled to relocation payments and other assistance under the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended.

All persons (families, individuals, businesses and non-profit organizations) displaced as a direct result of acquisition, rehabilitation, or demolition under a locally assisted project are entitled to relocation payments and other assistance under the Local Relocation Policy of the City.

In actual practice, few families are displaced or relocated due to rehabilitation of single-family owner or tenant-occupied detached units because work is scheduled such that families may remain in their homes. For large rehabilitation projects, vacant units are rehabilitated first, allowing families to move to those units during rehabilitation of the remaining units. For smaller projects, such as detached houses and duplexes, rehabilitation is conducted while units are vacant or with households remaining in the unit during rehabilitation and relocation is not required.

To minimize displacement due to health, safety or welfare, code enforcement is coordinated with rehabilitation and repair programs.

H. Availability of Documents

Documents such as the Citizen Participation Plan, evaluation reports, applications

to HUD, and other pertinent data will be posted on the City's website and available at the following locations:

1. City of Winston-Salem
 - a. Community and Business Development Department
Stuart Municipal Building, Suite 423, 100 East First Street
 - b. City Secretary's Office
Room 140, City Hall, 101 N. Main Street
2. Forsyth County Library Branches:
 - a. Central Library
660 West Fifth Street
 - b. Malloy Jordan East Winston Heritage Center
1110 East Seventh Street
 - c. Reynolda Manor Library
2839 Fairlawn Drive
 - d. Southside Library
3185 Buchanan Street
 - e. Mazie Woodruff Center Library
4915 Lansing Drive

I. Responding to Questions, Comments and Complaints

City staff is required to respond to comments. Responses to all views and comments will be as follows:

1. Verbal responses will be given at all public hearings whenever possible.
2. The City will provide a written response to all written comments within ten working days of receipt of the comment.
3. Draft plans will be available for public review and comment for thirty (30) days prior to submission, and draft performance reports will be available for public review and comment for fifteen (15) days prior to submission.

J. Providing Timely Information

At the beginning of the planning cycle for each year, the City will provide to neighborhood organizations and interested citizens the following information:

1. the amount of funds available from HUD;
2. the range of activities permissible and the types of activities previously

funded;

3. the type of activities excluded by law;
4. the process to be followed in developing and approving the local application and a schedule of meetings and hearings;
5. the ways citizens can participate; and
6. a summary of other requirements.

K. Technical Assistance

During planning and implementation, information and technical assistance will be provided to citizens through:

1. Media - radio, TV, newspapers, City website;
2. Neighborhood association meetings;
3. Public hearings to which all citizens will be invited;
4. Documents on file at convenient locations throughout the City;
5. Monitoring and evaluation reports to neighborhood associations and the Council.

Community and Business Development staff will provide information and technical assistance to neighborhood groups that request it. Examples of assistance include information on the CD law, neighborhood planning, review of accomplishments, briefings on CD requirements and opportunities, development of neighborhood goals and objectives, and design of neighborhood proposals.

L. Implementing the CP Plan

During the course of the life of the various program activities, the Community and Business Development staff will work closely with neighborhood-based citizen groups and other interested groups. This on-going involvement in the program will insure that activities and program performance are consistent with neighborhood plans. Throughout the program, the staff will turn to organized groups for citizen views on priorities and changing situations.

Program amendments and details regarding neighborhood plans will be brought to the neighborhood organization for their comment, if initiated by staff. Ideas, suggestions, and revisions to adopted plans may also be developed by citizen groups and presented to the Housing Development Administrator, Mellin L. Parker, at 336/727-8000.

Where citizen groups do not exist, residents are encouraged to express their views and opinions to the program staff working in the area or to the Community and Business Development Director.

M. Amending the CP Plan

The Citizen Participation Plan will be reviewed annually after each planning cycle is completed to identify any areas where the participation process can be improved. If formal revisions are needed, they will be made by the City Council. Minor changes can be made by the Community and Business Development Director.