



Tuesday April 9, 2024
Housing Authority of the
City of Winston-Salem
Board of Commissioners
12:00 Noon

**Housing Authority of Winston Salem
Board of Commissioners**

**LOCATION: 500 West Fourth Street, Suite 300
Winston-Salem, NC 27101**

**April 9, 2024
12:00 noon**



Tuesday April 9, 2024
Housing Authority of the
City of Winston-Salem
Board of Commissioners
12:00 Noon

BOARD OF COMMISSIONERS MEETING AGENDA

April 9, 2024

12:00 P.M.

1. Call to Order – Pledge of Allegiance
2. Roll Call
3. Review and Approval of Agenda (April 9, 2024)
4. Review and Approval of Minutes (March 12, 2024)
5. Management Reports
 - Executive Director Report
 - Capital Report
 - Operations Report
 - Housing Choice Voucher
 - Public Housing
 - Nonfederal Housing
 - Drayton Pines, Inc.
 - Plaza
6. Resolutions
 - **Resolution No. 2241** – Authorizing Approval of Financial Statements (February 2024)
 - **Resolution No. 2242** – Resolution Ratifying the Award of the Contract to Dynamic Quest for Managed IT Services
 - **Resolution No. 2243** – Resolution Authorizing Additional Services Agreement (Choice Neighborhoods Phase II/III)
 - On approval from the Development Committee
7. Board Comments
8. Adjournment



Tuesday April 9, 2024
Housing Authority of the
City of Winston-Salem
Board of Commissioners
12:00 Noon

March 12, 2024 Minutes

Board Member Attendance:

Chairman Andrew Perkins – Present
Vice Chair Betsy Annese- Absent
Commissioner Williams Rose- Present
Commissioner Alfred Adams- Present
Commissioner Art Gibel- Absent
Commissioner Felicia Brinson- Present (via Zoom)
Commissioner Arthur Dark – Absent
Commissioner Kathy Stitts – Present
Commissioner Vivian Perez Chandler – Present (via Zoom/in person @ 12:15)

Staff Presenting:

Kevin Cheshire, ED and General Counsel
Nancy Thomas, VP and CFO
Romonda Gaston, HCV Director
Beverly Carter Leavy, Director of Public Housing
Lisa Matthews, Assistant Director & Building Manager

1. CALL TO ORDER

- Board meeting called to order by Chair Perkins at 12:00 p.m.

2. ROLL CALL

- Roll was taken and there was a quorum

3. REVIEW AND APPROVAL OF THE AGENDA

- Consideration to approve the Agenda (March 12, 2024)

Motion: Commissioner Adams

Second: Commissioner Rose

Unanimous.

4. REVIEW AND APPROVAL OF MINUTES

- Consideration to approve of Minutes (February 13, 2024)

Motion: Commissioner Gibel

Second: Commissioner Adams

Unanimous.

5. MANAGEMENT REPORTS

- Executive Director Report
(Cheshire) Thank you Mr. Chairman. I'll run through that. Mr. Chairman, if I may before I get started with respect to the substance of the report, is Kim Hardy in the room please? (Crews) Yes. (Cheshire) Kim, can you come up? I'll do it right here. Is that

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okay? Mr. Chairman, this is Kim Hardy. I think most of you know her. She's retiring at the end of the month. This plaque has already been presented to her, but it says: "In appreciation of 25 years of dedication." She's got a lot of her colleagues in the room today. Kim Hardy is a special person. I was giving her a hard time, but her work space is right here at the corner. And every time you walk by, she's counseling someone, whether it be a client or a colleague. Praying for someone, guiding someone. That is the gathering spot. She is sort of is the spirit of the organization. Doing a lot for building our culture. So this is special person. We're going to miss a lot, but we're happy for her and proud of her. **(Hardy)** Well, I'd just like to say thank you to the HAWS staff, our department. We have really grown to be a family and that has really helped us. When you realize that we are together, at our jobs for a longer time than we are with our families. So, we really made it a family atmosphere. And it really has helped. I'll miss you all. Thank you all so much. It's hard to pivot from that, to Crystal Towers, but that's what we will try to do. So, item 1 on the written agenda...or excuse me, the written report is Crystal Towers. The sub-items there, indicate Phase 1 is the Lobby and Laundry Renovation. Kimberly, are we able to drill down on that at all, because there were some sub-items there that were on the written report. They don't look like they made it in. **(Crews)** No. I'm sorry. **(Cheshire)** Okay, alright. Well, let's...we can reflect on, excuse me, if we can maybe look at the report that's included at page 15 of the packet. And I'll read it so that we cover that. But, Phase 1 of course, is the laundry and lobby renovation. We're keeping that on there just to note that that is completed. We approached Crystal Towers in phases. And, I think it's important to note that we have addressed that and that item has been checked off. Phase 2 is the elevator system full replacement. Status of Car 1 was reported last month. We were really excited around Valentine's Day. We anticipated DOL to come out and inspect, and we anticipated the car to be operational the next day. Well, that didn't happen. And you're at the mercy of contractors on some of these jobs. The lead person, the lead mechanic on the contract...he left, okay? We didn't have any notice, and he left. We weren't able to do the DOL inspection because of that. I will have to give Kone a lot of credit. They have sent another crew up here from South Carolina that has identified some things that needed to be addressed prior to the inspection, okay? They've got what's known as a gateway installed. That gateway communicates with the internet. So it allows the cameras to work and the communication systems. There were some switches that needed to be replaced. Essentially, to let the cars talk to the floors, to know when it need to start slowing down and leveling off. Those were replaced and there was some wiring that needed to be addressed. The new crew had some concerns with the existing wiring that had already been installed, by Kone, that would not have passed the inspection. They have cleaned that up. I've got to really commend them, for the job that they've done since the new crew was brought up from South Carolina. We do have a new inspection scheduled for March 19th. So we recognize it is a month later than we reported last month, but we feel good about it. And we really are anticipating having that car operational on March 20th. So, that's the update. Again, as with Crystal Towers, it seems

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like Murphy's Law over and over again. Anything that can go wrong out there, will. But our contractor has been really, really good, and we're moving forward with a plan. I'll stop there, because I know that's an important piece, and I'm happy to take questions or receive comments about that before we move into Phase 3 at Crystal Towers. **(Perkins)** Well, I'm impressed that Kone was quickly able to get another team up here and get things done. I understand, that's unfortunate, trying to have that computer running. I understand, that as of this morning, the car is on the on the right speed, stopping at every floor, and all the wiring is corrected and you've already indicated everything else. So, keep our fingers crossed that DOL will come out and things will be finished up. **(Cheshire)** Yes sir. Thank you for that. And to the extent there's a positive here, having this new crew on site, to quickly transition to Car 2, I think, is a good thing. **(Perkins)** Right. **(Cheshire)** I had noted, the last couple of board meetings, that while Kone is still anticipating a 10 to 12 week modernization of Car 2, that was probably a little bit optimistic given our history with the previous group, I do think that is a more realistic estimate with this new group. We still want to be cautious. We're still letting resident leaders know that that 10 to 12 week estimate is probably optimistic. But, I do think we're much more likely to hit that target with this new group. Thank you for that Mr. Chairman. **(Gibel)** Kevin, you're were gonna have a meeting with resident leadership. How did that go? **(Cheshire)** Yes sir, it went well. Unfortunately, and I didn't think about this, but it coincided with the election, right? It was last Tuesday. So some of the resident leaders were working the polls. But I thought we had a very productive meeting. Of course, I don't see either of the 2 residents who are, often times, here today. But the meeting went really well. We covered security. We covered elevator status update, and we covered Phase 3, which is going to be the assessment. I do want to speak to supportive services before I get into the assessment piece. We've been working to get more supportive services into the building. We do have our Engagement Team staff on site full-time. So there is a dedicated office and an Engagement Team staff member, working out of Crystal Towers now. What I had put on the written report, is that Oak Street Health will also be on site two times a month, which is really good. That's a nice start. But Tee-Tee updated me today, I wanna just go ahead and present that this month, because Oak Street Health is on the report, but some of these other items are not. So, we also have a Men's Health Program, Forsyth County Health Department, two times a month. There's a Green Tree Nexus, beginning March 20th at 11:00 am, Mental and Behavioral Health. There's an official kickoff meet and greet on that March 20th date. We've got Goodwill coming in monthly, vocational and rehabilitation Services. Financial Pathways, budging and financial education and management. Crisis support, Forsyth Regional Opioid and Substance Abuse Team, Forsyth County Behavioral Health Services. Forsyth County Stepping Up Initiative. Forsyth County Public Health Pharmacy. I'll mention one other thing, and then I want to ask Tee-Tee to update me...or, excuse me, to correct me if I misstated anything or omitted anything. We also are in the process of writing for a grant for supportive services in that building. We are partnering

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with Urban Strategies, which is our people lead on the Choice Grant to submit a grant. That's due in the next 30 days. That is for significant financial support, for in-house/on-site supportive services. So, while you're crossing your fingers on that elevator car at Crystal, cross them for that grant application as well. Tee-Tee, oh excuse me, Commissioner Stitts, I'm sorry. **(Stitts)** What was...what are the major needs of the residents as far as supportive services? **(Cheshire)** So I'm gonna have a better answer on that. We've done some surveys, okay? So I don't, I don't want to get ahead of the survey. We'll have some better answers once we get those surveys back. Tee-Tee, can you give us...well, let me ask you this. Is there anything that I omitted, or anything you'd like to supplement? Because I know you've done a lot of work, and I appreciate you. Ma'am? **(Parmon)** Novant Health Mobile Clinic (inaudible). **(Perkins)** If you could also, please share with me, that you'll have also a resource room, when these folks are not there, that they can go down and get the forms and things they need and also put up a schedule. So they will understand what they can do and how they can access the various aspects of the support services. **(Cheshire)** Yes sir. And I'll pass these down, since you are all interested. That's just a sampling of some of the resources, since it's a library of resources that we're gonna have. These are some of the pamphlets and flyers that we're gonna continue to keep updated. So, we mobilized a lot of third party supports in that building, which addresses some of the needs that we have there. The last phase is the assessment, right? So, we're sort of to the point now, where we're going to start putting together that request for proposals, reaching out some third parties to get a legitimate assessment of the building. I always like to stop here, because sometimes the feedback I get, is "Why do we need another assessment when we know that there's a significant need in the order \$10 million plus?" I understand that. The problem is, what we've got is simply an estimate. It's an engineer walking through the building, taking a day or a day and a half, and identifying systems and spit balling the numbers. What we need is a plan, a specific scope of work. We're gonna turn this into this. We're going to modernize bathrooms. We need to run new water lines. We need to run new drain lines and how much that is going to cost in today's numbers. So here's the plan. Here's the scope. Here's how we need to modify it. So we're going to engage a third-party engineer, architect design team, to start putting that assessment together. That is Phase 3. Then, once we have a concrete number, that's when we work with the City, the City has committed to support us in that effort, to implement that scope of work as identified in the assessment. **(Crews)** Excuse me, Kevin. Commissioner Perez Chandler has her hand raised. She has a question. **(Cheshire)** Yes ma'am? **(Perez Chandler)** Thank you Kimberly. Kevin, this is about the elevators and I'm glad that we were able to get someone from South Carolina to jump in and continue their contract to get these elevators up. I do also want to lift up that, in the future, I think we need to reconsider contracting again with Kone, because this is not the first time that they have had some issues on their end with their staffing and the elevators being...you know...this, this is, it's also a part on their end that they have not been able to complete the elevator in a timely manner, because of various things that have happened on their

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end. So I do think it is important, for us to reevaluate and see, if in the future, we will be contracting with them again. As you know, again, we are contracting with them. We are paying them, and I do think that it is important to hold them accountable for the things that they haven't done in a timely manner, and just their staffing...their staffing, and what has happened. So I did want to just mention that. **(Cheshire)** Yes ma'am. Thank you for that. **(Perkins)** Point well taken. Thank you. **(Cheshire)** Moving on Mr. Chairman, to item 2 which is the King Building Relocation. The sub-bullets there are complete. The demolition at that building is nearly completed. Frank Blum mobilized quickly. You all will recall that you just approved that contract at last month's meeting and we've got a building that's, essentially, gutted now. So we're really moving forward quickly. We do still anticipate an August move date. I think Blum has until early September to complete their work. Hopefully, we'll be ahead of that. If not, just as a reminder, to the Board, I do have the ability to punt that closing for 60 days, okay? So we've got a little bit of wiggle room there. Item number 3 is Happy Hill. Phase 1 of Happy Hill, again, we've divided that into phases. Affordable units have been produced on HUD restricted land. That's our objective number one. Habitat's broken ground out there. As I told the Development Committee last week, that really cause for celebration. That site has been dormant for 20 years, and you ride out there today, and you see construction work. Those are affordable home ownership units. The views of downtown, from that site are really impressive. So, good news there. Phase 2, I think, is also good news. Phase 2, is the mixed income development on the unrestricted parcels. So these are parcels that we do not have to go to HUD for permission to do anything with. We issued an RFP. You'll recall the development team involved in that development is True Homes, Prosperity Alliance, which is an MBE out of Charlotte and the Happy Hill Neighborhood Association, which is a unique structure to have the neighborhood association as part of the development team. The Site Plan was presented at the most recent meeting which included representatives from the neighborhood. We anticipate getting 72 units on that site, which is really good. A lot of town homes. We don't yet know what the mix will be with respect to affordability. But it's going to be really, really high. They have exceeded what our minimum requirements were. So, I'll have more on that mix as we continue to progress. That second item, Preparing Master Development Agreement. I anticipated having that for you all this month. We've got outside council sort of working back and forth on that. There are some existing restrictions. There was a home ownership association that was established. So we're trying to figure out how to sort of extricate ourselves from that. So we're working through all that. We want to be able to have a site plan, a phase and a take down schedule as exhibits to the MDA. So, I'm not saying that we'll have one next month. I'm just letting you know I haven't forgotten about it. I recognize that has to come before the Board before we actually start doing any real work. That's pending. **(Perkins)** Yes. **(Cheshire)** I think that's it for me. Oh, no, let me let me move to Choice. Choice Neighborhood Phase I. The Brown School Lofts. Former Cleveland residents have started moving in. That's another opportunity to celebrate. We've got 10 public housing residents

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who are at leased up and living at that new site. So really good news. The site is nearly complete. And what that simply means, there's a bisecting street running north/south, the westernmost buildings are complete. That's where folks are moving in. The easternmost buildings, are not yet complete. That ribbon cutting is set. That's a hard date now, for April 25th at 3:00 pm. I don't have the official invitation yet, but as soon as I do I'll make sure to pass that along. So that's Phase I of Choice. Phase II is sort of the same old story that you all have heard. As a reminder, we've consolidated Phases II and III in an attempt to realize some cost savings and to try to get the project, with respect to the on-site phases, back on schedule. We do still anticipate demolition beginning this summer. What needs to happen in order to start demolition, is the remaining families have to be relocated. I anticipate they will be relocated by the end of the month. My Chairman gave me a directive last month, to do everything we possibly could to avoid evicting any families. I will say that Katya, who you all met, has done a really nice job. As I told the Development Committee, sometimes you can say the same thing in a different way, or hear it from a different voice, and it's received differently. So we do have a plan to have everyone relocated, with zero evictions, by the end of the month. So our team will keep you updated on that. **(Perkins)** Excellent. **(Cheshire)** The second thing that has to happen, is we have to have that environmental review clearance. All the actual environmental work is done. Now, it's just a matter of circulating the paperwork for signatures. We do anticipate having that by the end of the month, as well, possibly as early as this week. Once we have those 2 things, all the families off the site and that piece of paper in our hand, we then submit a demolition request to HUD. We're looking at, probably, a 45 day turnaround time on that. Once we have that demolition request approved, we can start demolishing. I wanna be clear. We have the funding to start demolishing. This gap that we've been talking about is for the vertical construction. So we have funds available for the demolition. So we will see demolition activity, this summer, as soon as those things happen. However, that doesn't speak to the vertical construction. There remains an approximately \$7 million gap that we need to close in order to enable us to get to financial closing. And then, after that, we will, of course, start vertical construction. We're still shaking the trees there. You all may remember we received a first round of supplemental funding in the order of \$5 million dollars. Last week or the week before, we applied for a second round of supplemental funding. It's either \$2 million or \$2.5 million. It must be \$2.5, I put that up there. They reduce it, but we do have a leg up, because only entities that have received a planning grant are eligible. Not every organization that received an implementation grant, also receive a planning grant. We did. So, optimistic about that \$2.5 million coming in. And then the third point there is, simply, that we're continuing to talk to local officials about public dollars that are available in either City, County or State level. I think that's it for me Mr. Chairman, unless there are questions or comments. **(Stitts)** The first is, are you going to work with the same company to do the demolition? **(Cheshire)** That's a great question. Yes, ma'am. So Frank Blum, it's a joint venture between Frank Blum and Sterling

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Construction. Sterling Construction is an MBE. They are our general contractor. They then go out and get subcontractors. So, they are looking for the demolition subcontractor as we speak. **(Sitts)** Okay. And there are requirements for minority contractors and things like that right? **(Cheshire)** Yes ma'am. And I will say, I know you're on the Finance Committee. I included the Development Committee reports in this Board packet, and that has all the data with respect to MBE's, WBE's and Section 3. **(Stitts)** And then, my second question is, I'm just looking at the funding gap. So when you have \$2 million Phase II, is that saying that that has already been...or is there a \$5 million dollar gap? Or is there a \$2 million dollar gap? **(Cheshire)** Yes ma'am. That wasn't very clear. So what it is, it's \$7 million gap is for the consolidated Phases II and III. **(Stitts)** Okay. **(Cheshire)** And I've just noted that if we were to sort of disaggregate those two phases, we would only need \$2 million to be able to get Phase II closed. **(Stitts)** Okay. **(Cheshire)** Those were easy. You need to ask easy questions like that. **(Perkins)** Are there any other questions? **(Perez Chandler)** Yes. I have a question related to demolition and the anticipation of the HCV Wait List opening up. So, with the waiting list opening, how would that effect those new applications if...because we already don't have housing available? How would that effect...what are we planning to do with that? **(Cheshire)** Got it. Yes. So, the...it doesn't affect them, is sort of the short answer, okay? The way that works, you can open your waiting list and get 20,000 applicants. Which we might, right? Okay, you then work those applicants based on how many the market can absorb, right? So we're not gonna bring in 20,000 applicants the first month and say, "Hey, good luck! Go find housing." We'll continue to onboard those applicants in the same way. And so the residents at Cleveland Avenue, those who choose to relocate with the benefit of a voucher, they get their voucher. And then, we are not going to add them to families we are going to onboard. We will reduce the number of other families we're onboarding, to ensure that we're simply...excuse me, we're on...in-taking the same amount. **(Perez Chandler)** Thank you. **(Perkins)** Well, as I understand it, we have 300 vouchers now, out on the street looking for housing. Is that correct? **(Cheshire)** Romonda is getting ready to tell us that. Is it 300? That sound high, but... **(Gaston)** Yes. **(Cheshire)** Shoot. **(Gaston)** Now. We do have 300 that are on the street, but some of those have expired. And so, you know, we try to give them a few more weeks to try to find a place before we withdraw them. **(Perkins)** Well, that's fine, because there's some other developments going on as well. There are other things going on besides what's going on here. So that's very encouraging. **(Perkins)** Thank you. **(Gibel)** Romonda, if I got a voucher today, how long would I have to find housing? **(Gaston)** 60 days, with a possible extension for an additional 60 days. **(Gibel)** Okay. Thank you.

- Operations Reports
 - Housing Choice Voucher
- **(Gaston)** Good afternoon everyone. If you're looking at your report in your packet, it's on pages 47 and 48. We currently have 3,368 vouchers utilized for the month of January.

We spent approximately 81% of our budget for the month of January. We still, as of January 31, we still had 934 families on the waiting list. We did reach out to everyone on the waiting list to see who wanted to remain on the waiting list. So we have a clean waiting list since it last opened in 2021. So it's been a while. So we did do some updates on that. So you may see that number change going forward, along with the people who apply when waiting list opens. On page 48, some of the reasons for end of participation from the program. We had eight families to go to zero assistance, meaning they pay all of their rent. We had one family that moved off of the program for tenant preference. We had five that moved without notice to the Housing Authority, which is, of course, a violation of the program. Two evictions by landlords. Two families who didn't respond to correspondence from the Housing Authority. One family chose to utilize their voucher at another Housing Authority, and then three "others." Kelly gave everyone a copy of our waiting list opening, which is scheduled for April the 2nd, beginning at 9 am. It will be online. We will have a dedicated telephone number. No applications will be handled in person. But, if people have questions or need assistance, we have a number that they can reach us at to get that assistance. Any questions for me? **(Perkins)** I understand you said all will be done online. **(Gaston)** Yes. So the applications are available online. But if someone needs assistance, they can call our front desk, and then they can leave a voicemail message for someone to follow up. **(Cheshire)** I would just say, please share that. Please disseminate that across your network. I mean, that's...that's my biggest pet peeve, is that we only open this list every 3 or 4 years, and it's almost like luck of the draw, if somebody happens to tell you or you happen to hear about it, then you have an opportunity to apply. And a year later, you're stuck because you gotta wait another 3 years to get your name on that list. It's not a rolling application period. So please do help us. We're trying to email our partners, our landlord base, our tenant base. But please, disseminate that within your networks to try to get it out there. The flyer, we've got a...**(Gaston)** It's on our website. **(Cheshire)** We have links to the flyer. Is that right? **(Gaston)** I don't know if it goes to this particular fly, but there is information on our website. **(Cheshire)** I'm sorry Commissioner Rose, go ahead. **(Rose)** I was just gonna ask about the Brown School. Is it part of the low income housing section, is it not? **(Cheshire)** No sir. **(Rose)** So the units in Brown School will be eligible for vouchers? **(Cheshire)** Some of them are. So the way that works...call it 80 units give or take, at Brown School, okay? Approximately 40 of those, are what's known as project based vouchers. So it's just a different subsidy type, okay? But those 40 are for our returning residents. So they're not in our public housing inventory, but it's still ongoing HUD operating subsidy that's supporting the same residents, okay? And then there are few other units that will accept Section 8 vouchers. Fewer, okay? Tenant-based Section 8 vouchers is what I'm talking about. And then there are some units that are just tax credit units. Meaning they are supporting folks up to 60% of area median income, but with no voucher subsidy. And then there are market rate units, which means anybody earning any amount can go live there, and as a matter of fact, we've already leased one of those up with no income restrictions and no subsidy. So the model is for it to be truly mixed income. Forty of those units are for public housing population Commissioner Rose, but

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the subsidy model is different. So they are not in our public housing portfolio. **(Rose)** Thank you. **(Gibel)** Question. When you open it up, say you get a 1,000 people coming online and applying. How do you prioritize? **(Gaston)** It's by date and time of application. **(Gibel)** Really? **(Perez Chandler)** My question is around, so you mentioned...these are going to be available online, and that there will be a number for people to call that they could be voicemail. So hearing that it's by...by how soon you apply, what will be...like, what is the expected time of getting them called back, since it's also only open for 3 days? **(Gaston)** So even...even if it's after the 3 days that we return those phone calls, you will be placed on the waiting list at the time of your voicemail message. So if you call on April 2 at 9:05, and your voicemail message is at 9:05, even if we call you back on December 25th, which won't happen, but even if we call back that late, your application would be April 2 at 9:05. Does that make sense? **(Perez Chandler)** Yes. **(Gaston)** Okay. Depending on the number of phone calls, we may not be able to call them back within those three days. But whenever we do follow up with them, it will be based off of when they left that message. **(Perez Chandler)** And will they have support, let's say someone just doesn't have access to uploading the necessary documentation...**(Gaston)** There's nothing to upload. You just need to go in and click on all the information to do the application itself. And again, if they have issues doing the application itself, all they need to do is call us, and then they can...we will transfer them to that extension to leave a voice mail message, and we'll follow back up with them. **(Perez Chandler)** Nothing to be uploaded? **(Gaston)** No. **(Perez Chandler)** Just the information? **(Gaston)** Yes. **(Perez Chandler)** Okay. Thank you. **(Stitts)** So, your saying that they have to click something, though? **(Gaston)** Well, they have to go in and set up an account if they do it themselves online. **(Stitts)** Right, but nobody can do that for them? **(Gaston)** If they need assistance, they just can just call us, and we will handle all of that. **(Stitts)** Okay. **(Gaston)** Yeah, we wouldn't walk them through going through the application process. We will do it on our end. **(Stitts)** Yeah. Okay. **(Perkins)** Any other questions? Those were excellent questions. Thank you very much. **(Gaston)** You're welcome.

o Public Housing

- **(Leavy)** And before I do the public housing report, I just wanted you to know that our managers and assistant managers in public housing, they know how to walk people through this process as well. So if they do call, our residents, especially, to call the office, they have been trained to tell them how to set up an account for Section 8. **(Stitts)** I'm just worried about the digital divide, with people not having computers, not having access. **(Leavy)** If they call us, we know how to tell them to go in and set up their account and walk them through the Rent Café. **(Perkins)** If I heard this correctly, you call in and they will do it for you. **(Leavy)** Yes. The Public Housing Report can be found on page 50 in your packet. At the end of the month, our occupancy rate was 94.23%. We billed out \$277,840. We collected \$270,743. Lease violations for late payments, we mailed out 424 notices. Evictions for non-payment of rent were 35. Termination notices for other than non-payment of rent were 2. Our work orders at beginning of the month,

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we had 47 open. During the month we created 793 and, at the end of month we had 58, and four open emergency work orders. **(Perkins)** Great. Thank you. Any questions? **(Rose)** When was the last time we opened up the waiting list for public housing? **(Leavy)** Public housing...the only sites that are open are our high-rises and Piedmont Park. We closed Cleveland because of the work. And our step-up properties which are Stoney Glen, Camden Station, Oaks at Tenth and Townview, they have over 7 or 8,000 and they only have 50 units at each property. So, we closed those down. And they haven't been open in awhile. **(Cheshire)** The large ones are open and always are open. The small ones are not, because we don't want to give people false hope, if their number 8,000 on a waiting list for a 50 unit property. Never gonna get to them. **(Annese)** Okay, thank you. **(Perkins)** Thank you very much.

- o Unsubsidized Housing
 - o Plaza Apartments and Drayton Pines

(Perkins) Hi. How are you? **(Matthews)** Good. Thank you. For the unsubsidized housing report that's found on page 52, they we're both great. At Drayton Pines and Plaza, we were 94% occupied for the month. We had 7 vacancies at both properties. For the charges and payments collected, we were short about \$3,000 for January. We did not have any judicial evictions for the month. We did not have any incidents involving our residents from a security perspective. And on the work orders, we have 11 open at the beginning of the month, 107 were created for the month. We had 21 open at the end of the month, and 2 open for the emergency work orders at the end of the month, that have since been closed. Anyone have any questions? **(Perkins)** Thank you very much. Appreciate it.

6. RESOLUTIONS

Resolution No. 2239 – Authorizing Approval of Financial Statements (January 2024)

Motion: Commissioner Rose

Second: none needed

Unanimous.

(Thomas) Okay. I'll start with the Balance Sheet that you can find on page 57. This is for January 31st. It's four months through our fiscal year. The cash, the combined cash totals decreased since the end of the fiscal year in September, \$466,000. The majority of this is where we paid our outstanding accounts payable and accrued liabilities we had at the end of the year. Our receivables have increased too, which you know, that's reason for the cash decrease. The accounts receivable-tenants have increased \$17,000, overall. The accounts receivable-other, as I mentioned, have increased. And those are from...we still have a Plaza receivable from the City for the work at Plaza. We have pretty substantial receivables for our grants that we administer for the City. We're working with them to get those payments and then, the HUD HAP receivable, varies up and down, based on the timing of the subsidy for the Housing Assistance. So that adds to that as well. Prepaid expenses have increased from the end of September. And again, that's because we paid in

March 12, 2024 Minutes

January, substantial annual insurance premiums. So that would cause that to go...to increase, and then we expense them monthly. On the liabilities, as I mentioned, the accrued...accounts payable, and the accrued liabilities have both decreased. Again, those are the amounts we had outstanding at the end of our fiscal year, which is common. And then, our net loss is \$76,000. That is better than the prior year, by about \$356,000. That's a result of...our other revenue is higher than it was this time last year, and our admin salary and benefits expense is lower, and our maintenance expense across the board is lower, than it was this time last year. Go to the Income Statement on page 60. The HUD subsidy and grants are over budget, and the majority of that is in the HAP area, or the housing assistance payments. You can see the expense is over budget as well. That's a wash. And, our other income is over budget. We do have some insurance proceeds in there, as well as the bond issuance fee that came in, some FSS forfeitures and our PCard rebate. And then, we had our PILOT money come in in January. The management fees are under budget. These are the fees that we get...the amounts that are under budget are from the vouchers issued. So that's just based on the number of vouchers that we have under HAP contract. Overall, total income is 7% over budget. The expenses, just about all the categories are under budget, which is not uncommon in the first 4 months of the year. Those variances will likely decrease as we go through the rest of the year. The admin expenses is under budget. That's primarily in budgets of salary and benefits...in salaries and benefits, and then the management fees. And then a lot of other areas are under 2% or 3%. That adds up. As I mentioned, the maintenance expense is under in all areas. Again, some of those will catch up as we go through the year. Protective services or security that we contract out, and that we contract the off-duty officers with, that's under budget as well. The general expense is over budget, mainly due to the collection loss or the bad debt. The amount that we write off as tenants move out and we have to expense the balance, rather than carrying it on our books as a receivable. Overall, the operating expense is 10% under budget. And as I mentioned, the HAP is over budget over a million dollars as well, but you can see that the revenue was also over budget. Our net income before depreciation is \$505,000, which is \$741,000 better than our budget. After depreciation, we're showing a loss of \$76,000. But again, that's \$737,000 better than our budget. As well as our decrease in cash, is better than our budget. As far as compared to budget, overall, sometimes when that number is that significant, I'll just reiterate that variance is because our other income is over budget by about \$350,000. Then our admin expenses are under budget by \$300,000 and some, and our maintenance is under budget \$300,000. If you add those together, that's why, that's the areas that make up that large variance down there. A positive variance, compared to our budget. Again, 4 months into the year, so that budget...that variance, will decrease as we go through the warmer months and start having a lot more maintenance-like expenses. On the Dashboard, which is on page 65, on the right-hand side, where it lists individual communities. You'll see, that if they are in red, they are under budget. So the 3 at the bottom are under budget. Brookeside, a public housing community, that's slightly under budget and it's in their rents, or tenant rent. Then Plaza and Drayton are both under budget. And that's also in their tenant rents, as well as, they've got some bad debt

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expense, when we wrote off receivables that was higher than budget at this point. I'll be happy to answer questions. **(Perkins)** Thank you very much. Any questions from other Commissioners? **(Rose)** I wanted to ask one question. I'm hearing a lot in the news lately, about what a challenge it is to find housing and affordable housing, and I know we work hard in that area. But at the same time, you see the gap where people are not able to find housing and not able to make use of that housing choice voucher. What is the current market rate in Winston-Salem for 2 bedrooms? Do you know, Kelly? What our market rate is? **(Church)** About \$1,200. **(Gaston)** \$1,110 is the fair market rent for a 2 bedroom. **(Rose)** Say again. **(Gaston)** \$1,110 **(Rose)** For a 2 bedroom? **(Gaston)** Fair market rent. Yes. **(Perez Chandler)** It's on page 47, the fair market rent. **(Church)** But most landlords are charging at least \$1,200. **(Rose)** And, have you got a feel for how that compares to...I mean, that's what I'm hearing constantly, is the market rates are so much higher in terms of...**(Cheshire)** I mean, that's not necessarily related to the financials. It's more of an operational discussion item. But I will say, that I don't think, Commissioner Rose, that issue is an issue anymore. It was. What HUD allows us to do is set our rents, in the Section 8 program, around that 120% of that fair market rent that Romonda just gave us, right? So we're up closer to what is that \$1,300 bucks now. That's 10% of \$1,113 times two...so yeah. I think we're competing financially. The problem is, it's not apples to apples. Meaning, if I can pay \$1,300 with a voucher and Commissioner Stitts can pay \$1,300 out of pocket, she can move in tomorrow with no questions asked. Whereas, I've got to have an inspection. I've got to have a bunch of paperwork. I've got to go deal with the Housing Authority. So in a...in a soft market, we're great, right? Because, landlords know they're gonna get paid. We're able to pay 120% of fair market rent which can sometimes be above market. It's not supposed to be, but it sometimes can be. We're great in a tight market like we're in. It's essentially, "Well I don't really want to deal with that, and I can get my money elsewhere." So we're not seeing the Delta between market rents and our rent as much. I'm not saying it's not out there. That was a problem two and a half years ago. And it's not a problem now. The problem now, is just the availability of units, whether you've got money or not. And then, the fact that it's an administrative burden. **(Rose)** Thank you. Well, that...I was just gonna share the results of our Finance Committee meeting talking about the financial reports that Nancy presented. The income performance is not great, but it's a lot better than it was when you compare it to the budget it forecasted and the balance sheet numbers are consistent and show strong ratios. So the Finance Committee recommended the financial reports be approved as presented.

Resolution No. 2240 – Resolution Adopting the Contract between the Housing Authority of the City of Winston-Salem and Nan McKay & Associates, Inc. for Remote Case Management Services

Motion: Commissioner Gibel

Second: Commissioner Stitts

Unanimous.

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(Church) I'm going to handle it. Sorry, I feel kind far back from you. So, Resolution 2240 is a Resolution Adopting a Contract between the Housing Authority and Nan McKay for Remote Case Management Services. We are contracting with Nan McKay to assist us with our overall case management, due to staffing shortages in the Section 8 Department. We are proposing to contact with them, effective April 1st, for a 12 month period, to assist us with our current caseload. We have approximately 500 vouchers that are being managed under each specialist, and we have 3 vacant positions that are going to be transferring over to Nan McKay, along with our full waiting list. So our current waiting list, we had about 950 people on the waiting list. We sent out letters to everyone that was remaining on that waiting list, and we were able to reduce it down to about 265 people that are still interested in remaining on our waiting list. And as you heard, we are opening our waiting list on April 2nd. So we expect to get several thousand applications online. And we are requesting permission to have Nan McKay assist with eligibility for the individuals that are applying to our waiting list. So, in addition to assisting with the case management and completing the re-exams and being the communication. They're basically taking over the specialist's job, instead of us filling our vacant positions. We are asking to hire an industry expert to handle that for us for a 12 month period. **(Perkins)** Any questions in reference to the contract services we're looking for? **(Perez Chandler)** Yes. What is the total...what is the total cost of those 3 vacant positions? **(Church)** Umm...**(Perez Chandler)** What did we have allocated? **(Cheshire)** Yeah. It's...so, it's essentially a wash...is the, I mean, there's gonna be a little bit of a financial hit to us. But we're, essentially, replacing the positions with the consultant. So, there's going to be a little bit of a premium that we're paying. But, when you consider salary, benefits, overhead, financially, it's essentially a wash. Now, we are assigning some additional things to Nan McKay, that the specialists are not handling. But, it's the same thing that positions that are handling those, are being compensated to do that. They're now being redirected and redeployed to doing other things that are needed. So, there is a cost. But you will not see a significant impact on the bottom line by moving to Nan McKay and away from in-house staff handling. **(Perez Chandler)** So that \$800,000 annual cost, we're saying that it's pretty similar to what we were...we did not have to fill those positions? **(Cheshire)** Correct. **(Perez Chandler)** And the additional waiting list...the, having them take a look at the waiting list. **(Church)** And the main reason for that, is we don't have an applications person right now, to pull from the waiting list. And Nan McKay has the ability to actually get people off that waiting list and timely lease them up. We are struggling. That's why our utilizations that 74%. And the quicker we can increase that utilization, the higher we can increase our admin fees, and we will be in a much better financial situation. So that's why we chose to allocate the funds towards Nan McKay. **(Perkins)** And quite frankly, the services that we provide, this also helps to improve customer service. **(Church)** Correct. And we just don't have the staff to cover the vacant cases. I mean, we're already in a position now where we can't cover the workload that we have. **(Cheshire)** Mr. Chairman, I'll just add, that \$1.4 million in admin reserves that Nancy reported on earlier. That has to be deployed in the Section 8 operations. It's not like we can take that and say, "Oh wonderful! We've got \$1.4 million.

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Let's go get case management services, or let's go build housing.” So you may see that number dwindle a little bit, because this is going to be a lagging effect as we get the vouchers leased up, and we’re driving revenue. That number is gonna lag behind. So those reserves may dwindle, but I anticipate they’ll come back. And like I said, I think it's essentially flat. I mean, it may be \$100, \$150,000. I think it's essentially flat over the course of the contract. **(Stitts)** What is the long term strategy for this? **(Cheshire)** This may be the long term strategy. We're gonna try it out and see. If it works, great. If not, we'll go back. And I'll tell you, the short story, really, is that the job market is really tough, and we're bringing people in. We're then, dedicating a senior level staff member to train that person, and then they're leaving. So this way, we don't have the training. And Nan McKay, they are THE recognized industry leader. **(Gibel)** Are they local? **(Church)** No. They are in California. Nan McKay is who we take all of our certification courses through. All of the policy changes that are coming up with NSPIRE and HOTMA, they are handling those trainings for us. They are experts. **(Gibel)** So will their work for us be done locally, or online? **(Church)** It will be online, electronically. Correct. We will have to have a person here, that's going to be dedicated to assisting them in that transition. But, it will all be done online. They have access to our software to Yardi. So they will be completing the processes that we would normally do on our end, on their end. **(Perez Chandler)** What would be the difference between having people, whether they come here, especially because they're remote...how would that change for individuals who would come here and ask someone for help, versus them being over there? You mentioned that there would be one dedicated person. So how would that change things? **(Church)** Well, we are going to get into details on that next week on a call with Nan McKay, but the overview is, if they are assigned one of our clients, they will be informed that, say, John Smith is their case manager, and that's who they reach out to directly for any concerns, right? So if they were to come to the office, they are going to be referred back to contact their case manager. There will be exceptions. If we have clients that absolutely cannot deal with the online aspect of their voucher being managed, we will have to handle that in person and make an exception. There's gonna be people like that that we come across. And if it is a situation where a client needs our assistance in person, we will make that happen. **(Perkins)** And the toll free number is a part of the package that we have with them in the contract? **(Church)** Correct. There will not be any charges to the client whatsoever. There will not be any internet charges, or charges for mailing. If they're asked to mail something, they will not be charged. **(Stitts)** So...I just, I guess...and I think this is good strategy. I just wanna make sure that, when we talk about the experience for the client for our customer, that it's kind of seamless. That...that they feel like they're getting the same experience that they would normally get if they're going through us. Right? And so, do they...do the consultants understand that? **(Church)** Yes. **(Stitts)** That's what I'm trying to figure out. **(Church)** So, I've been told, with other agencies that they have done the same service for, right? That usually, the client doesn't even know that their case manager is Nan McKay in California, right? The only difference is that they're not coming in person. That is the only difference. They should not be able to tell any type of difference over the phone. And like, I said, if they have a

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situation where they want to meet with someone in person, we will make that happen and pull that case person from Nan McKay. **(Cheshire)** I'll add two things. And to Commissioner Perez Chandler's point, we can trade out. So if we've got a client that's a high touch client, right? That's an easy swap. It's not like we're saying, "Okay, you've got Jane Doe and your stuck with Jane Doe, regardless." We're gonna manage that through a liaison. So that I think we've got a great plan for. Commissioner Stitts, to your point or question, I think that one of the other driving forces behind this, and Romonda is sitting right here. She knows this. This is a struggling department. And so, I think, to your point, if they have the same experience with Nan McKay that they historically have with us, this is a mistake. We need them to have a better experience, better case management and a better experience with us. I think, if we take some of the things off of our staff, that they're having to manage, because they're drinking out of a fire hose and allow them to focus on what they do well and focus on their portfolio, it's gonna be a better experience for both cohorts of people. So I just wanna, I wanted us to own that. I don't wanna talk around that. It's a department that's struggling. We've seen a lot of people leave, okay? We need to stabilize it. We need to get vouchers leased up and we need to improve the customer experience. **(Stitts)** That makes sense.

7. BOARD COMMENTS

(Gibel) Quick question. On the approval from HUD to pay 120% of market rate...**(Cheshire)** Yes sir. **(Gibel)** Is that an "Evergreen" approval or is that...**(Cheshire)** We know we've got it through this year. HUD has been non-committal about what happens after this year. The other thing I'll add, not to be Debbie Downer here, but you all will remember, we are one of the cities that is being forced to go into small area fair market rents, okay? Not because we've done anything wrong, it's just the second cohort that HUD is rolling out. We are one of those. And so some of our rents and zip codes that do not have that strong of a market, are going down, okay? So it's going to be dictated by zip code. So even if we are at 120%, we're going to be at 120% of a lower fair market rent, in many of our zip codes.

8. ADJOURNMENT

Motion to adjourn

Motion: Commissioner Stitts

Second: Commissioner Perez Chandler

Unanimous.

The March 12, 2024 meeting of the Board of Commissioners for the Housing Authority of the City of Winston Salem adjourned at 12:51 P.M.

Acknowledgment and Adoption of the March 12, 2024 HAWS Board Minutes:



Tuesday April 9, 2024
Housing Authority of the
City of Winston-Salem
Board of Commissioners
12:00 Noon

March 12, 2024 Minutes

Adopted: _____ (date)

Signed: _____ Executive Director (ED)

Executive Director Report

Executive Director Report (April 2024)

- 1) Crystal Towers
 - a) Phase 1 – Laundry and Lobby Renovation
 - i) Completed
 - b) Phase 2 – Elevator System Full Replacement
 - i) Car 1
 - (1) Department of Labor Inspection March 19
 - (a) Corrective Action Identified
 - (b) Second Inspection Scheduled for April 10th
 - ii) Car 2
 - (1) On-Site Crew Immediate Transition
 - (2) Still Presenting 10-12 Week Estimate
 - (a) Optimistic, Based on Car 1 Experience
 - (b) However, new crew moving much more quickly
 - (c) Also, a lot of infrastructure already in place
 - c) Supportive Services
 - i) Engagement Team Coordinating Multiple On-Site Providers
 - ii) Grant Application Being Submitted for Multiple FTE On-Site Case Managers
- 2) King Building Relocation
 - a) Rough-In Complete; Sheetrock Being Hung
 - b) Anticipate September Move
- 3) Happy Hill
 - a) Phase 1 – Affordable Units Produced on HUD-Restricted Land
 - i) Habitat Moving Quickly (Ground Breaking Ceremony)
 - b) Phase 2 – Mixed Income Development on Unrestricted Parcels
 - i) Site Plan Presented
 - (1) Anticipate 72 Units
 - ii) Preparing Master Development Agreement
 - (1) True Homes; Prosperity Alliance; Happy Hill Neighborhood Assoc.
 - iii) Addressing Legacy Restrictions
- 4) Choice Neighborhoods
 - a) Phase I – Brown School Lofts
 - i) Ribbon Cutting Set for April 25 at 3:00 p.m.
 - b) Phases II/III (Consolidated) – Cleveland Avenue Homes
 - i) Demolition – Potentially Next 30 Days
 - (1) All Remaining Families Relocated by EOM
 - (2) Demolition Approved by HUD
 - ii) Funding Gap
 - (1) \$7 Million (\$2 Million Phase II)
 - (2) Second Round of Supplemental Funding (\$2.5MM)
 - (3) Local Public Funds
- 5) Operations
 - a) HCV Waiting List; Nan McKay Transition; NSPIRE Inspections

Capital Report

Capital Board Report as of April 2024

Project Description	Site	Contractor	Contract Execution Date	Completion Date (Estimated/Actual)	Updates
Elevator Replacement	Crystal Towers	Kone	6/6/2022	NTP: 120 Days from Start Date	Contract: 6/6/2022 Materials Delivered: 3/8/2023
					2nd Car Delivery: 1/1/2024
Automatic Transfer Switch Install	Crystal Towers	Carolina Cat	PO#27153	N/A	NCDOl: 4/4/2024; Cancelled Installation Scheduled: 4/22/2024
Assessment	Crystal Towers	N/A	N/A	N/A	Scope/Cost Estimate Complete; Submitted to Procurement for Solicitation Friday, 4/5/2024
Unit 4-O- Insurance Claim- Fire	Crystal Towers	N/A	N/A	N/A	SOW/ICE
1111-B Burke Village- Insurance Claim- Fire	Fairview Landing	N/A	N/A	N/A	SOW/ICE
Elevator Replacement	Healy Towers	Carolina Elevator	3/17/2023	4/14/2024	Contract: 3/17/2023 Materials Delivered: 1/16/2024
					Car 1 NCDOL Passed: 3/25/2024
Life/Safety Alarm	Healy Towers	Johnson Controls	PO#27654	4/21/2024	Passed Inspection: 3/21/2024; Complete
Day Rooms	Healy Towers				Paint/ HVAC PTAC Units Installed/Carpet cleaning complete Awaiting Furniture Delivery
Building Renovation	King Bldg	Frank Blum	2/20/2024	No Later than six months and 20 days from start Date	Demo, rough plumbing, elec, HVAC, roofing, framing
Roof Replacements	Piedmont Park	Dreambuilt Construction	2/14/2024	Six Months from Start Date	10 out of 50 Buildings Complete Scope/Cost Estimate Complete; Submitted to Procurement for Solicitation Friday, 4/5/2024
Tree Pruning	Piedmont Park	N/A	N/A	N/A	
1214 29th Street- Insurance Claim- Fire	Piedmont Park	Landen Construction	1/3/2024	90 Days from Contract Start Date	85% Complete
2702 CAP MOD Unit	Piedmont Park	Landen Construction	12/13/2023	90 Days from Contract Start Date	Completion Date: 3/22/2024
2709 Piedmont Circle- Insurance Claim- Fire	Piedmont Park	N/A	N/A	N/A	SOW/ICE
GFCL Install	Sunrise Towers	Daleco Electric	PO#27292	N/A	95% complete
Elevator Replacement	Sunrise Towers	Carolina Elevator	3/17/2023	4/1/2024	Materials Delivered: 12/21/23 NCDOL 4-5-24 Car 1: NCDOL 4-5-24
Roof Replacements	Townview	Dreambuilt Construction	2/14/2024	Six Months from Start Date	14 out of 25 Buildings Complete

Development Report

Development Priority 1: Crystal Towers



OVERVIEW

- Downtown Core Location
- 201 Units (Elderly/Disabled)
- No Supportive Services (Independent Living)

OBJECTIVES

- Address Immediate Infrastructure Needs
- Ensure Long-Term Sustainability

Development Priority 1: Crystal Towers



ELEVATOR STATUS

- Kone Modernization
- DOL Inspection
 - February Inspection Rescheduled
 - Technician Departure – No Notice
 - March Inspection
 - Failed – Counterweight
 - April Inspection
 - Scheduled for Thursday (4/4)

Development Priority 1: Crystal Towers



ASSESSMENT STATUS

- Met with City
- RFP Forthcoming
 - Finalizing Scope
- Resident Participation in Scope
- Following Scope
 - Identify Funding Sources
 - City Commitment
 - Capital Fund
 - Potential RAD Conversion (Debt)
 - Development Partners

Development Priority 2: Happy Hill



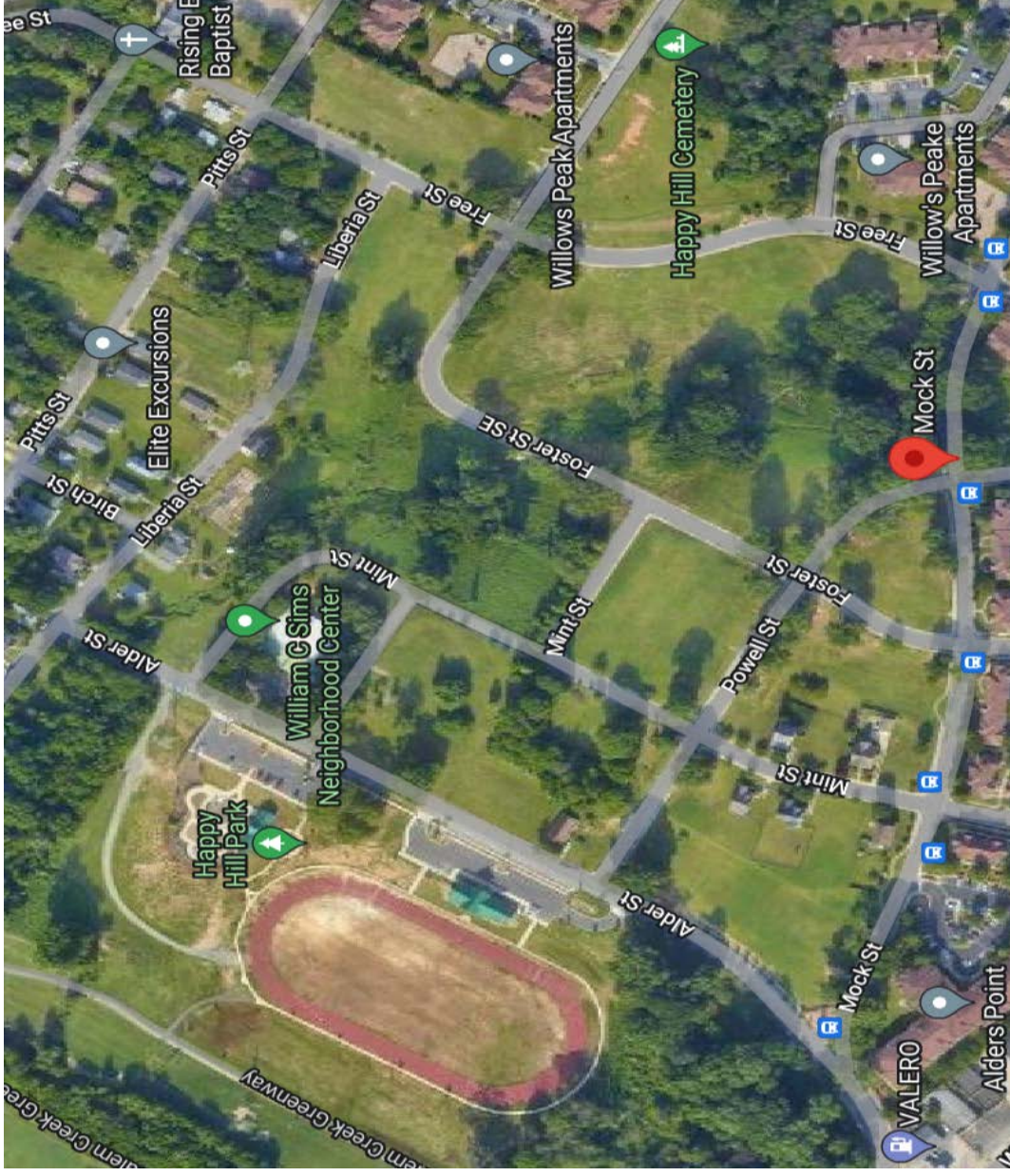
OVERVIEW

- Downtown-Adjacent Location
- Historically and Culturally Significant Site
- Former Public Housing Community
 - Razed and partially redeveloped with 2003 HOPE VI Grant
- ~ 20 Acres of Undeveloped Land

OBJECTIVES

- Create Mixed-Income Community
 - Affordable and Market Rate
 - Rental and Homeownership

Development Priority 2: Happy Hill



HABITAT STATUS (PHASE 1)

- Habitat Has Broken Ground!
- Pictures Forthcoming
- Expedited Build
- City Funding
- Builders Blitz
- Legacy Family Database & Priority

Development Priority 2: Happy Hill

Property Subject To RFP	City of W-S	HAWs / FEV	
Property Not Subject To RFP (Included herein for Reference)	Existing SFR	Salem Heights Development	Habitat for Humanity



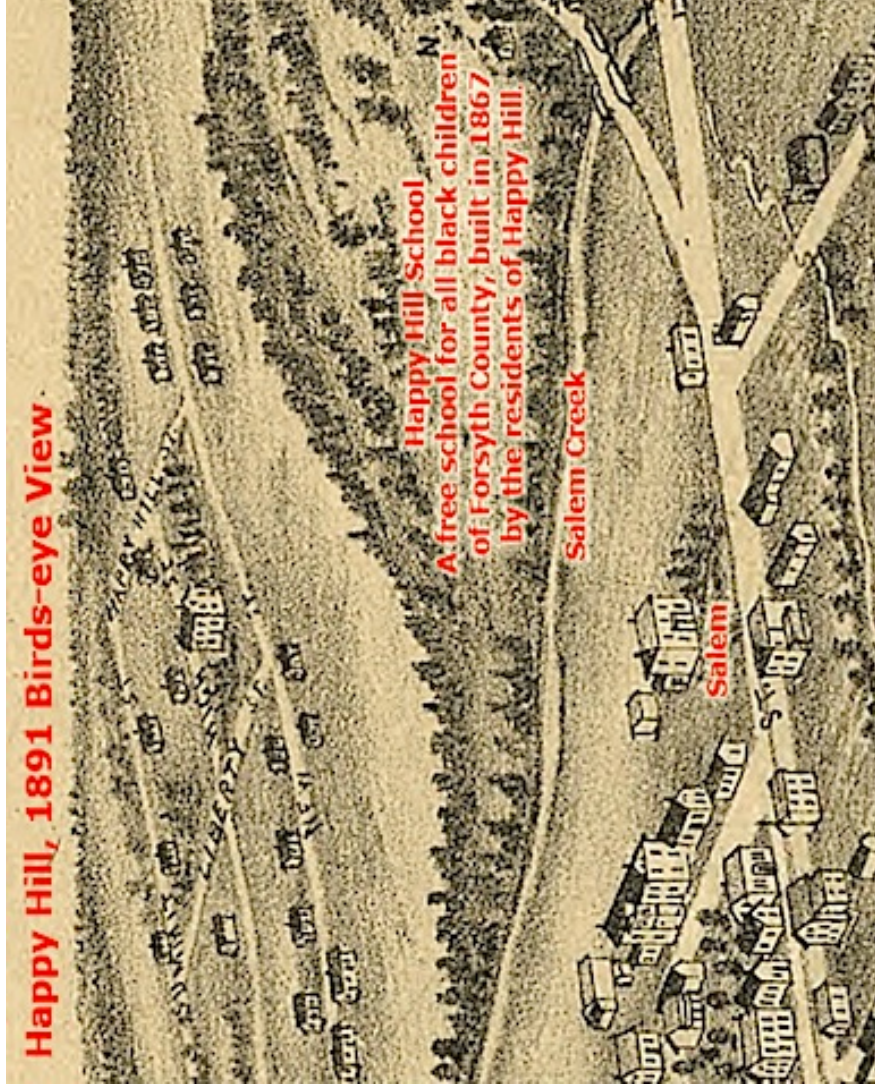
Unrestricted Lots (PHASE 2)

- Selection of Development Partners
 - True Homes
 - Prosperity Alliance
 - Happy Hill Neighborhood Association
- Development Agreement Pending
 - Site Plan (~70 Units Proposed)
 - Unit Mix
 - Schedule
 - Legacy CCRs

Development Priority 2: Happy Hill

(SUBSEQUENT PHASES)

- Liberian Organization of Piedmont
 - Transfer land for construction of student housing
- Happy Hill Neighborhood Association
 - Transfer land for community development
- HUD-Restricted Parcels
 - Will be released once 13 Habitat homes completed
 - Assess need at that time to determine development plan



OTHER DEVELOPMENT PROJECTS (Exclusive of CNI)

- Lansing Ridge
 - Development Agreement with Private Developer
 - Affordable and Workforce Homeownership (New Construction)
 - Phase 1 (of 3) in Progress (8 Homes)
- Salem Gardens
 - Bond for Acquisition and Rehabilitation
 - April Closing Anticipated
- King Building Redesign and Renovation

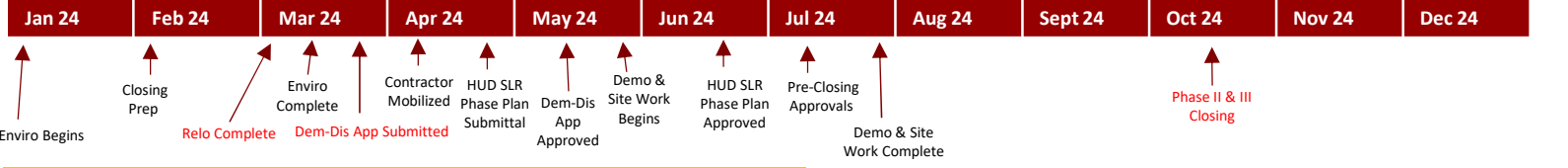
CNI Report

Choice Neighborhood Initiative Summary - March 2024

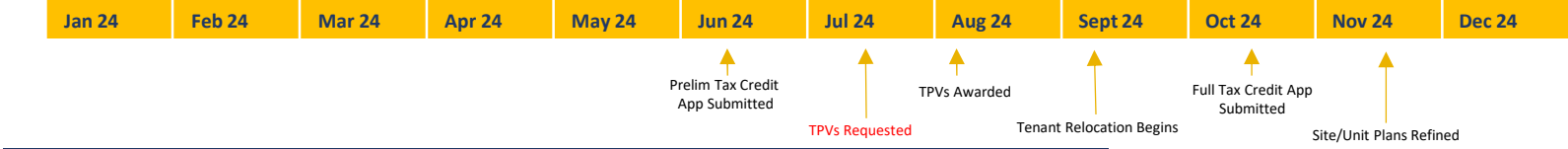
Phase I: The Lofts at Brown School – Multi-Family (81 Units)



Phase II/III: Cleveland Avenue Site – Multi-Family (120 Units)



Phase IV: Cleveland Avenue Site – Multi-Family (60 Units)



Phase V: Cleveland Avenue Site – Multi-Family (64 Units) & Senior Bldg (80 Units)



Housing Plan

- Phase I: Building 1 – 10 Complete. Released for Occupancy.
- Phase I: Buildings 11 – 12 Finish Work Underway. Occupancy in April 24.
- Phase I: Leasing Underway; Residents Locating to Site.
- Phase II – III: Site Plan Submitted to City.
- Phase II – III: Demolition Application Submitted to HUD.
- Phase IV: Development Design Set for Pricing.

Neighborhood Plan

First Phase of Residential Façade Improvement Program is underway. Home inspections complete. Scopes of Work at each home complete. Façade Improvement contracts with City and Homeowners are executed. First work scheduled for Feb 2024.

City effort underway to improve bus stops/shelters to include the CNI area.

People Plan

- 310 Total CAH Families Have Enrolled in USI Case Management. 99% of Current CAH Families Enrolled in USI Case Management.
- 91% of Target Residents Report Having Medicaid Insurance.
- 78% of children have seen a dentist in last 12 months.
- 52% eligible adults earn wage income.

Relocation Information

Group I

- Total Units: 111
- Households Relocated/Pending: 111
- Households Remaining: 0
- Households Seeking Housing: 0
- Other (USI Offices): 0

Section 3 / MWBE

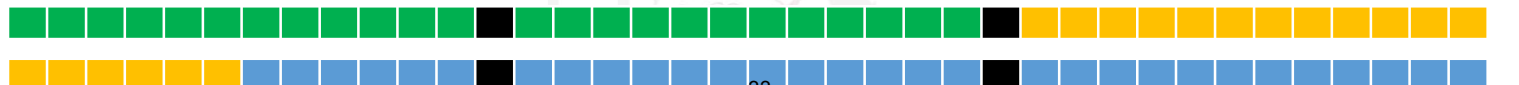
January 1, 2024 to February 1, 2024:

- 19 % of Project to MBEs (Target: 25%)
- 10 % of Project to WBEs (Target: 5%)
- 8 % of Project to Section 3 Businesses

67% of hours - Sec 3 workers (Trgt: 25%)
73% of Housing Const hours – Sect 3

35% of project workers live in W-S/FC.
9% of project workers – Legacy Hghts S3

As of February 2024, we are 43 months into our 72 month CNI project effort



Construction TRANSFORMATION in Progress at The Lofts at Brown School!

Housing Plan
 Buildings 1 - 10 – Released for Occupancy
 Buildings 11 – 12 Pre-Final Finish.



Construction TRANSFORMATION in Progress at *The Lofts at Brown School!*



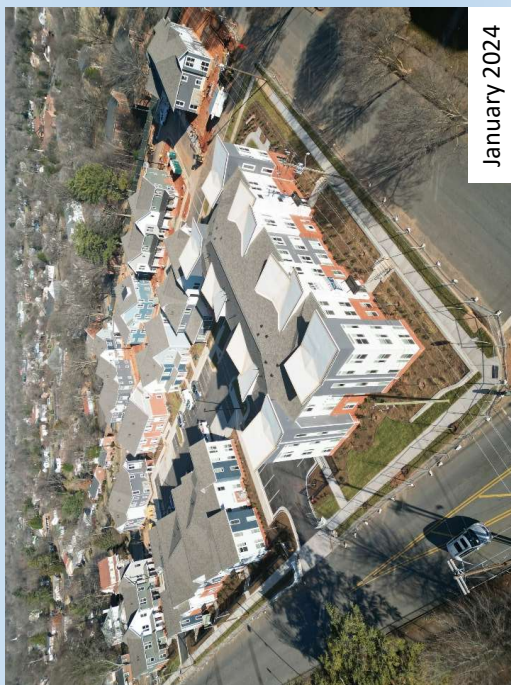
July 2022



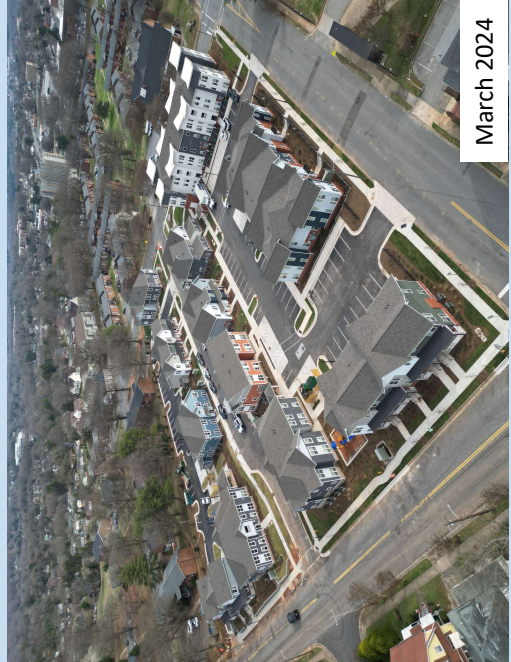
November 2022



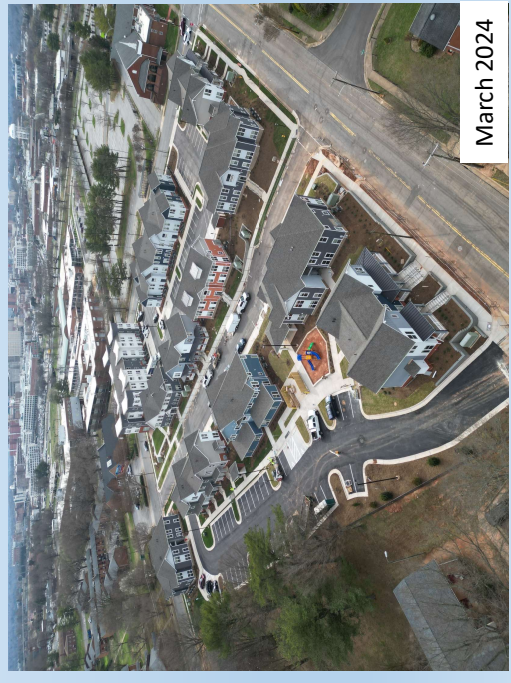
May 2023



January 2024

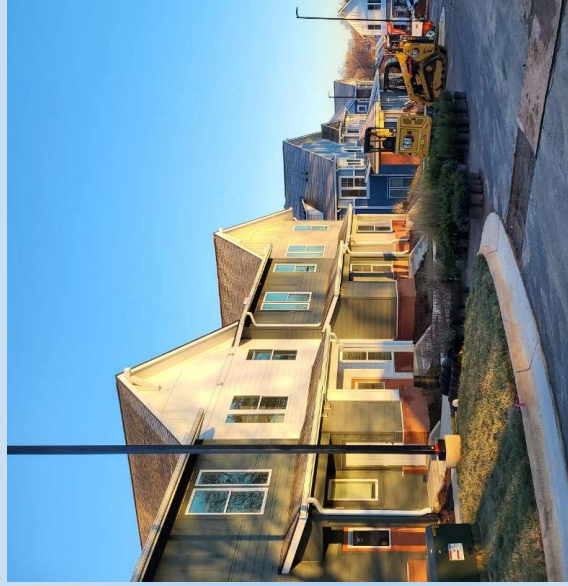
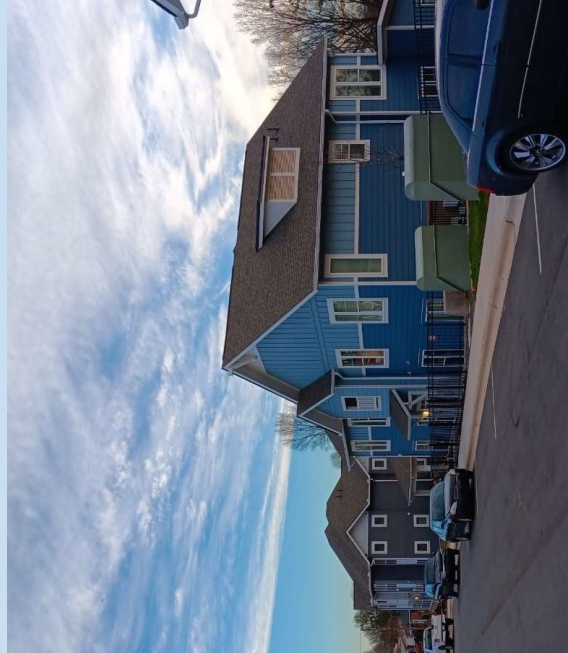
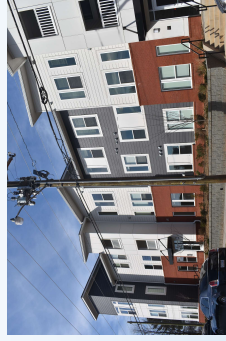


March 2024



March 2024

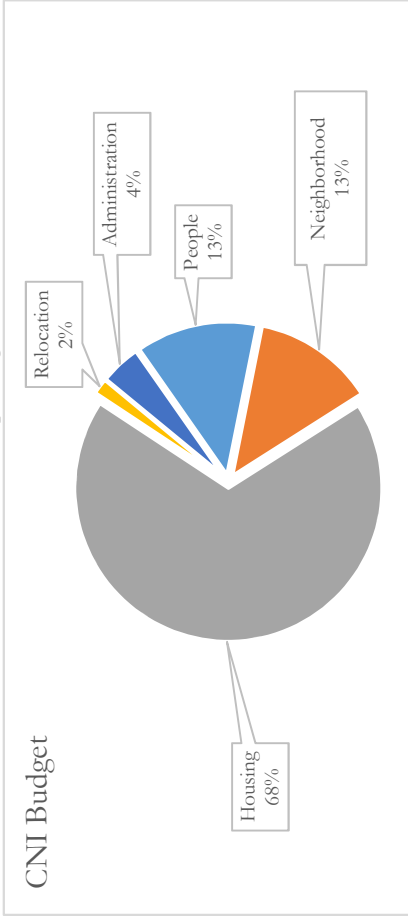
TRANSFORMATION in Progress at The Lofts at Brown School!



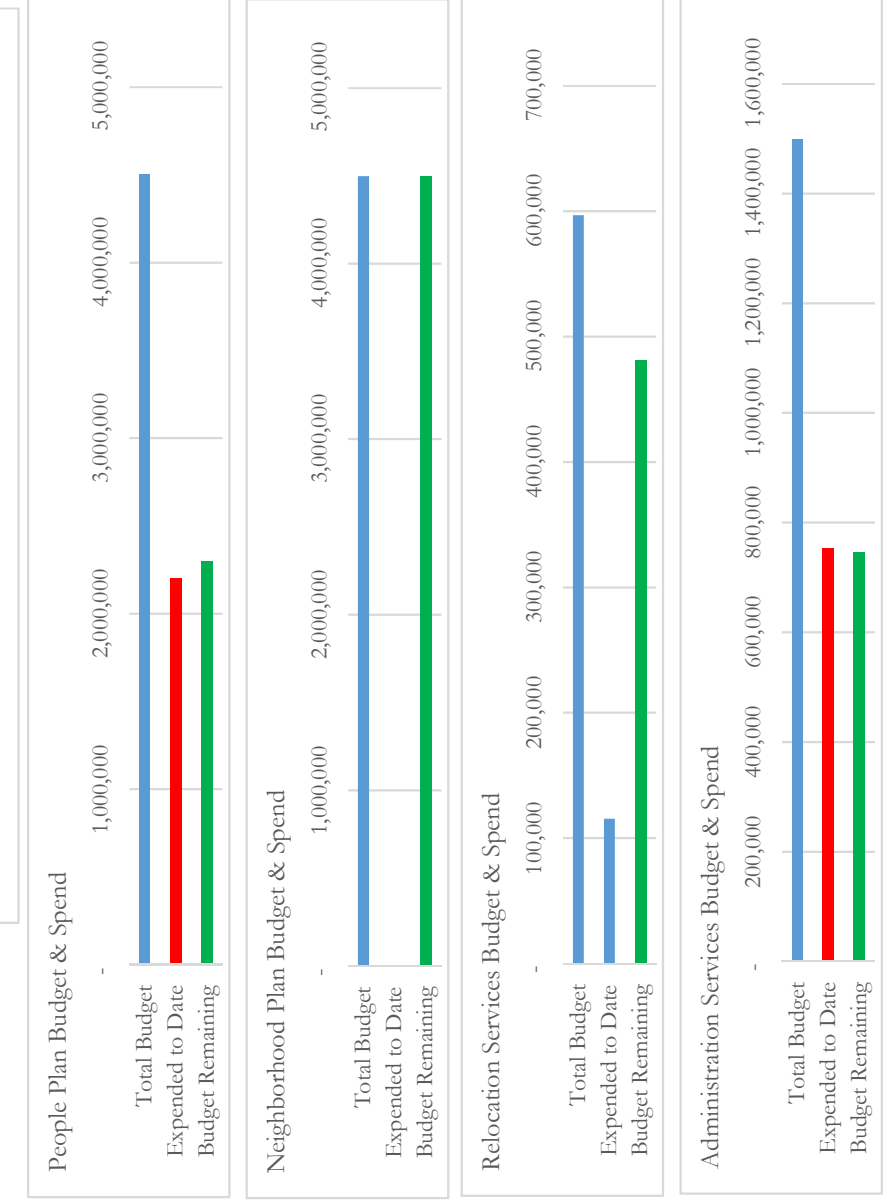
Choice Neighborhood Initiative Budget (HUD funds only)

People	4,500,000
Neighborhood	4,500,000
Housing	23,903,000
Relocation	597,000
Administration	1,500,000
\$	35,000,000.00

Reporting Period: March 2024



CNI Budget & Expenses by Area

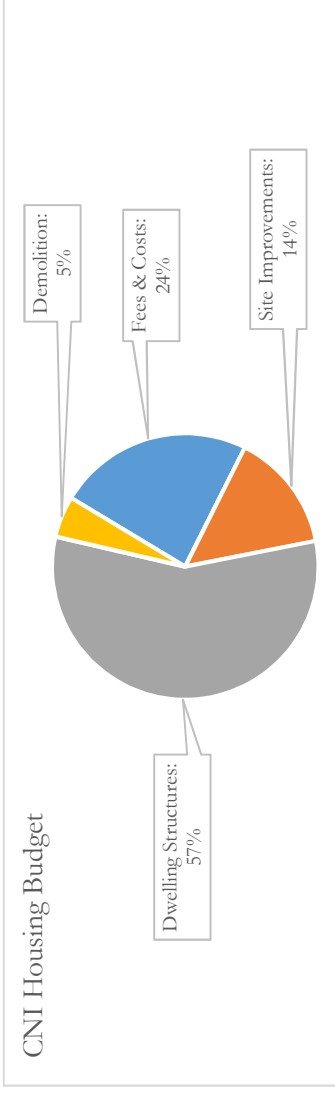


CNI Housing Budget

Reporting Period:

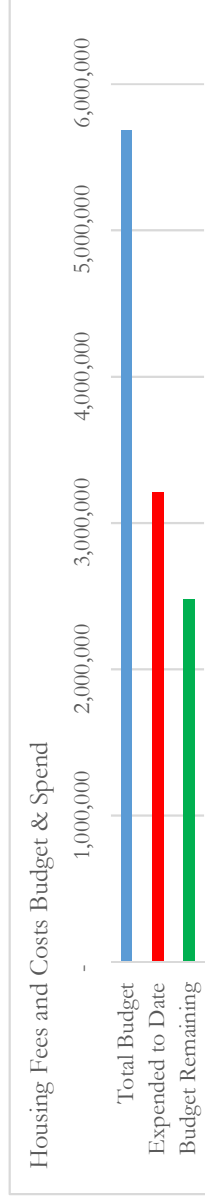
March 2024

Fees & Costs:	5,686,157
Site Improvements:	3,469,334
Dwelling Structures:	13,553,509
Demolition:	1,194,000
	\$ 23,903,000



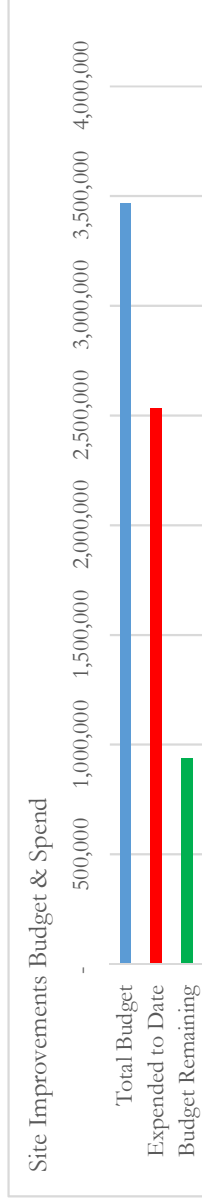
CNI Housing Budget & Expenses by Area

Fees and Costs	
Total Budget	5,686,157
Expended to Date	3,207,886
Budget Remaining	2,478,271
% Expended	56%



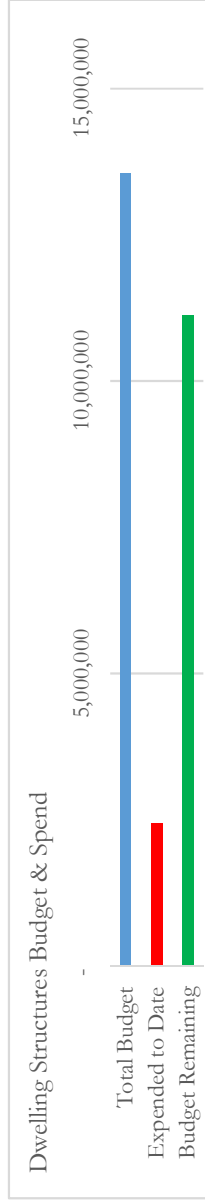
Site Improvements

Total Budget	3,469,334
Expended to Date	2,533,207
Budget Remaining	936,127
% Expended	73%



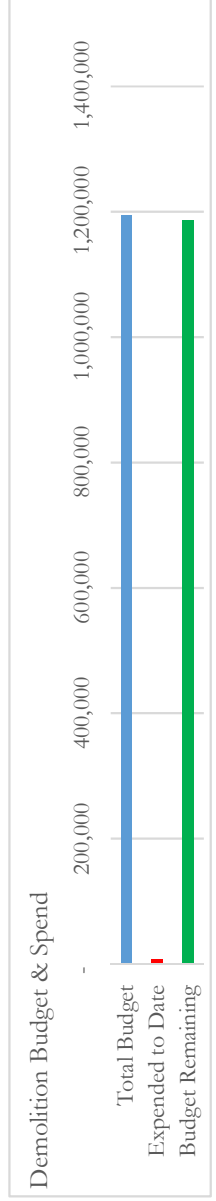
Dwelling Structures

Total Budget	13,553,509
Expended to Date	2,438,134
Budget Remaining	11,115,375
% Expended	18%



Demolition

Total Budget	1,194,000
Expended to Date	7,547
Budget Remaining	1,186,453
% Expended	1%



Schedule



CNI Expenditure Deadline

Task	2020	2021	2022	2023	2024	2025	2026	2027
Acquisition	Acquisition							
Phase 1 81 Units (Off-Site)	Prepare 9% App	Submit 9% App; Closing	Construction	Bldgs 1 – 9 Complete	100% Completion			
Phase 2 72 units On-Site Multi-Family		Prepare 9% App	Submit 9% Appl	Part 58 – <u>NCDEQ Delays</u>	Closing 9/1/24 Construction	Complete & Lease-Up		
Phase 3 42 On-Site Multi-Family			Prepare 9% App	Submit 9% App; (May 2023)	Closing 9/1/24 Construction	Complete and Lease Up		
Phase 4 60 On-Site Multi-Family				Prepare 9% App	Submit 9% App;	Closing / Construction	Complete and Lease Up	
Phase 5a & 5b 151 units On-Site 5a – 71 Multi-fam 5b – 80 Senior					5a - Prepare 9% App 5b – Prepare 4% App	Submit 9% App;	Closing/ Construction	Complete and Lease Up

WINSTON-SALEM *The CHOICE*

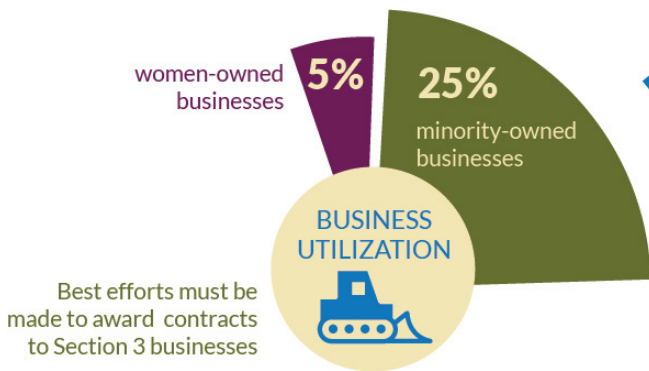


WINSTON-SALEM *The CHOICE*

Winston-Salem CNI Project, Phase I MBE, WBE, and Section 3 Performance Report Executive Summary | February 2024

PROJECT REQUIREMENTS

The Winston-Salem CNI Project, Phase I monthly reports document performance against the business utilization and Section 3 requirements. The following apply to the project:



PROJECT PERFORMANCE

The Winston-Salem CNI Project, Phase I is currently comprised of three contracts – Demolition & Site Prep, Housing Construction, and Public Improvements. The following data represents project performance against requirements based on information received through the report period.

Business Utilization



Section 3 Workforce

Labor Hours

69%
Section 3 Workers

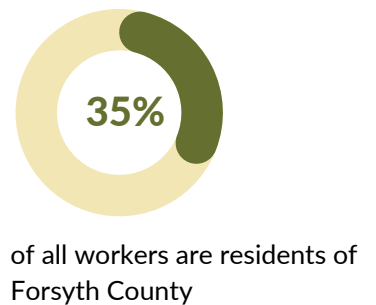
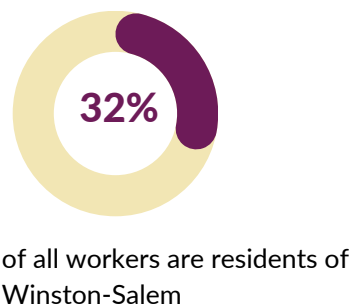
New Hires

72%
Section 3 Workers

8%
Targeted Section 3 Workers

16%
Targeted Section 3 Workers

Project Workforce



1% of all workers are residents of Cleveland Avenue Homes

DEMOLITION AND SITE PREPARATION

GENERAL CONTRACTOR

Frank L. Blum Construction Company, Sterling Construction Services, A Joint Venture

Business Utilization



6%
awarded to minority-owned businesses



4%
awarded to women-owned businesses



0%
awarded to Section 3 businesses

Section 3 Workforce

Labor Hours

9%
Section 3 Workers

New Hires

0%
Section 3 Workers

0%
Targeted Section 3 Workers

0%
Targeted Section 3 Workers

0 new hires identified.
0 new hires Section 3 workers.
0 new hires Targeted Section 3 workers.

Project Notes

No payroll concerns to report.



HOUSING CONSTRUCTION

GENERAL CONTRACTOR

Frank L. Blum Construction Company, Sterling Construction Services, A Joint Venture

Business Utilization



23%
awarded to minority-
owned businesses



12%
awarded to women-owned
businesses



10%
awarded to Section 3
businesses

Section 3 Workforce

Labor Hours

74%
Section 3 Workers

New Hires

72%
Section 3 Workers

9%
Targeted Section 3
Workers

16%
Targeted Section 3
Workers

87 new hires identified.
63 new hires Section 3 workers.
14 new hires Targeted Section 3 workers.



Project Notes

The project's Contractor Compliance Tracking documents payroll concerns that require attention.



PUBLIC IMPROVEMENTS

GENERAL CONTRACTOR

Frank L. Blum Construction Company, Sterling Construction Services, A Joint Venture

Business Utilization



2%
awarded to minority-owned businesses



0%
awarded to women-owned businesses



2%
awarded to Section 3 businesses

Section 3 Workforce

Labor Hours

15%
Section 3 Workers

New Hires

0%
Section 3 Workers

1%
Targeted Section 3
Workers

0%
Targeted Section 3
Workers

0 new hires identified.
0 new hires Section 3 workers.
0 new hires Targeted Section 3 workers.

Project Notes

No payroll concerns to report.





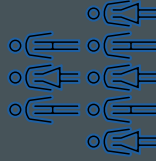
WS Choice Neighborhood

CLEVELAND AVENUE HOMES PEOPLE STRATEGY MONTHLY REPORT

February 2024



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 - Monthly Highlight – Transformation is Happening
- **Demographics**
 - Target Population
 - Race, ethnicity, age, income etc.
- **Education**
 - Kindergarten Readiness
 - Youth Enrollment/Out of School Program Participation
 - Adult Education Enrollment & Participation
- **Health**
 - Primary Care
 - Health Insurance
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 - Self-Sufficiency
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- **Difference Made**
- **Our Team**

**BROWN SCHOOL
LOFTS @ LEGACY
HEIGHTS**



The Winston-Salem Choice Neighborhood Initiative (i.e., Urban Strategies, Housing Authority of Winston-Salem, City of Winston-Salem, and McCormack Baron Salazar) Phase I at the former Brown Elementary School site on Highland Avenue is complete.



DEMOGRAPHICS

Metric	Total Count
Target Households (original)	220
Target Households Served (to date)	313
Target Households currently being served (original and new)	212
Target Households with Completed Assessments	210
Households Dismissed from Program (to date)	102
Original Households not in enrolled in Case Management	21
New Target Households post application/prior to relocation enrolled in Case Management	114
Target Households receiving TANF	0
Target Households enrolled in food stamps	177
Target Households enrolled in SSI or SSDI	52
Average Annual Household Wage Income (no SSI/SSDI)	\$23,158.00
Average Annual Hourly Wage Income	\$13.75

Metric	Number	Percent
Number and percentage of target adult residents (18-64 years of age) not able to work or train due to a disability	31	13.77%
Number and percentage of Limited English Proficiency (LEP) target residents	0	0.00%
Number and percentage of target residents with at least one chronic condition	174	31.46%

92.20%

Target residents are African-Americans.

99.90%

Target original residents are enrolled in case management.

64.20%

Target residents are Females.

41.90%

Target residents are 18 – 64 years of age.

EDUCATION

Metric	Number	Percent
Number and percentage of target resident children, from birth to kindergarten entry, participating in center-based or formal home-based early learning settings or programs	19/77	24.70%
Number and percentage of target resident youth screened for developmental delay and disabilities	77/77	100.00%
Number and percentage of target resident youth involved in positive youth development activities (i.e., out of school programs)	67/212	31.60%
Number of target residents participating in higher education	2/191	1.00%
Number of target residents participating in vocational/trade school/job training	4/191	2.10%

84.40%

Target youth residents feel safe (i.e., safe, very safe, or extremely safe) on the way to school and back.

100.00%

Target resident parents read to youth on a regular basis.

57.10%

Target resident youth are ages 0 – 18 years of age.

66.20%

Target residents have some high school/GED training or a high school diploma/GED.

HEALTH

Metric	Number	Percent
Number and percentage of target residents who have a place of healthcare where they regularly go, other than an emergency room, when they are sick or need advice about their health	458	82.80%
Number and percentage of target residents who have health insurance	469	84.81%

100.00%

Target residents have seen their primary physician in the last 12 months.

94.90%

Target youth residents participate in at least 60 minutes of physical activity daily (ages 2+).

90.61%

Target residents have Medicaid insurance.

78.30%

Target youth residents have seen their dentist in the last 12 months.

ECONOMIC MOBILITY

Metric	Number	Percent
Number and percentage of residents with wage income	67	48.20%
Number and percentage of target residents working full-time	48	71.60%
Number of target residents of target residents working part-time	19	28.40%
Number and percentage of target residents who are unemployed	72	51.80%
Number and percentage of target residents who have been employed for 6 months or longer	66	98.50%
Number and percentage of target residents receiving Unemployment Insurance	0	00.00%
Number and percentage of target residents with a bank account	125	60.10%

97.30%

Target residents report their job is going well.

88.10%

Target residents are registered to vote.

83.80%

Target residents are permanently employed.

68.00%

Target residents are employed in the food industry, healthcare, or retail.

DIFFERENCE MADE

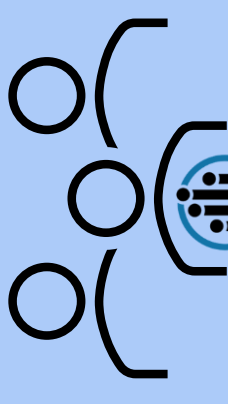
**Brown School Lofts @ Legacy Heights
1st Set of Residents are Home!!**





OUR TEAM

- Eva Mosby, Southern Region Vice-President
- Tonya Atkins, Operations Director
- Ebony Moore, Family Support Specialist Manager
- Jenay Cole, Family Support Specialist II
- Rhonda Killian, Mobility Specialist
- Jessica Martinez-Martinez, Family Support Specialist II
- Shennetta Robinson, Outreach Worker
- Shaveda Shaw, Family Support Specialist II



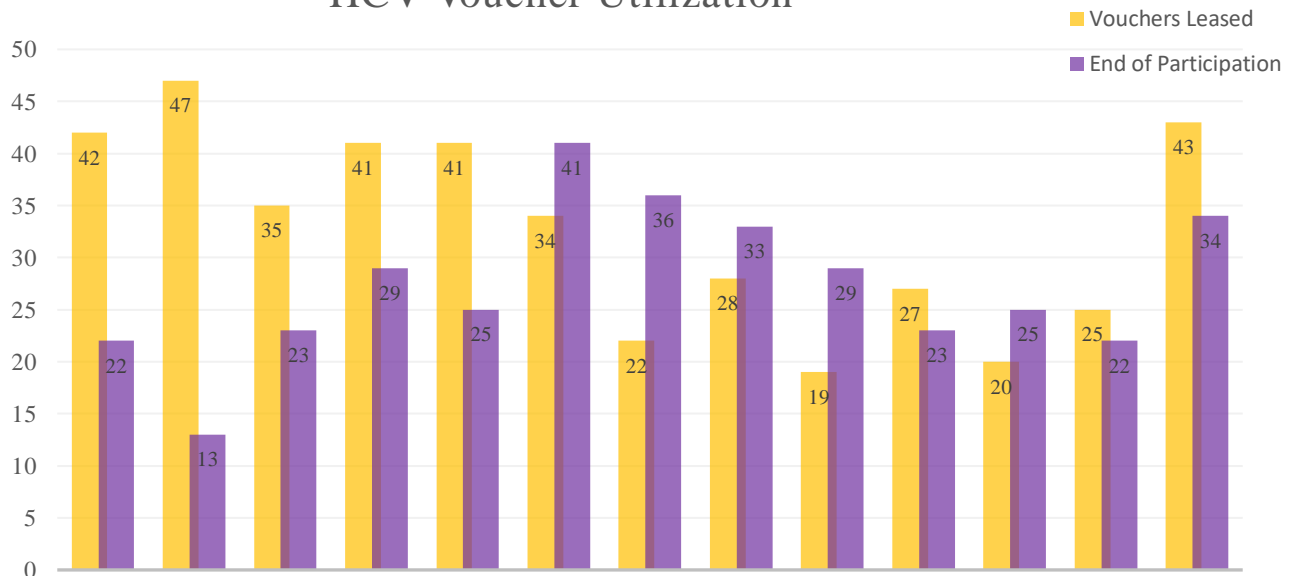
HCV Report

Housing Choice Voucher Program Report
2/29/2024

I. Voucher Unit Utilization	Current	Maximum	Percent Utilized	Target	NC Average as of 11/30/2023
Total Vouchers Leased - SEMAP Indicator #13	3316	4537	73%	>90%	81.17%
Total Vouchers Issued for the month	68				
Total Voucher Leased for the month	43				
Total Vouchers Removed from the Program	34				
Vouchers Issued but not leased on the street	276				
Project-Based Vouchers (Currently in Place)	347	371	94%		94.30%
Special Programs	89	239	37%		
Mainstream	110	278	40%		66.54%
VASH	112	144	78%		70.66%
EHV	25	31	81%		67.26%
II. Voucher Budget Utilization					
Monthly	\$2,399,735	\$2,948,460	81%		
Average Monthly HAP	\$724				
III. Other SEMAP Indicators in PIC					
PIC Reporting Rate	98.59%			>94%	
Timely Re-examinations	96%			>95%	
Correct Rent Calculations	100%			>97%	
Pre-Contract HQS Inspections	100%			>97%	
Annual HQS Inspections	93%			>95%	
Family Self-Sufficiency					
Enrollment:# of Participants	64				
Percent with Escrow Accounts	75%				
IV. HCV Waiting List					
Number of Applicants Awaiting Voucher Issuance	265				
V. Inspections					
Units Inspected	441				
Passed (1st inspections)	243				
Failed	198				
Passed after re-inspection	122				
Number of Landlords receiving HAP Abatements	662				
	34				

HUD Income Limits - by household size as of 05/15/2023								
	1	2	3	4	5	6	7	8
Very Low	\$28,550	\$32,600	\$36,700	\$40,750	\$44,050	\$47,300	\$50,550	\$53,800
Extremely Low	\$17,150	\$19,720	\$24,860	\$30,000	\$35,140	\$40,280	\$45,420	\$50,560
Low	\$45,650	\$52,200	\$58,700	\$65,200	\$70,450	\$75,650	\$80,850	\$86,100
HUD Fair Market Rents - by unit bedroom size as of 10/01/2023								
	0	1	2	3	4			
		\$897	\$936	\$1,110	\$1,452	\$1,671		

HCV Voucher Utilization



	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Vouchers Leased	42	47	35	41	41	34	22	28	19	27	20	25	43
End of Participation	22	13	23	29	25	41	36	33	29	23	25	22	34

February 2024 End of Participation Reasons

- 2 - Zero HAP Assistance*
- 3 - Tenant Preference*
- 8 - Moved without Notice/HAP Contract Violation*
- 6 - Eviction – Lease Violation*
- 4 – No Response to PHA*
- 1 – Portable Voucher*
- 1 – Purchased Home*
- 9 – Other*

Public Housing

Public Housing Report

Reporting Month	Piedmont Park		Cleveland Ave		Sunrise Towers		Crystal Towers		Healy Towers		Townview		Stoney Glenn		The Oaks at Tenth		Camden Station		Brookside View		Totals
	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	Feb	
Public Housing Management Operations																					
Occupancy Rate	94.58%	53.69%	91.79%	89.55%	97.14%	92.00%	92.00%	92.00%	100.00%	96.67%	100.00%	92.00%	92.00%	100.00%	96.67%	100.00%	96.67%	100.00%	100.00%	93.38%	** sec note
Number of Units	240	244	195	201	105	50	50	50	50	30	50	50	50	50	30	50	30	50	50	15	1180
Units Offline	3	2	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9
Move Ins	3	3	1	0	1	1	0	0	1	1	0	0	0	2	1	0	1	0	0	0	12
Move Outs	3	7	6	8	2	2	2	2	2	1	1	1	1	0	1	0	1	0	0	0	30
Vacancies	10	107	11	12	2	2	2	2	2	1	1	1	1	2	1	2	1	0	0	0	148
# of Applicants Pulled	35	22	10	20	20	3	3	3	20	3	3	3	3	3	2	3	2	0	0	0	118
Charges Billed	\$49,898	\$30,700	\$43,418	\$51,542	\$39,538	\$15,272	\$18,533	\$16,520	\$16,520	\$9,630	\$12,921	\$12,921	\$12,921	\$16,520	\$9,630	\$12,921	\$9,630	\$12,921	\$12,921	\$11,830	\$287,972
Payments Collected	\$47,874	\$36,106	\$39,985	\$47,372	\$42,937	\$14,027	\$13,187	\$18,380	\$18,380	\$10,830	\$11,830	\$11,830	\$11,830	\$18,380	\$10,830	\$11,830	\$10,830	\$11,830	\$11,830	\$11,830	\$282,528
# Recertifications Due	28	11	8	14	7	5	3	3	7	3	3	3	3	3	7	2	7	2	2	2	88
# Recertifications Completed	28	10	8	14	7	5	3	3	7	3	3	3	3	3	7	2	7	2	2	2	87
Waiting List	9611	5075	3406	360	2122	5826	5900	8308	8308	8626	958	958	958	8308	8626	958	8626	958	958	958	50192
Lease Violations																					
# of Late Payment Notices	130	52	64	55	19	21	22	18	18	18	7	7	7	18	18	7	18	18	7	7	406
# of Judicial evictions Filed in Court (Non-Payment)	11	0	5	5	1	1	2	1	1	1	0	0	0	1	1	0	1	0	0	0	27
#of Termination Notices (Other than Non-Payment)	2	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3
# of Judicial Evictions Filed in Court (Other than Non-Payment)	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Security																					
# of Incidents Reported (WSPD)	52	21	16	25	1	1	1	1	1	1	1	1	1	1	2	0	2	0	0	0	120
# of Incidents Involving Residents	8	2	7	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23
# of Violent/Drug Reports	13	4	3	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24
Maintenance																					
Opening Balance of Work Orders for BOM	13	6	10	9	2	5	5	3	2	2	5	5	5	3	4	1	4	1	1	1	58
# of Created Work Orders for the Month	215	92	90	130	29	29	20	36	29	29	29	20	20	36	16	16	16	16	16	16	658
# of Open Work Orders EOM	207	84	89	126	26	21	21	29	26	26	21	21	21	29	12	12	12	12	12	0	615
# of Emergency Work Orders EOM	4	6	0	0	0	2	0	2	0	0	2	0	0	2	1	0	1	0	0	0	15

*Cleveland Avenue Homes data reflect higher vacancy and lower rental revenues due to planned relocation of residents off site pursuant to the Choice Neighborhoods Grant Initiative ("CNI"). All units are being vacated in phases to allow for demolition and rebuild pursuant to the CNI grant. **Totals column excludes Cleveland Avenue Homes data.

Unsubsidized Housing

Unsubsidized Housing Report February 2024

	Drayton Pines	Plaza
Imperial Operations		
Occupancy Rate	93%	95%
Number of Units	44	77
Move Ins	0	0
Move Outs	0	0
Vacancies	3	4
# of Applicants Pulled	2	3
Charges Billed in February	\$31,857	\$35,630
Payments Collected in February	\$35,570	\$34,729
Waiting List	5	23
Lease Violations		
# of Late Payment Notices	4	16
# of Termination Notices (Other than Non-Payment)	0	0
# of Judicial evictions Filed in Court (Non-Payment)	1	1
# of Judicial Evictions Filed in Court (Other)	0	0
Security		
# of Incidents Reports	3	9
# of Violent/Drug Reports	1	1
# of Incidents Involving Residents	0	0
Maintenance		
Opening Balance of Work Orders for BOM	6	15
# of Created Work Orders for the Month	28	48
# of Open Work Orders EOM	9	24
# of Emergency Work Orders EOM	0	1

Resolutions

RESOLUTION NO. 2241

AUTHORIZING APPROVAL OF THE FEBRUARY 29, 2024 FINANCIAL STATEMENTS

WHEREAS, the Housing Authority of the City of Winston-Salem (the " Authority") operates on a Fiscal Year ending September 30; and

WHEREAS, the Authority prepares unaudited Financial Statements monthly, as mandated by the United States Department of Housing and Urban Development; and

WHEREAS, the unaudited Financial Statements dated February 29, 2024 were submitted to the Board of Commissioners for review; and

WHEREAS, the unaudited Financial Statements attached and referenced herein is a permanent record and will continue to be maintained in the Authority's permanent files;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby accepts the unaudited Financial Statements dated February 29, 2024.

Adopted On: _____ (Date)

Signed: _____
Kevin Cheshire
Board Secretary

**Housing Authority of Winston-Salem
Financial Highlights
February 29, 2024**

Consolidated Statements

As of February 29, 2024, the total assets of the Authority were \$49,069,216 while total liabilities were \$11,898,373. The current ratio (current assets of \$9,263,210 divided by current liabilities of \$1,436,620) was 6.45.

The net loss excluding Housing Assistance Payments (HAP) and receipts is (\$61,025). There was negative cash flow excluding HAP payments and receipts of (\$936,160). The net gain prior to depreciation, extraordinary items and forgiveness of debt but inclusive of HAP income and expense was \$655,231. There was a consolidated net loss of (\$70,143). This included depreciation of \$725,374. Cash flow decreased by (\$945,278) including HAP receipts and expense. The overall total income was 8.32% over budget and total operating expenditures were (8.45%) under budget.

Low Income Public Housing

Total gross revenue through February 29, 2024 was \$4,413,232 and was under budget by (\$56,140). Tenant Rental Income of \$1,330,843 was over budget by \$48,591. Other Tenant Income of \$97,618 was under budget by (\$30,932).

Expense prior to depreciation and extraordinary items of \$4,366,946 was under budget by (\$487,143) or (10.04%).

The net income for operations prior to depreciation and extraordinary item expenses was \$11,574. The depreciation expense was \$649,654 and net loss including depreciation expense was (\$638,080).

Section 8 (Housing Choice Voucher Program)

The gross revenue generated from Section 8 through February 29, 2024 was \$14,145,053 and was over budget by \$1,578,957. The HAP Fees earned during this period were \$12,827,418 and the HAP expense was \$12,836,536. During the fiscal year to date, HUD has released \$1,485,048 of HUD-held reserves which helps offset increased HAP expenses.

Administrative income of \$1,317,635 and operating expense of \$973,221 produced a net gain of \$344,414 (excluding depreciation). Operating expense was under budget by (14.40%) or (\$163,703.)

The Section 8 financial statements for the period ended February 29, 2024 resulted in net gain before depreciation of \$335,296. The net gain including depreciation was \$326,877.

Scattered Sites

The total revenue for scattered sites was \$350,096 and is under budget by (\$24,452.) Vacancies are the main cause of this variance.

Total Operating expense of \$366,617 was 9.8% or \$32,715 over budget.

The net loss before depreciation expense was (\$16,521) and the depreciation expense was \$58,496 for a net decrease after depreciation of (\$75,017).

Grants

The federal grants are cost reimbursement and therefore do not produce net income. The expenditures and salaries related to this grant are specified by HUD as resident service in nature.

State and local grants consist of Shelter Plus Care for the Homeless, AIDS and Chronic Mental Disorders. This is a cost reimbursement program for which HAWS collects management fees. The profit earned in this program will be transferred to Corporate at year end.

Other grant information included in this report is for activities associated with the PILOT grant for which we are utilizing the dollars that were paid up front and in our reserves. CHOICE Neighborhood funds and expenditures are included here as well.

Corporate Management

The total gross revenue was \$1,287,954, which was over budget by \$111,417 or 9.47%. Unbudgeted bond fee proceeds from Winston Summit are the main reason for this positive variance.

The total operating expense was \$1,090,493, which was under budget by (\$122,840) or (10.12%).

The net income including depreciation was \$196,483.

Imperial Management

Total revenue was \$129,850 and operating expense was \$91,428. Net income after depreciation expense was \$38,422.

Housing Authority of Winston-Salem
Consolidated Balance Sheet
As of February 29, 2024

	Feb-24	FYE 2023	Variance		Feb-23
			Amount	Percentage	
Assets					
Unrestricted cash	94,717	199,033	(104,316)	-52.41%	108,190
Restricted Cash - Public Housing Resrv/Oper	2,980,718	3,580,405	(599,687)	-16.75%	3,272,945
Restricted Cash - HCV Admin Resrv/Oper	1,495,580	1,257,608	237,972	18.92%	712,363
Restricted Cash - HAP	(668,311)	(383,092)	(285,219)	-74.45%	(21,492)
Restricted Cash - Grants	(218,004)	0	(218,004)	-100.00%	0
Restricted Cash - Other	733,370	709,394	23,976	3.38%	692,954
Accounts receivable-tenants, net	80,573	70,444	10,129	14.38%	52,266
Accounts receivable-interest	2,976,452	2,817,096	159,356	5.66%	2,768,672
Accounts receivable-other	1,245,709	793,488	452,221	56.99%	232,759
Prepaid Expenses	435,695	117,183	318,512	271.81%	235,920
Inventories	106,711	106,711	0	0.00%	110,180
Total Current Assets	9,263,210	9,268,270	(5,060)	-0.05%	8,164,757
Fixed Assets	100,336,262	100,315,254	21,008	0.02%	99,081,261
Less Accumulated Depreciation	(77,901,486)	(77,176,111)	(725,375)	-0.94%	(76,152,291)
Net Fixed Assets	22,434,776	23,139,143	(704,367)	-3.04%	22,928,970
Mortgage Receivable	15,491,269	15,491,269	0	0.00%	12,462,919
Other	0	0	0	0.00%	0
Total Other Assets	15,491,269	15,491,269	0	0.00%	12,462,919
Deferred Outflow of Resources	1,879,961	1,879,961	0	0.00%	1,084,146
Total Assets	49,069,216	49,778,643	(709,427)	-1.43%	44,640,792
Liabilities					
Accounts payable	90,591	289,077	(198,486)	-68.66%	146,485
Accrued Liabilities	345,482	805,129	(459,647)	-57.09%	466,441
Current Portion Long Term Debt	61,371	61,371	0	0.00%	50,971
Security Deposits/FSS Escrows	512,724	492,338	20,386	4.14%	475,295
Deferred Revenue	426,452	432,340	(5,888)	-1.36%	408,630
Total Current Liabilities	1,436,620	2,080,255	(643,635)	-30.94%	1,547,822
Line of Credit	477,411	486,801	(9,390)	-1.93%	487,309
Notes Payable-Noncurrent	5,757,939	5,780,932	(22,993)	-0.40%	5,931,034
Other	4,181,447	4,181,447	0	0.00%	1,361,278
Total Noncurrent Liabilities	10,416,797	10,449,180	(32,383)	-0.31%	7,779,621
Deferred Inflow of Resources	44,956	44,956	-	0.00%	1,568,599
Total Liabilities	11,898,373	12,574,391	(676,018)	-5.38%	10,896,042
Equity					
Investment in capital assets, net	16,726,359	16,810,039	(83,680)	-0.50%	17,055,994
Unrestricted net assets	20,514,627	17,031,294	3,483,333	20.45%	17,273,625
Restricted net assets	0	0	0		0
Net income	(70,143)	3,362,919	(3,433,062)	-102.09%	(584,869)
Total Equity	37,170,843	37,204,252	(33,409)	-0.09%	33,744,750
Total Liabilities and Equity	49,069,216	49,778,643	(709,427)	-1.43%	44,640,792

TOTAL HA OF THE CITY OF WINSTON-SALEM

BALANCE SHEET

As of February 29, 2024

							Feb-24	FYE 9/30/2023		
	LIPH	Section 8	S. Sites	Grants	COCC	Imperial	ELIMINATION	Total HAWS	Total HAWS	Variance
ASSETS										
CURRENT ASSETS										
CASH										
UNRESTRICTED CASH			0		0	94,717		94,717	199,033	(104,316)
RESTRICTED CASH - PUBLICHOUSING RESRV	2,980,718							2,980,718	3,580,405	(599,687)
RESTRICTED CASH - HCV ADMIN RESRV/OPER		1,495,580						1,495,580	1,257,608	237,972
RESTRICTED CASH - HAP		(668,311)						(668,311)	(383,092)	(285,219)
RESTRICTED CASH - GRANTS				(218,004)				(218,004)	0	(218,004)
RESTRICTED CASH - OTHER	223,868							223,868	223,437	431
FSS PROGRAM		326,652						326,652	299,718	26,934
SECURITY DEPOSITS	159,212		23,638					182,850	186,239	(3,389)
TOTAL CASH	3,363,798	1,153,921	23,638	(218,004)	0	94,717		4,418,070	5,363,348	(945,278)
ACCOUNTS RECEIVABLE-TENANTS	253,276		35,855					289,131	269,852	19,279
ACCOUNTS RECEIVABLE-HAP								0	0	-
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(183,995)		(24,563)					(208,558)	(199,408)	(9,150)
NET ACCOUNTS RECEIVABLE-TENANTS	69,281	0	11,292	0	0	0		80,573	70,444	10,129
ACCOUNTS RECEIVABLE-MISC										
AR-HUD		740,519						740,519	552,771	187,748
AR- INTEREST					2,976,452			2,976,452	2,817,096	159,356
AR - OTHERS		90,102	84,409	330,679	126,982	363,239	(490,221)	505,190	240,717	264,473
TOTAL AR-MISC	0	830,621	84,409	330,679	3,103,434	363,239	(490,221)	4,222,161	3,610,584	611,577
PREPAID EXPENSES AND OTHER ASSETS										
PREPAID INSURANCE	157,537	50,902	23,666		20,798	5,704		258,607	64,345	194,262
PREPAID EXPENSES-OTHER	83,038	25,550	6,989		61,511			177,088	52,838	124,250
TOTAL PREPAID EXPENSES AND OTHER AS	240,575	76,452	30,655	0	82,309	5,704		435,695	117,183	318,512
INVENTORIES	83,841				0	22,870		106,711	106,711	-
ALLOWANCE OBSOLETE INVENTORY					0			0	0	-
NET INVENTORY	83,841	0	0	0	0	22,870		106,711	106,711	-
TOTAL CURRENT ASSETS	3,757,495	2,060,994	149,994	112,675	3,185,743	486,530	(490,221)	9,263,210	9,268,270	(5,060)
NON-CURRENT ASSETS										
FIXED ASSETS										
LAND	1,097,631			99,962	459,763			1,657,356	1,657,356	-
LAND IMPROVEMENTS	567,273				69,730			637,003	637,003	-
BUILDINGS	82,467,472		9,080,777	258,969	1,969,987			93,777,205	93,756,197	21,008
LEASEHOLD IMPROVEMENTS	423,065	143,465						566,530	566,530	-
CONSTRUCTION IN PROGRESS	0				264,986			264,986	264,986	-
FEM-DWELLINGS	662,019			17,136				679,155	679,155	-
FEM-ADMINISTRATION	2,037,352	241,187			462,018	13,470		2,754,027	2,754,027	-
TOTAL FIXED ASSETS	87,254,812	384,652	9,080,777	376,067	3,226,484	13,470		100,336,262	100,315,254	-
ACCUMULATED DEPRECIATION	(68,517,811)	(382,968)	(6,325,751)	(162,783)	(2,498,703)	(13,470)		(77,901,486)	(77,176,111)	(725,375)
FIXED ASSETS, NET OF DEPRECIATION	18,737,001	1,684	2,755,026	213,284	727,781	0		22,434,776	23,139,143	(704,367)
MORTGAGE RECEIVABLE					11,710,073			11,710,073	11,710,073	-
NOTE RECEIVABLE - CHOICE PHASE I					3,781,196			3,781,196	3,781,196	-
TOTAL MORTGAGE RECEIVABLE	0	0	0	0	15,491,269	0		15,491,269	15,491,269	-
OTHER ASSETS										-
NOTE RECEIVABLE - FEV								0	0	-
NOTES RECEIVABLE - SEC 8								0	0	-
OTHERS					312,000		(312,000)	0	0	-
TOTAL OTHER ASSETS	0	0	0	0	312,000	0	(312,000)	0	0	-
DEFERRED OUTFLOW OF RESOURCES	660,911	314,711	87,637		816,702			1,879,961	1,879,961	-
TOTAL NON-CURRENT ASSETS	19,397,912	316,395	2,842,663	213,284	17,347,752	0	(312,000)	39,806,006	40,510,373	(704,367)
TOTAL ASSETS	23,155,407	2,377,389	2,992,657	325,959	20,533,495	486,530	(802,221)	49,069,216	49,778,643	(709,427)

TOTAL HA OF THE CITY OF WINSTON-SALEM

BALANCE SHEET

As of February 29, 2024

							Feb-24	FYE 9/30/2023		
	LIPH	Section 8	S. Sites	Grants	COCC	Imperial	ELIMINATION	Total HAWS	Total HAWS	Variance
LIABILITIES AND EQUITY										
CURRENT LIABILITIES										
ACCOUNTS PAYABLE										
ACCOUNTS PAYABLE - VENDORS	1,769	80,868	3,590	1,511				87,738	279,084	(191,346)
ACCOUNTS PAYABLE - HUD		69						69	19	50
ACCOUNTS PAYABLE - OTHERS			110	2,674				2,784	9,974	(7,190)
TOTAL ACCOUNTS PAYABLE	1,769	80,937	3,700	4,185	0	0	0	90,591	289,077	(198,486)
ACCRUED LIABILITIES										
ACCRUED SALARIES AND WAGES					44,552			44,552	450,860	(406,308)
ACCRUED UTILITIES	102,722							102,722	89,098	13,624
ACCRUED INTEREST PAYABLE	152		5,122		439			5,713	5,713	-
ACCRUED PILOT - PHA WIDE	44,673							44,673	147,476	(102,803)
ACCRUED COMPENSATED ABSENCES	30,980	12,766	4,866		43,815	1,594		94,021	94,021	-
OTHER ACCRUED LIABILITIES	36,374	11,176	309,913		58,099	1,478	(363,239)	53,801	17,961	35,840
TOTAL ACCRUED LIABILITIES	214,901	23,942	319,901	0	146,905	3,072	(363,239)	345,482	805,129	(459,647)
OTHER CURRENT LIABILITIES										
TENANT SECURITY DEPOSITS	162,138		23,934					186,072	192,620	(6,548)
FSS ESCROW ACCOUNT		326,652						326,652	299,718	26,934
DEFERRED REVENUE	20,482	37,247	2,685		366,038			426,452	432,340	(5,888)
CURRENT PORTION-LT DEBT	3,444		35,663		22,264			61,371	61,371	-
TOTAL OTHER CURRENT LIABILITIES	186,064	363,899	62,282	0	388,302	0		1,000,547	986,049	14,498
TOTAL CURRENT LIABILITIES	402,734	468,778	385,883	4,185	535,207	3,072	(363,239)	1,436,620	2,080,255	(643,635)
NON-CURRENT LIABILITIES										
LONG TERM DEBT										
LINE OF CREDIT					477,411			477,411	486,801	(9,390)
NOTE PAYABLE TO CORPORATE			126,982				(126,982)	0	0	-
NOTE PAYABLE	714,382		4,954,928		462,000		(312,000)	5,819,310	5,842,303	(22,993)
TOTAL	714,382	0	5,081,910	0	939,411	0	(438,982)	6,296,721	6,329,104	(32,383)
LESS CURRENT PORTION	(3,444)		(35,663)		(22,264)			(61,371)	(61,371)	-
TOTAL LONG TERM DEBT - NET	710,938	0	5,046,247	0	917,147	0	(438,982)	6,235,350	6,267,733	(32,383)
NONCURRENT LIABILITIES-OTHER										
ACCRUED COMP. ABSENCES	92,939	38,327	14,598		131,446	4,782		282,092	282,092	-
ACCRUED PENSION & OPEB LIABILITE	1,370,840	652,764	181,774		1,693,977			3,899,355	3,899,355	-
UNAMORTIZED ORIG ISSU DISC								0		-
TOTAL NONCURRENT LIABILITIES-OTHER	1,463,779	691,091	196,372	0	1,825,423	4,782		4,181,447	4,181,447	-
TOTAL NON-CURRENT LIABILITIES	2,174,717	691,091	5,242,619	0	2,742,570	4,782	(438,982)	10,416,797	10,449,180	(32,383)
DEFERRED INFLOW OF RESOURCES	15,805	7,525	2,096		19,530			44,956	44,956	-
TOTAL LIABILITIES	2,593,256	1,167,394	5,630,598	4,185	3,297,307	7,854	(802,221)	11,898,373	12,574,391	(676,018)
EQUITY										
INVESTED IN CAPITAL ASSETS, NET	18,019,175	1,684	(2,235,565)	213,284	727,781	0		16,726,359	16,810,039	(83,680)
UNRESTRICTED NET ASSETS	3,181,056	881,434	(327,359)	27,318	16,311,924	440,254		20,514,627	17,031,294	3,483,333
RESTRICTED NET ASSETS								0	0	-
NET INCOME/(LOSS) - HAP		(9,118)						(9,118)	(62,216)	53,098
NET INCOME/(LOSS)	(638,080)	335,995	(75,017)	81,172	196,483	38,422		(61,025)	3,425,135	(3,486,160)
TOTAL EQUITY	20,562,151	1,209,995	(2,637,941)	321,774	17,236,188	478,676		37,170,843	37,204,252	(33,409)
TOTAL LIABILITIES AND EQUITY	23,155,407	2,377,389	2,992,657	325,959	20,533,495	486,530	(802,221)	49,069,216	49,778,643	(709,427)

Housing Authority of the City of Winston- Salem
Consolidated Revenue and Expense Statement
October 1, 2023 - February 29, 2024

	YTD	YTD	Variance		2/28/2023
	Actual	Budget	Amount	Percentage	Actual
Operating Income					
HUD subsidy/grants	17,155,528	15,742,158	1,413,370	8.98%	16,610,375
HUD Admin Fee	1,316,780	1,267,155	49,625	3.92%	1,270,256
Dwelling rents	1,671,350	1,651,426	19,924	1.21%	1,575,005
Excess utilities & other	107,000	134,636	(27,636)	-20.53%	129,555
Transfer in	-	-	-	-	-
Other income	733,199	421,788	311,411	73.83%	347,977
Management fees	951,663	1,029,896	(78,233)	-7.60%	961,957
Interest on Hope VI Receivable	159,355	161,779	(2,424)	-1.50%	160,903
Interest on general fund	18,490	5,438	13,052	240.01%	10,386
Total Income	22,113,365	20,414,276	1,699,089	8.32%	21,066,414
Operating Expenditures					
Administrative	3,295,281	3,672,379	(377,098)	-10.27%	3,483,180
Tenant Services	1,441,939	1,495,212	(53,273)	-3.56%	3,243,859
Utilities	794,130	757,385	36,745	4.85%	779,459
Maintenance	1,590,923	1,953,727	(362,804)	-18.57%	1,707,718
Protective Services	224,273	305,249	(80,976)	-26.53%	233,136
General	993,011	925,119	67,892	7.34%	913,536
Total Operating Expenses	8,339,557	9,109,071	(769,514)	-8.45%	10,360,888
Other Expenditures					
Operating Transfer Out	-	-	-	-	-
Casualty Loss	34,712	-	34,712	100.00%	62,652
Housing Assistance Payments	13,083,865	11,519,928	1,563,937	13.58%	10,460,885
Total Other Expenditures	13,118,577	11,519,928	1,598,649	13.88%	10,523,537
Total Expenditures	21,458,134	20,628,999	829,135	4.02%	20,884,425
Net Income (Loss) before depreciation	655,231	(214,723)	869,954	405.15%	181,989
Depreciation expense	725,374	720,947	4,427	0.61%	766,858
Net Income (Loss) after depreciation	(70,143)	(935,670)	865,527	92.50%	(584,869)
Other Changes In Cash					
Principal payments on debt	32,384	32,384	-	-	60,275
Capital Exp/Long Term Improvements	21,008	21,008	-	-	20,170
Replacement Reserve Pymts	-	-	-	-	-
Change in Assets/Liabilities	(1,547,117)	(1,547,117)	-	-	(693,678)
Depreciation expense add back	725,374	720,947	4,427	0.61%	766,858
Cash Increase (Decrease)	(945,278)	(1,815,232)	869,954	47.93%	(592,134)

CONSOLIDATED STATEMENT OF REVENUE & EXPENSE

BUDGETED PROGRAM ONLY

October 1, 2023 - February 29, 2024

LIPH	Section 8 Programs	Scattered Sites	Grants	Corporate	Imperial	ELIMINATIONS	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	ANNUAL BUDGET	REMAINING AMOUNT	PERCENT
Operating Income													
HDD subsidy/grants	2,907,254	12,827,418	1,420,856				17,155,528	15,742,158	1,413,370	9%	42,868,433	25,712,905	60%
HDD Admin Fee	1,297,848		18,932				1,316,780	1,267,155	49,625	4%	2,895,299	1,578,519	55%
Dwelling rents	1,330,843	340,507					1,671,350	1,651,426	19,924	1%	3,963,423	2,292,073	58%
Excess utilities & other	97,618	9,382					107,000	134,636	(27,636)	-21%	131,526	24,526	19%
Transfer in	0						0	0	0	0%	1,475,832	1,475,832	100%
Other income	76,790	16,373	347,392	292,399	38		733,199	421,788	311,411	74%	1,110,380	377,181	34%
Management fees				821,851	129,812		951,663	1,029,896	(78,233)	-8%	2,530,951	1,579,288	62%
Interest on Hope VI Receivable				159,355			159,355	161,779	(2,424)	-1%	398,270	238,915	60%
Interest on general fund	727	3,414		14,349			18,490	5,438	13,052	240%	13,051	(5,439)	-42%
Total Income	4,413,232	14,145,053	1,787,180	1,287,954	129,850	0	22,113,365	20,414,276	1,699,089	8%	55,387,165	33,273,800	60%
Operating Expenditures													
Administrative													
Salaries	278,335	290,508	37,244	651,115	16,190		1,316,656	1,482,776	(166,120)	-11%	3,930,612	2,613,956	67%
Employee benefits	111,820	121,154	14,166	227,987	5,625		493,731	582,151	(88,420)	-15%	1,402,855	909,124	65%
Legal and accounting	21,569	26,704	5,162	847			75,115	67,292	7,823	12%	161,500	86,385	53%
Audit	41,011	14,185	3,872	5,741	2,470		67,279	32,288	34,992	108%	77,490	10,211	13%
Travel and training	856	1,522		2,909	211		5,498	28,881	(23,383)	-81%	69,315	63,817	92%
Office rent	91,512	58,587		32,831	2,987		185,917	224,000	(38,083)	-17%	537,601	351,684	65%
Employee Parking	0	0					0	3,542	(3,542)	-100%	8,500	8,500	100%
Management fees	437,980	334,172	39,789	86,574			830,873	920,848	(89,975)	-10%	2,210,036	1,379,163	62%
Other	162,177	58,341	7,827	86,574	5,293		320,212	330,601	(10,389)	-3%	780,549	460,337	59%
Total admin	1,145,260	905,173	108,060	1,008,004	32,776	0	3,295,281	3,672,379	(377,098)	-10%	9,178,458	5,883,177	64%
Tenant Services													
Salaries	30,949	20,845					82,743	106,798	(24,055)	-23%	287,378	204,635	71%
Contracts and other	25,500						1,327,542	1,348,844	(21,302)	-2%	8,225,308	6,897,766	84%
Employee benefits	9,560	11,306					31,654	39,570	(7,916)	-20%	94,968	63,314	67%
Total tenant services	66,009	32,151	0	1,343,779	0	0	1,441,939	1,495,212	(53,273)	-4%	8,607,654	7,165,715	83%
Utilities													
Water	201,155	2,418		782			204,355	202,315	2,040	1%	485,557	281,202	58%
Electric	336,721	3,527		4,327			344,575	318,034	26,541	8%	763,281	418,706	55%
Gas	244,508	692					245,200	237,035	8,165	3%	568,885	323,685	57%
Other							0	0	0	0%	0	0	0%
Total utilities	782,384	0	6,637	5,109	0	0	794,130	757,385	36,745	5%	1,817,723	1,023,593	56%
Ordinary maintenance													
Labor	311,548	49,374		5,175	23,564		389,661	473,226	(83,565)	-18%	1,273,118	883,437	69%
Overtime	24,353	5,726		726	73		30,878	33,750	(2,872)	-9%	81,000	50,122	62%
Employee benefits Maint	137,952	20,045		1,208	18,517		177,222	213,574	(35,852)	-17%	512,578	334,856	65%
Materials	161,354	678		1,353	346		199,299	275,112	(75,813)	-28%	599,887	400,588	67%
Contract Costs	658,000	3,053		42,117	1,599		793,363	958,065	(164,702)	-17%	2,117,134	1,323,771	63%
Total maintenance	1,293,207	3,731	188,242	50,579	44,099	0	1,590,923	1,953,727	(362,804)	-19%	4,583,717	2,992,794	65%
Protective Services													
Protective Services	206,692		5,240		12,341		224,273	305,249	(80,976)	-27%	751,817	527,544	70%
Total protective services	206,692	0	5,240	0	12,341	0	224,273	305,249	(80,976)	-27%	751,817	527,544	70%
General													
Insurance	206,986	32,166		16,061	2,212		277,098	271,295	5,803	2%	651,107	374,009	57%
Pilot	44,673						44,673	54,232	(9,559)	-18%	130,157	85,484	66%
Collection Loss	98,238		12,847				111,085	51,292	59,793	117%	123,100	12,015	10%

CONSOLIDATED STATEMENT OF REVENUE & EXPENSE

BUDGETED PROGRAM ONLY

October 1, 2023 - February 29, 2024

	LIPH	Section 8 Programs	Scattered Sites	Grants	Corporate	Imperial	ELIMINATIONS	YTD ACTUAL	YTD BUDGET	VARIANCE AMOUNT	PERCENT	ANNUAL BUDGET	REMAINING AMOUNT	PERCENT
Interest Expense	3,767		25,918		10,740			40,425	35,230	5,195	15%	84,553	44,128	52%
Other general expense	519,730							519,730	513,070	6,660	1%	1,231,369	711,639	58%
Total general	873,394	32,166	58,438	0	26,801	2,212		993,011	925,119	67,892	7%	2,220,286	1,227,275	55%
Total Operating Expenditures	4,366,946	973,221	366,617	1,450,852	1,090,493	91,428		8,339,557	9,109,071	(769,514)	-8%	27,159,655	18,820,098	69%
Other Expenditures														
Operating Transfer-Out								0	0	0	0%	0	0	0%
Casualty Losses	34,712							34,712	0	34,712	0%	0	(34,712)	0%
Housing assistance payments		12,836,536		247,329				13,083,865	11,519,928	1,563,937	14%	27,647,828	14,563,963	53%
Total Other Expenditures	34,712	12,836,536	0	247,329	0	0	0	13,118,577	11,519,928	1,598,649	14%	27,647,828	14,529,251	53%
Total Expenditures	4,401,658	13,809,757	366,617	1,698,181	1,090,493	91,428	0	21,458,134	20,628,999	829,135	4%	54,807,483	33,349,349	61%
Net Income (Loss) Before Depreciation	11,574	335,296	(16,521)	88,999	197,461	38,422	0	655,231	(214,723)	869,954	405%	579,682	(75,549)	-13%
Gain/Loss Sales of Real Property								0	0	0	0%	0	0	0%
Depreciation	649,654	8,419	58,496	7,827	978			725,374	720,947	4,427	1%	1,730,273	1,004,899	58%
Extra Ordinary Item								0	0	0	0%	0	0	0%
Net Income (Loss)	(638,080)	326,877	(75,017)	81,172	196,483	38,422	0	(70,143)	(935,670)	865,527	93%	(1,150,591)	(1,080,448)	-94%
Debt service	1,943		21,051		9,390			32,384	32,384	0	0%	100,187	67,803	68%
Capital Exp/Long Term Improvements	13,693			7,315				21,008	21,008	0	0%	1,700,000	1,678,992	-100%
Replacement Reserve Pymts								0	0	0	0%	13,200	13,200	100%
Change in Assets and Liabilities	(598,490)	(355,609)	37,479	(299,688)	(298,006)	(32,803)		(1,547,117)	(1,547,117)	0	0%	0	1,547,117	0%
Depreciation Add Back	649,654	8,419	58,496	7,827	978	0		725,374	720,947	4,427	1%	1,730,273	1,004,899	58%
Net cash increase (used) in operations	(602,552)	(20,313)	(93)	(218,004)	(109,935)	5,619	0	(945,278)	(1,815,232)	869,954	48%	(1,233,705)	(3,362,661)	(1)

HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM
BALANCE SHEET & RATIO DATA
As of 2/29/2024

BALANCE SHEET SUMMARY												
	003lr	006lr	008lr	009lr	012lr	021lr	022lr	037lr	038lr	040lr 041lr	160mr	165mr
	Piedmont	Cleveland	Sunrise	Crystal	Healy	Townview	Stoney	The Oaks	Camden Station	Brookside View	Plaza	Drayton Pines
1000-00-000 ASSETS												
1300-00-000 TOTAL CURRENT ASSETS	1,014,106.71	793,552.31	674,460.87	343,082.52	389,688.72	211,197.29	178,648.23	208,115.28	126,007.30	107,927.50	-246,816.72	176,521.03
1499-00-000 TOTAL NONCURRENT ASSETS	1,354,898.51	1,402,102.38	1,239,502.24	1,202,058.55	968,770.06	967,965.40	2,453,875.69	3,753,544.57	2,888,759.03	2,505,524.92	244,273.61	2,510,752.08
1999-00-000 TOTAL ASSETS	2,369,005.22	2,195,654.69	1,913,963.11	1,545,141.07	1,358,458.78	1,179,162.69	2,632,523.92	3,961,699.85	3,014,766.33	2,613,452.42	-2,543.11	2,687,273.11
2000-00-000 LIABILITIES & EQUITY												
2001-00-000 LIABILITIES:												
2299-00-000 TOTAL CURRENT LIABILITIES	378,903.20	379,777.81	287,339.24	267,698.67	172,260.80	70,100.87	73,905.45	73,020.45	48,961.99	35,864.65	299,264.54	89,544.25
2399-00-000 TOTAL NONCURRENT LIABILITIES	14,542.02	25,475.58	15,787.49	15,241.85	7,718.27	3,714.32	3,530.18	2,878.83	529,979.66	185,008.86	2,748,369.06	2,185,493.39
2499-00-000 TOTAL LIABILITIES	393,445.22	405,253.39	303,126.73	282,940.52	179,979.07	73,815.19	77,435.63	75,899.28	578,941.65	220,873.51	3,047,633.60	2,275,037.64
2800-00-000 EQUITY												
2899-00-000 TOTAL EQUITY	1,975,503.14	1,790,401.30	1,611,176.38	1,262,444.55	1,178,479.71	1,105,347.50	2,555,088.29	3,886,030.57	2,435,824.68	2,392,578.91	-3,050,176.71	412,235.47
2999-00-000 TOTAL LIABILITIES AND EQUITY	2,368,948.36	2,195,654.69	1,914,303.11	1,545,385.07	1,358,458.78	1,179,162.69	2,632,523.92	3,961,929.85	3,014,766.33	2,613,452.42	-2,543.11	2,687,273.11
CURRENT RATIO	003lr	006lr	008lr	009lr	012lr	021lr	022lr	037lr	038lr	040lr 041lr	160mr	165mr
	Piedmont	Cleveland	Sunrise	Crystal	Healy	Townview	Stoney	The Oaks	Camden Station	Brookside View	Plaza	Drayton Pines
TOTAL CURRENT ASSETS	1,014,106.71	793,552.31	674,460.87	343,082.52	389,688.72	211,197.29	178,648.23	208,115.28	126,007.30	107,927.50	-246,816.72	176,521.03
TOTAL CURRENT LIABILITIES	378,903.20	379,777.81	287,339.24	267,698.67	172,260.80	70,100.87	73,905.45	73,020.45	48,961.99	35,864.65	299,264.54	89,544.25
CURRENT RATIO	2.68	2.09	2.35	1.28	2.26	3.01	2.42	2.85	2.57	18.43	-0.82	1.97
QUICK RATIO	003lr	006lr	008lr	009lr	012lr	021lr	022lr	037lr	038lr	040lr 041lr	160mr	165mr
	Piedmont	Cleveland	Sunrise	Crystal	Healy	Townview	Stoney	The Oaks	Camden Station	Brookside View	Plaza	Drayton Pines
TOTAL CURRENT ASSETS (less inventory)	983,088.58	756,064.51	671,055.74	337,421.03	388,157.03	210,516.53	177,967.47	207,513.40	123,234.38	107,927.50	-246,816.72	176,521.03
TOTAL CURRENT LIABILITIES	378,903.20	379,777.81	287,339.24	267,698.67	172,260.80	70,100.87	73,905.45	73,020.45	48,961.99	35,864.65	299,264.54	89,544.25
QUICK RATIO	2.59	1.99	2.34	1.26	2.25	3.00	2.41	2.84	2.52	18.43	-0.82	1.97

HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM
INCOME and EXPENSE DATA
10/1/2023-2/29/2024

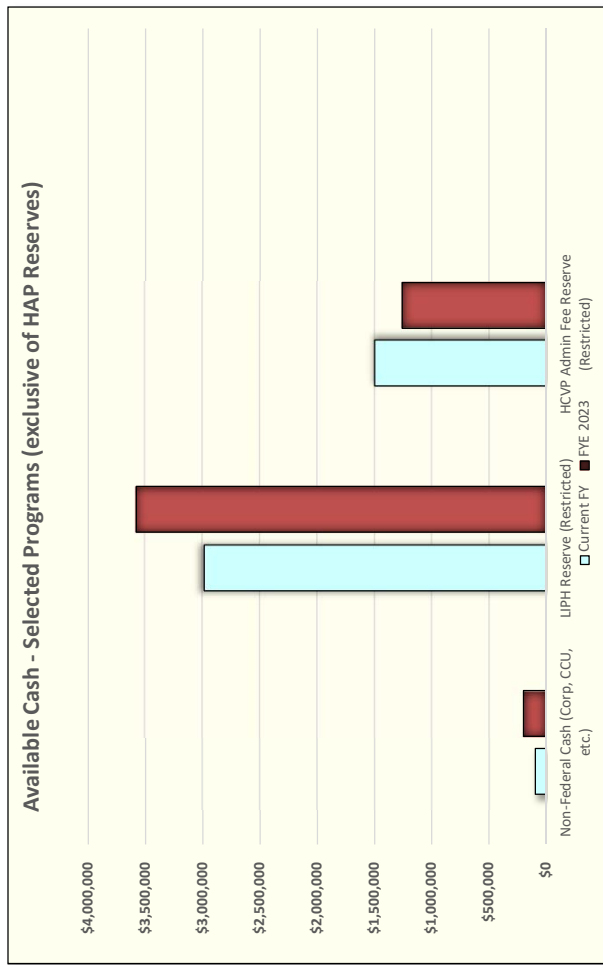
	003lr Piedmont	006lr Cleveland	008lr Sunrise	009lr Crystal	012lr Healy	021lr Townview	022lr Stoney	037lr The Oaks	038lr Camden Station	040lr 041lr Brookside View	160mr Plaza	165mr Drayton Pines
3000-00-000	INCOME & EXPENSE DATA WITHOUT DEPRECIATION											
3199-00-000	255,197.27	172,711.86	212,342.00	262,440.00	193,327.00	74,745.53	77,714.79	84,630.00	52,128.00	43,225.00	187,384.80	162,714.92
3499-00-000	706,882.75	641,928.25	348,006.50	304,056.50	115,073.75	91,014.25	77,875.25	63,636.25	35,033.00	4,017.25	0.00	0.00
3699-00-000	31,096.06	24,979.36	11,228.43	832.77	630.63	35.42	54.10	120.24	31.30	16.15	10.08	196.61
3999-00-000	993,176.08	839,619.47	571,576.93	567,349.27	309,031.38	165,795.20	155,644.14	148,386.49	87,192.30	47,258.40	187,394.88	162,911.53
4000-00-000	EXPENSES											
4199-00-000	262,689.89	163,323.26	197,857.42	196,220.65	113,726.16	54,268.19	54,981.80	55,222.22	31,860.28	14,567.31	69,024.57	39,035.20
4299-00-000	14,016.10	10,491.11	12,492.70	13,169.97	8,960.49	1,897.26	1,597.26	1,778.24	1,200.61	405.11	0.00	0.00
4399-00-000	249,198.79	201,757.70	144,891.60	88,728.46	57,858.21	3,805.15	11,924.11	14,467.76	5,394.82	3,357.10	4,073.54	2,563.41
4499-00-000	334,889.74	254,737.98	225,588.65	212,411.75	107,823.33	46,443.29	45,153.05	27,278.97	19,969.94	18,909.91	139,965.30	48,277.98
4499-99-000	18,798.37	16,548.46	57,669.68	57,938.20	55,737.04	0.00	0.00	0.00	0.00	0.00	4,499.77	740.10
4599-00-000	65,551.41	41,817.25	74,150.68	76,027.74	30,115.05	12,785.04	19,139.97	14,540.14	9,603.93	6,165.97	17,286.07	15,234.39
4699-00-000	20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4899-00-000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5999-00-000	157,537.89	72,998.48	71,511.92	53,268.33	40,709.49	34,683.10	49,991.15	73,659.82	55,936.81	39,357.21	12,990.30	45,506.01
8000-00-000	80,259.88	761,674.24	784,162.65	713,476.99	414,929.77	153,882.03	182,787.34	186,947.15	123,966.39	86,529.37	247,839.55	177,275.46
TOTAL EXPENSES (NO DEPRECIATION)	-77,278.01	688,675.76	712,650.73	660,208.66	374,220.28	119,198.93	132,796.19	113,287.33	68,029.58	47,172.16	234,849.25	131,769.45
9000-00-000	NET INCOME											
NET INCOME (LOSS) NO DEPRECIATION	28,031.78	150,943.71	-141,073.80	-92,615.39	-65,188.90	46,596.27	22,847.95	35,369.16	19,162.72	86.24	-47,454.37	31,142.08

	003lr Piedmont	006lr Cleveland	008lr Sunrise	009lr Crystal	012lr Healy	021lr Townview	022lr Stoney	037lr The Oaks	038lr Camden Station	040lr 041lr Brookside View	160mr Plaza	165mr Drayton Pines
LIPH CASH FLOW DATA												
NET INCOME (LOSS)	-129,506.11	77,945.23	-212,585.72	-145,883.72	-105,898.39	11,913.17	-27,143.20	-38,290.66	-36,774.09	-39,270.97	-60,444.67	-14,363.93
Capital Expense/Long Term Improvements	13,693.00											
Replacement Reserve Payments												
Extraordinary Items	20,000.00		34,712.00									
Depreciation Add Back	157,537.89	72,998.48	71,511.92	53,268.33	40,709.49	34,683.10	49,991.15	73,659.82	55,936.81	39,357.21	12,990.30	45,506.01
Net Cash Increase (Used) in Operations	61,724.78	150,943.71	-106,361.80	-92,615.39	-65,188.90	46,596.27	22,847.95	35,369.16	19,162.72	86.24	-47,454.37	31,142.08

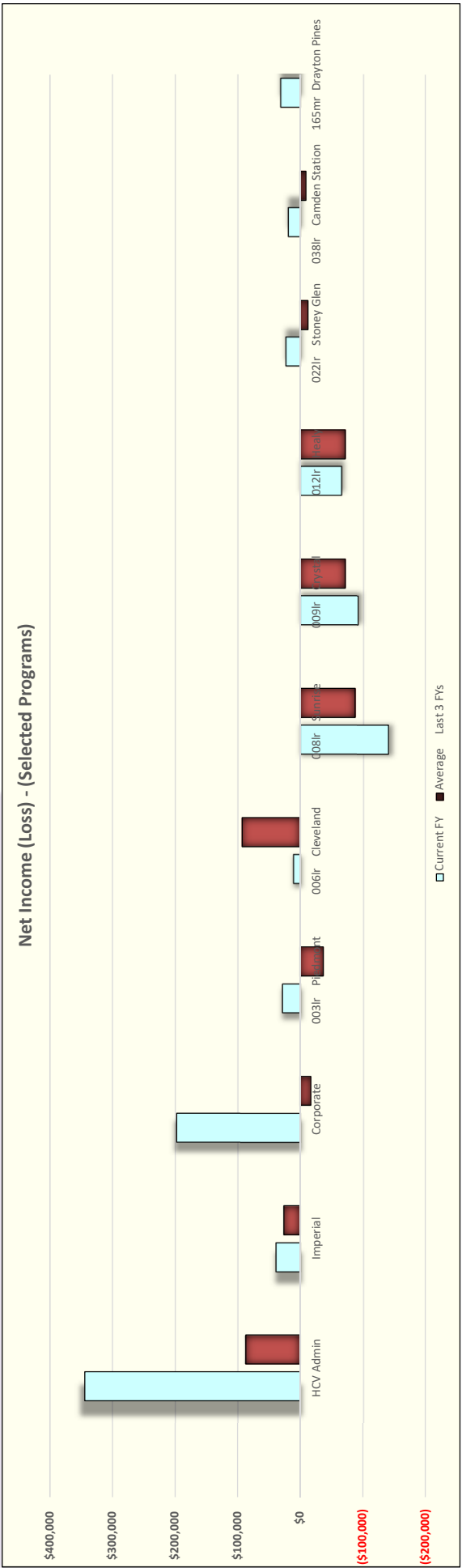
	003lr Piedmont	006lr Cleveland	008lr Sunrise	009lr Crystal	012lr Healy	021lr Townview	022lr Stoney	037lr The Oaks	038lr Camden Station	040lr 041lr Brookside View	160mr Plaza	165mr Drayton Pines
LIPH UNIT DATA												
# of Housing Units	240	244	195	201	106	49	48	50	30	15	78	44
Rental Months Year To Date	5	5	5	5	5	5	5	5	5	5	5	5
# Unit Months Year to Date	1,200	1,220	975	1,005	530	245	240	250	150	75	390	220
Average Rent Per Unit Month	175.17	120.47	207.81	255.24	358.43	299.12	310.86	331.56	341.30	567.85	463.56	726.95
Average Subsidy Per Unit	589.07	526.17	356.93	302.54	217.12	371.49	324.48	254.55	233.55	53.56	-	-
Average Operating Expense Per Unit	764.24	646.64	564.74	557.78	575.55	670.61	635.34	586.11	574.85	621.42	463.56	726.95
	(64.40)	564.49	730.92	656.92	706.08	486.53	553.32	453.15	453.53	628.96	602.18	598.95

HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM
FINANCIAL DASHBOARD - Selected Programs

2/29/2024	AVAILABLE CASH (exclusive of HAP Reserves)	Current FY	FYE 2023	Change Over Prior FY
	Non-Federal Cash (Corp, CCU, etc.)	\$94,717	\$199,033	(\$104,316)
	LIPH Reserve (Restricted)	\$2,980,718	\$3,580,405	(\$599,687)
	HCVF Admin Fee Reserve (Restricted)	\$1,495,580	\$1,257,608	\$237,972
	Total Available Cash (excludes HAP reserve)	\$4,571,015	\$5,037,046	(\$466,031)



NET INCOME (LOSS) - (Selected Programs)	Current FY	Current Budget	Average Last 3 FYs
HCV Admin	\$344,414	\$108,480	86,901
Imperial	\$38,422	\$15,689	26,090
Corporate	\$197,461	(\$36,796)	(17,119)
0031r Piedmont	\$28,032	(\$33,997)	(36,843)
0061r Cleveland	\$10,944	\$36,483	92,799
0081r Sunrise	(\$141,074)	(\$173,476)	(87,732)
0091r Crystal	(\$92,615)	(\$127,243)	(72,235)
0121r Healy	(\$65,189)	(\$87,730)	(71,879)
0211r Townview	\$46,596	\$10,776	27,050
0221r Stony Glen	\$22,848	(\$9,319)	(12,294)
0371r The Oaks	\$35,369	\$3,831	1,406
0381r Camden Station	\$19,163	(\$6,949)	(9,281)
0401r/411r Brookside View	\$86	(\$4,592)	(7,621)
160mr Plaza	(\$47,665)	(\$19,961)	(529)
165mr Drayton Pines	\$31,142	\$60,608	38,383
Total Selected Programs	\$427,934	(\$264,196)	(\$42,903)
Depreciation	(\$717,547)	(\$713,966)	(\$944,529)
Total Selected Programs Net of Depreciation	(\$289,613)	(\$978,162)	(\$987,432)



RESOLUTION NO. 2242

**RESOLUTION RATIFYING THE AWARD OF A CONTRACT TO DYNAMIC QUEST FOR
MANAGED IT SERVICES**

WHEREAS, the Housing Authority of the City of Winston-Salem (the “Authority”) has determined there is an immediate, time-sensitive, and exigent need for third-party managed information technology services; and

WHEREAS, the Authority has historically performed these services with in-house staff; and

WHEREAS, Authority management recently became aware of impending staff departures and scheduling adjustments within the in-house IT team; and

WHEREAS, HAWS management has analyzed a portion of its IT services needs to ensure services are consistently maintained and will yield effective, efficient and financially prudent results; and

WHEREAS, the contractor provides comprehensive IT services and agrees to provide said services under a three year contract for \$444,000 (\$148,000 annual average) and in light of the severity and exigency of the need, it is in the interest of the Authority’s cyber security, information technology and financial needs to award the managed services provider contract to Dynamic Quest.

1. NOW, THEREFORE, BE IT RESOLVED that the Authority’s Contracting Officer is hereby authorized to enter into a contract with Dynamic Quest in the amount of up to (\$444,000.00) over a three-year term.

Adopted On: _____ (Date)

Signed: _____
Kevin Cheshire
Board Secretary

RESOLUTION #2243

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM TO EXECUTE THE CLEVELAND AVENUE HOMES AMENDED AND RESTATED ADDITIONAL SERVICES AGREEMENT, TO EXECUTE AN AMENDMENT TO THE SUBRECIPIENT AGREEMENT AND TAKE SUCH OTHER ACTIONS AS MAY BE NECESSARY OR ADVISABLE

WHEREAS, on August 12, 2020, the U.S. Department of Housing & Urban Authority (“**HUD**”) awarded a Choice Neighborhoods Initiative (CNI) Implementation Grant to The Housing Authority of the City of Winston-Salem (the “**Authority**”) for the purpose of redeveloping the area in and around Cleveland Avenue Homes (the “**CAH Site**”); and

WHEREAS, the Authority anticipates that the CAH Site will be developed in phases through a combination of demolition, new construction and rehabilitation, with the assistance of the Authority procured developer partner; and

WHEREAS, the Authority and McCormack Baron Salazar, Inc., a Missouri corporation (“**MBS**”) entered into that certain Additional Services Agreement dated March 9, 2023 (the “**Original ASA**”) for the second phase of the redevelopment (“**Phase 2**”); and

WHEREAS, the Authority desires to negotiate and enter into that certain Cleveland Avenue Homes Amended and Restated Additional Services Agreement for (the “**Amended and Restated ASA**”) Phase 2 and the third phase of the redevelopment (“**Phase 3**”) (attached hereto as **Exhibit A**); and

WHEREAS, the Authority and the City of Winston-Salem (the “**City**”) entered into that certain Subrecipient Agreement dated as of February 16, 2023 (the “**Subrecipient Agreement**”) which provided for certain funds from the City for the development of the CAH Site; and

WHEREAS, the Authority desires to amend the Subrecipient Agreement to include a revised budget (the “**Subrecipient Agreement Amendment**”); and

NOW, THEREFORE, in connection with the development of the CAH Site, the Board of Commissioners hereby adopt the following resolutions:

BE IT RESOLVED, that the Executive Director of the Authority and/or his designee is hereby authorized to review, approve and execute the Amended and Restated ASA, Subrecipient Agreement Amendment, all certificates, affidavits, agreements, documents and other writings (collectively, the “**Agreements**”) the Executive Director shall deem to be necessary or desirable in the consummation of the transactions herein contemplated;

BE IT FURTHER RESOLVED, that all acts, transactions, or agreements undertaken prior hereto by the Executive Director or his designee, in connection with the foregoing matters

are hereby ratified and confirmed as the valid actions of the Authority, effective as of the date such actions were taken; and

BE IT FURTHER RESOLVED, that the Executive Director is hereby authorized and directed for and on behalf of, and as the act and deed of the Authority, to take such further action in the consummation of the transactions herein contemplated and to do any and all other acts and things necessary or proper in furtherance thereof, as the Executive Director shall deem to be necessary or desirable, and all acts heretofore taken by the designee of the Executive Director to such end are hereby expressly ratified and confirmed as the acts and deeds of the Authority.

This resolution shall be in full force and effect from and upon its adoption.

PASSED this ____ day of April, 2024.

Andrew M. Perkins, Jr., Board Chair

ATTEST:

Kevin Cheshire, Board Secretary

**CLEVELAND AVENUE HOMES
AMENDED AND RESTATED ADDITIONAL SERVICES AGREEMENT**

(Winston-Salem Phases II and III)

THIS AGREEMENT (this “**Agreement**”) is made as of March __, 2024, between the HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM, a body corporate, organized and existing under the laws of North Carolina (the “**Authority**”) and MCCORMACK BARON SALAZAR DEVELOPMENT, INC., a Missouri corporation (the “**Developer**”). Collectively, the Authority and the Developer are sometimes referred to herein as the “**Parties**.”

A. The Authority, in partnership with the City of Winston-Salem, has been awarded a \$30,000,000 Choice Neighborhoods Implementation (“**CNI**”) Grant from the U.S. Department of Housing and Urban Development (“**HUD**”) to redevelop the Cleveland Avenue Corridor, which is comprised of approximately 244 public housing units. The second phase of the redevelopment will have approximately seventy-two (72) units of multifamily rental housing upon completion (“**Phase 2**”). Similarly, a third phase of the redevelopment will have approximately forty-eight (48) units of multifamily housing (“**Phase 3**”).

B. The Authority and McCormack Baron Salazar, Inc., a Missouri corporation and an affiliate of the Developer (“**MBS**”), are parties to that certain Master Development Agreement, dated as of October 30, 2020 (the “**Master Development Agreement**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Master Development Agreement.

C. Section 2.3 of the Master Development Agreement provides that:

(a) the Authority may request that MBS undertake additional services in connection with one or more Phases of the Development with respect to activities which are the obligation of the Authority (the “**Additional Services**”), subject to agreement between the Authority and MBS regarding the scope of services and compensation therefor, which may be set forth in a separate agreement; and

(b) MBS shall provide any such Additional Services as an independent contractor and not as an agent of the Authority, unless the agreement providing for such Additional Services shall otherwise specifically provide. MBS may cause an Affiliate of MBS, including the Developer, to enter into Additional Services Agreements, to perform some or all of the Additional Services, to enter into associated agreements and/or to receive associated compensation.

D. As contemplated by the Master Development Agreement, the Authority desires to engage the Developer to perform the Work (as defined below) for Phase 2 and Phase 3, and the Developer desires to accept such engagement and to perform the Work.

E. The Parties previously entered into that certain Additional Services Agreement dated March 9, 2023 for Phase 2 (the “**Original ASA**”). The Parties now desire to amend and restate the Original ASA as set forth below.

NOW, THEREFORE, the Parties agree as follows:

1. Work.

1.1 Scope of Work. As stated in Recital C above, the Authority is contracting with the Developer to perform, pursuant to Section 2.3 of the Master Development Agreement, the Additional Services. The Additional Services are comprised of the work relating to Phase 2 and Phase 3 (in addition to site-wide work related to the Development generally, such as environmental remediation, if any) performed by the Developer, or third-party providers at the direction of and in support of the Developer, in furtherance of the Additional Services (collectively the “**Work**”), which is separated into the following components (each, a “**Component**”):

- (i) Demolition Abatement Component;
- (ii) Demolition Component;
- (iii) Site Preparation Component;
- (iv) Public Improvement Component; and
- (v) Environmental Testing Component.

The Budget and the Schedule are presented with separate line items and benchmarks corresponding to estimated costs of each Component. For the avoidance of doubt, the Additional Services and the Additional Services Budget and Schedule specifically exclude services provided by MBS to the Authority for services related to planning, coordination and implementation of the Choice Grant Agreement.

1.2 Approval of Components. Prior to commencement of a Component of the Work, the Developer will comply with Sections 1.3 and 1.6 herein. The Authority will review and approve any submissions required thereunder under the criteria set forth in this Agreement and the Master Development Agreement. The Authority will provide its approval or denial of such submissions in writing within ten (10) business days of receipt. All submissions from the Developer will include any required contracts or proposals for the Work, and a Component-specific Budget. Once such submissions are agreed to in writing, the foregoing shall constitute an amendment to this Agreement.

1.3 Budget. The Parties agree that the total amount set forth in the Scope of Work attached hereto as Exhibit “A” (the “**Budget**”) is not final and reflects the Parties’ best estimate as to the costs related to the Work for Phase 2 and Phase 3. As such, the Parties acknowledge and agree that the Budget has not been finalized and that the Budget may be modified by a change order/change directive, or otherwise modified upon the written agreement of the Authority and the Developer. Once the scope of work is established for each Component, the Developer will submit modifications to the Budget to reflect such Component, and the Authority will not unreasonably withhold, condition or delay its approval of such Budget once submitted. The total cost for any line item of the Work performed by the Developer will not exceed that which is reflected in the Budget until approvals are obtained from the Authority for such increases.

1.4 Invoicing and Payment. The Developer shall invoice the Authority not more frequently than one time every thirty (30) days for:

(a) the actual cost of the Work incurred and reflected in the Budget performed through the date of such invoice by the Developer and its third-party contractors and vendors, less amounts previously paid and less amounts for which request for payment is deferred by the Developer based on contractor or subcontractor retainage provisions. Such work shall only be for services rendered during the scope of Phase 2 and Phase 3 and as otherwise described in Section 1.1 herein; and

(b) the Additional Services Program Management Fee (as defined in Paragraph 1.8 below) billed as a percentage of completion of the Work through the date of such invoice, less Fee payments previously made.

The Authority shall provide payment to the Developer within thirty (30) days of receipt of an invoice, unless the Authority provides written notice to the Developer of reasonable objection to all or any part of such invoice within ten (10) days after the date of its submission to the Authority. If the Developer fails to respond in writing to the Authority's objection or to make any necessary corrections to the invoice, the Authority shall have the right to suspend payment of the questioned portion of such invoice. Following the Developer's response or correction of the invoice to the reasonable satisfaction of the Authority, the Authority shall pay the Developer for such invoice within the later of fifteen (15) days after the date of the Developer's response or correction or thirty (30) days from receipt of initial invoice (as described above). If, following the response or correction by the Developer to the Authority's reasonable satisfaction, the Authority fails to make payment within the periods and according to the procedures provided herein, the Developer may, upon seven (7) days' written notice to the Authority, suspend performance of Work under this Agreement. Unless payment in full is received by the Developer within seven days of the date of the notice, the suspension shall take effect without further notice. In the event of a suspension of the Work, the Developer shall have no liability to the Authority for delay or damage caused to the Authority because of such suspension of the Work. Before resuming the Work, the Developer shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Work, including remobilization costs of the Developer's contractors. By making final payment, the Authority does not waive any claim that it may have against the Developer. By accepting final payment, the Developer does not waive any claim that it may have against the Authority.

The Authority shall initiate requests via the federal LOCCS system for CNI funds in a timely manner sufficient to permit transfer of funds to the Developer within the thirty (30) day period described above. The Parties acknowledge and agree that the Authority's ability to remit funds to the Developer is subject to approval and release of funds by HUD. The Authority agrees to act in good faith to timely and zealously seek HUD's approval and release of funds, and the Parties will work together to resolve any timing issues caused by HUD's failure to release funds in a timely manner provided that the Authority has otherwise complied with the terms of this Agreement.

1.5. Delegation. The Authority acknowledges that the Developer may delegate direct responsibility for any portion of the Work to third parties. Notwithstanding any such delegation,

the Developer shall remain primarily and directly responsible, and liable, to the Authority for the timely and satisfactory performance of the Work.

1.6 Contracting. Contract solicitation, negotiation, and award for any products or services that make up any Component of the Work will be conducted by the Developer in accordance with the Master Development Agreement. Except as otherwise set forth in Section 1.3 herein, no contract or subcontract for the Work shall be awarded by the Developer in an amount which causes the total contract cost for the Work to exceed the Budget without prior written approval by the Authority. Furthermore, all contracts and subcontracts will be submitted to the Authority prior to execution and will be subject to the Authority's review and approval. The source of funding for third-party contract work will be set forth in the Budget. The Authority will request approval or modification of any previously HUD-approved budget as required to permit drawdown of any funds for timely payment of amounts expected to become due to the Developer or third-party contractors for the Work. Authorization to the Developer by the Authority to cause or permit commencement of third-party work contracted for by the Developer for the Work shall constitute a representation by the Authority that funds for payment of the costs of such work (in the amount set forth in the Budget) are available and authorized for such purpose.

1.7 Change Order Monitoring and Change Order Directive Process. A change order log listing all pending change orders for each Component of the Work shall be maintained by the Developer. The change order log shall list all pending change order requests as well as all approved change orders; shall be updated weekly; and shall be reviewed with the Authority's designee during progress meetings. Developer shall include within the written progress meeting agenda an explicit topic heading entitled "Change Order Status" beneath which an ongoing itemization of Additional Services change orders is listed with emphasis/highlight provided for each new or modified change order. Prior to the Developer's approval of any change order/change directive, the Developer shall submit on a timely basis all change order/change directive requests that it intends to approve, with a detailed scope of work and itemized budget, to the Authority no later than 48 hours following the Developer's decision to approve such request.

The Authority agrees to respond, with approval or disapproval based on its reasonable determination, to any change order/change directive request (that otherwise complies with the terms of this Agreement) within ten (10) business days. If the Authority fails to respond to a change order within such ten (10) business day period, the Developer shall send a second notice regarding the change order. If the Authority fails to respond to such second notice within five (5) business days (stating that failure to reply will constitute an approval in accordance with this Agreement), then the change order shall be deemed approved. The second notice must specifically state that failure to respond within five (5) business days will constitute an approval in accordance with this Agreement.

1.8 Compensation. The Developer will be compensated for the Work on a cost plus fixed fee basis. The amount of the fixed fee shall be six percent (6%) of the total of such costs set forth in the Budget for each specific Component (Total fee for each component shall aggregate to comprise the "Additional Services Program Management Fee"). The fixed fee shall be determined by applying the applicable rate (i.e., six percent (6%) to the total costs for a particular Component at the time the Budget is established for a specific Component and approved by the Authority, all in accordance with Section 1.3. After that point, the Additional Services Program Management Fee

for a particular Component shall not be increased; provided, however, that the Additional Services Program Management Fee shall be adjusted as necessary with any amendment to the Budget. The Additional Services Program Management Fee shall be paid in accordance with Paragraphs 1.3 and 1.4 above.

2. Disclaimer of Relationships.

(a) Nothing contained in this Agreement shall be deemed or construed to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD, except between HUD and the Authority.

(b) The Authority and the Developer acknowledge that any transfer of Choice Neighborhood Initiative funds or public housing grant funds by the Authority to the Developer shall not be or be deemed to be an assignment of such funds, and the Developer will not succeed to any rights or benefits of the Authority under any agreement between the Authority and HUD or attain any privileges, authorities, interests, or rights in or under any such agreement.

3. Indemnification. To the fullest extent permitted by law, the Developer shall indemnify, defend, and release the Authority, its subsidiaries and their affiliates and their respective officers, directors, agents and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorneys' fees, arising out of or resulting from the performance of the Developer's services hereunder, and only to the extent caused directly by any acts or negligent omissions of the Developer or acts or negligent omissions of any third parties with whom the Developer contracts in regard to the work to be performed hereunder, and excluding any claims, damages, losses and expenses cause by the negligence of the Authority. The indemnification obligation of the Developer hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by the Developer or any consultant of the Developer or any other person or entity under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

4. Termination for Convenience. The Authority reserves the right to terminate this Agreement for the convenience of the Authority if the Authority shall determine in good faith that it is infeasible or contrary to the interests of the Authority to proceed with the Development. In the event of a termination for convenience under this Section 4, the Authority shall be liable to the Developer for reasonable and proper costs resulting from such termination which costs shall be paid to Developer within thirty (30) days of receipt by the Authority of a properly presented claim setting out in detail: (i) the total cost of all third-party costs actually incurred to date of termination, including costs paid previously by the Developer; (ii) the cost (including reasonable profit) of settling and paying claims under subcontracts and material orders for work performed and materials and supplies delivered to the site, or for settling other liabilities of Developer actually incurred in performance of its obligations hereunder; (iii) the cost of preserving and protecting the work already performed until the Authority or its assignee takes possession thereof or assumes responsibility therefor; and (iv) fair compensation to Developer for all tasks performed to date, including reasonable profit. To the extent the Authority terminates this Agreement in accordance with this Section 4, the Authority shall be obligated to perform or cause to be performed all work

that would otherwise be performed hereunder pursuant to contracts and contractors that are subject to Developer's reasonable approval.

5. Miscellaneous. This Agreement:

(i) may be amended, only by a writing signed by each of the Parties;

(ii) may not be assigned, pledged or otherwise transferred, whether by operation of law or otherwise, without the prior written consent of the other party;

(iii) may be executed in one or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute the same instrument;

(iv) contains the entire agreement of the Parties with respect to the transactions contemplated hereby and supersedes all prior written and oral agreements, with the exception of any written agreements that have expressly been incorporated herein by reference, relating to such transactions;

(v) shall be governed by, and construed and enforced in accordance with, the laws of the State of North Carolina without giving effect to any conflict of laws rules and with respect to any dispute hereunder, jurisdiction and venue shall be exclusively with the courts located in Forsyth County, North Carolina; and

(vi) shall be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns. Notwithstanding the above, all activities shall be carried out in accordance with all applicable requirements contained in the Master Development Agreement, which is expressly incorporated herein by reference.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first above written.

**HOUSING AUTHORITY OF THE CITY
OF WINSTON-SALEM**, a body corporate,
organized and existing under the laws of North
Carolina

By: _____
Name: Kevin Cheshire
Title: Executive Director

**MCCORMACK BARON SALAZAR
DEVELOPMENT, INC.**, a Missouri
corporation

By: _____
Name: Brock Armstrong
Title: Vice President

EXHIBIT "A"

Budget for Phase 2 and Phase 3

Winston-Salem Phases 2 & 3 - ASA Budget				4/2/2024
SOURCES:	DESCRIPTION:	City Funds	HAWS Funds	Total Budget
HAWS - Choice Neighborhoods Funds	BLI 1430 - A&E/Legal/Professional Fees	\$ -	\$ -	\$ -
HAWS - Choice Neighborhoods Funds	Phase 2 - BLI 1485 - Demolition/Remediation	\$ -	\$ 1,674,970	\$ 1,674,970
HAWS - Choice Neighborhoods Funds	Phase 3 - BLI 1485 - Demolition/Remediation	\$ -	\$ 1,270,066	\$ 1,270,066
HAWS - Choice Neighborhoods Funds	Phase 2 - BLI 1450 - Site Preparation and Infrastructure	\$ -	\$ 825,019	\$ 825,019
HAWS - Choice Neighborhoods Funds	Phase 3 - BLI 1450 - Site Preparation and Infrastructure	\$ -	\$ 1,452,265	\$ 1,452,265
City - GO Bonds	Phase 2	\$ 288,890	\$ -	\$ 288,890
City - GO Bonds	Phase 3	\$ 216,668	\$ -	\$ 216,668
City - CDBG	Phase 2	\$ 375,000	\$ -	\$ 375,000
City - CDBG	Phase 3	\$ 281,250	\$ -	\$ 281,250
City - Affordable Housing Funds	Phase 2	\$ 3,167,078	\$ -	\$ 3,167,078
City - Economic Development	Phase 2	\$ 2,899,798	\$ -	\$ 2,899,798
	SUBTOTAL:	\$ 7,228,684	\$ 5,222,320	\$ 12,451,004
USES / SCOPE OF WORK:		City Uses	HAWS Funds	Total Budget
Site Work				
	Demolition / Site Preparation (CDBG Eligible)	\$ 3,330,248	\$ 2,792,766	\$ 6,123,014
	Public Improvements (CDBG Eligible)	\$ 1,306,228	\$ 2,277,284	\$ 3,583,512
	Contingency (CDBG Eligible)	\$ 818,383	\$ 152,270	\$ 970,653
	SUBTOTAL:	\$ 5,454,859	\$ 5,222,320	\$ 10,677,179
Soft Costs				
	Master Planning - Design, Survey & Title - Sitewide	\$ 238,400	\$ -	\$ 238,400
	A & E - Demo/Site Prep/PI	\$ 212,800	\$ -	\$ 212,800
	Section III/DBE/MBE Consultant	\$ 165,000	\$ -	\$ 165,000
	Environmental	\$ 650,000	\$ -	\$ 650,000
	Environmental - Sitewide	\$ 226,368	\$ -	\$ 226,368
	Permits and Project Fees	\$ 20,000	\$ -	\$ 20,000
	Legal	\$ 100,000	\$ -	\$ 100,000
	Soft Contingency	\$ 161,257	\$ -	\$ 161,257
	SUBTOTAL:	\$ 1,773,825	\$ -	\$ 1,773,825
TOTAL		\$ 7,228,684	\$ 5,222,320	\$ 12,451,004

Notes:

- 1 This is a portion of the ASA budget; for complete ASA budget please see All Phase. This budget does not currently include Construction Costs, HAWS Legal, Relocation, etc.
- 2 The GO Bonds and Economic Development sources listed on this budget page can be used to fund all of the Soft Cost use budget line items with a current budgeted amount.
- 3 Estimates are based on our general knowledge of development. MBS has not yet conducted full due diligence on the Cleveland Avenue Homes – either in terms of building conditions, site conditions, regulatory, legal and title issues.