



# **Housing Authority of Winston-Salem Development Committee Meeting**

**March 7, 2023**

**10:00 a.m.**

**LOCATION: ELECTRONIC**

**Development Committee Members:**

**Committee Chair Art Gibel  
Commissioner Alfred Adams  
Commissioner Felicia Brinson  
Commissioner Andrew Perkins  
Commissioner Betsy Annese**

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Development Committee Meeting  
March 7, 2023  
10:00A.M.

**DEVELOPMENT COMMITTEE MEETING AGENDA**  
**March 7, 2023**  
**10:00A.M.**

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1. Call to Order
2. Roll Call
3. Review and Approval of Agenda (March 7, 2023)
4. Review and Approval of Summary Minutes (February 7, 2023)
5. Management Reports
  - Executive Director Report
  - Choice Neighborhood Report
6. Resolutions
7. Committee Comments
8. Adjournment  
**Upon motion and second; no vote required in absence of objection.**

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Development Committee Meeting  
March 7, 2023  
10:00A.M.

**2/07/2023 Summary Minutes**

**Present via Zoom:**

Committee Chair Art Gibel  
Commissioner Alfred Adams  
Commissioner Betsy Annese  
Commissioner Felicia Brinson

**Absent:**

Commissioner Andrew Perkins

**Staff Presenting:**

Kevin Cheshire, Executive Director  
Grant Duffield, Director of Choice

**1. CALL TO ORDER**

Committee Chair Gibel called the Development Committee Meeting to order at 10:03 a.m.

**2. ROLL CALL**

Roll call was taken and there was a quorum.

**3. REVIEW AND APPROVAL OF AGENDA**

Consideration to approve Agenda (February 7, 2023)

**Motion:** Commissioner Adams

**Second:** Commissioner Annese

**Unanimous approval; no discussion**

**4. REVIEW AND APPROVAL OF MINUTES**

Consideration to approve Summary Minutes (November 1, 2022)

**Motion:** Commissioner Annese

**Second:** Committee Chair Gibel

**Unanimous approval; no discussion**

**5. MANAGEMENT REPORTS**

**Executive Director Report (Kevin Cheshire)**

Kevin Cheshire provided the following:

**Development Report:**

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**2/07/2023 Summary Minutes**

- Crystal Towers (Modernization):
  - Phase I: Elevator Modernization
    - HAWS piggybacked on a federal consortium contract and executed a contract with Kone in March 2022.
    - The elevator modernization has been delayed due to fabrication backlog and supply chain issues.
    - A status call with Kone is scheduled for later today and an update will be provided in the full Board meeting next week.
    - The City and residents have been kept apprised of the situation.
    - As a result of the delay, Kone lost out on two additional HAWS contracts, the Healy and Sunrise Tower modernizations.
      - Commissioner Adams advised a firm stance with Kone and a reminder that the work needs to move forward and be completed in a timely manner with no excuses.
  - Phase II: Ancillary Components
    - Water intrusion issues from the laundry rooms affected the electrical components of the elevators, making it necessary to relocate them to the main floor of the high-rise.
    - Laundry facility upgrades will be made in conjunction with lobby upgrades
    - A resolution for approval of the laundry/lobby upgrades will be heard in Finance Committee today and placed as an action item on the Board agenda next week with work to begin in June.
  - Phase III: Building Modernization
    - City supported renovation to bring the building to full functionality
    - Design team will assess the building and create a scope of work
    - Work is slated to begin in 2023
  - Commissioner Gibel inquired as to whether Kone is reaching out and keeping HAWS apprised of the delays and corresponding reasons. Mr. Cheshire provided that Kone does not notify him of ongoing delays/issues until a call is placed to them.
  - Commissioner Annese asked if it is an architectural firm or engineering firm that will provide the assessment on Crystal Towers. Mr. Cheshire provided that the architectural firm brings in an engineering firm and they work in conjunction to complete the assessment.
  - Commissioner Brinson inquired if Kone is the sole source HAWS has employed to complete the elevator modernization. Mr. Cheshire reiterated

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### 2/07/2023 Summary Minutes

that, for the Crystal Towers elevator modernization, we are under contract with Kone as part of a Federal contract consortium and they were contracted for expediency.

- Happy Hills:
  - Conversations with HUD have been very positive regarding this project.
  - Request for Proposals will be going out in February.
  - Meetings have been held with the Happy Hill Neighborhood Association and they provided a list of things that they would like to see included in the RFP.
  - HUD has given green light to move forward.
  - There will be a meeting with Council Member Scippio later this month to provide an update.
  - Habitat for Humanity is will be completing between 12 to 15 homes.
  - Happy Hill community will have affordable rental, affordable home ownership, workforce rental and market rate rental.
- The Loewy Building, falling under FEV, will have some movement as well.

### Choice Neighborhood Report (Grant Duffield)

Grant Duffield presented the Choice Neighborhood Report that was included in the meeting packet.

- Site Plan was reviewed, identifying buildings to be constructed.
- Building one, comprised of three building pads, separated by two breeze and vertical construction (framing) is underway, the first floor has been walled in, and work has begun on the second floor.
- Full and active workforce on site.
- Additional \$5 million grant application submitted to HUD on February 2, 2023 with response expected in April.
- Phase II, Cleveland Avenue Homes proper has had initial round of environmental testing completed. State requested additional ground water testing which showed low levels of benzene petroleum product, resulting in the CAH site being enrolled in the State's Brown Field program. This enables the project to obtain environmental clearance from the State.
- Phase II demo has been pushed out to the first or second quarter of 2024.
- Phase II and Phase III will close in 2024.
- Out of 82 units slated for relocation in Phase II, all but 11 have been completed.
- M/WBE and Section 3 percentages had a small dip in the month of December, but will have a significant rise in January and moving forward.

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**2/07/2023 Summary Minutes**

- The State Historic Preservation Office, due to the age of Cleveland Avenue Homes, has asked that McCormack Baron undertake a historic resources inventory to document the historic information related to urban renewal.
- Phase II Zoning Application is going to the Zoning Board in March.
- Phase II preliminary Tax Credit Application was submitted on the 19<sup>th</sup>, with the full application being due in May.
- We are currently 29 months into the 72-month the CNI project. So we are closing in on the half-way point
- In the coming months, Critical Community Improvements will be discussed within the Neighborhood Plan, involving residential facades, traffic mitigation along Liberty Street and possible commercial structure facades.
- The Citizens’ Advisory Steering Committee is scheduled to meet next week.
  
- Mr. Cheshire updated the Committee on the Fox 8 news story that aired regarding the positive impact the CNI project is having on the community and highlighting 2 gentlemen who were previously homeless, but obtained full-time employment on the CNI sight as well as housing.

**6. RESOLUTIONS**

None.

**7. COMMITTEE COMMENTS**

(Cheshire) Announced that there will be nine resolution moving through the Finance Committee and will be action items in the Board meeting next week.

**8. ADJOURNMENT**

**Motion:** Commissioner Adams  
**Second:** Commissioner Brinson

The February 7, 2023 meeting of the Development Committee adjourned at 10:42 a.m.

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Development Committee Meeting  
March 7, 2023  
10:00A.M.

**2/07/2023 Summary Minutes**

Acknowledgement and Adoption of the February 7, 2023 Development Committee Minutes.

\_\_\_\_\_  
Date Adopted

\_\_\_\_\_  
Kevin Cheshire, Board Secretary

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# Crystal Towers

## Overview

- 625 West Sixth (Downtown Core)
- 201 Units (Elderly/Disabled)
- Livability Challenges
- ~\$10MM in Capital Need (Significant Elevator Downtime)
- ~\$4.5MM Short-Term (3 Year) Need

## Development Goals

- Address capital need backlog and improve appearance, functionality, and livability of community

## Status

- Contract with Kone executed
- Lobby and laundry contract executed





# Happy Hill

## Overview

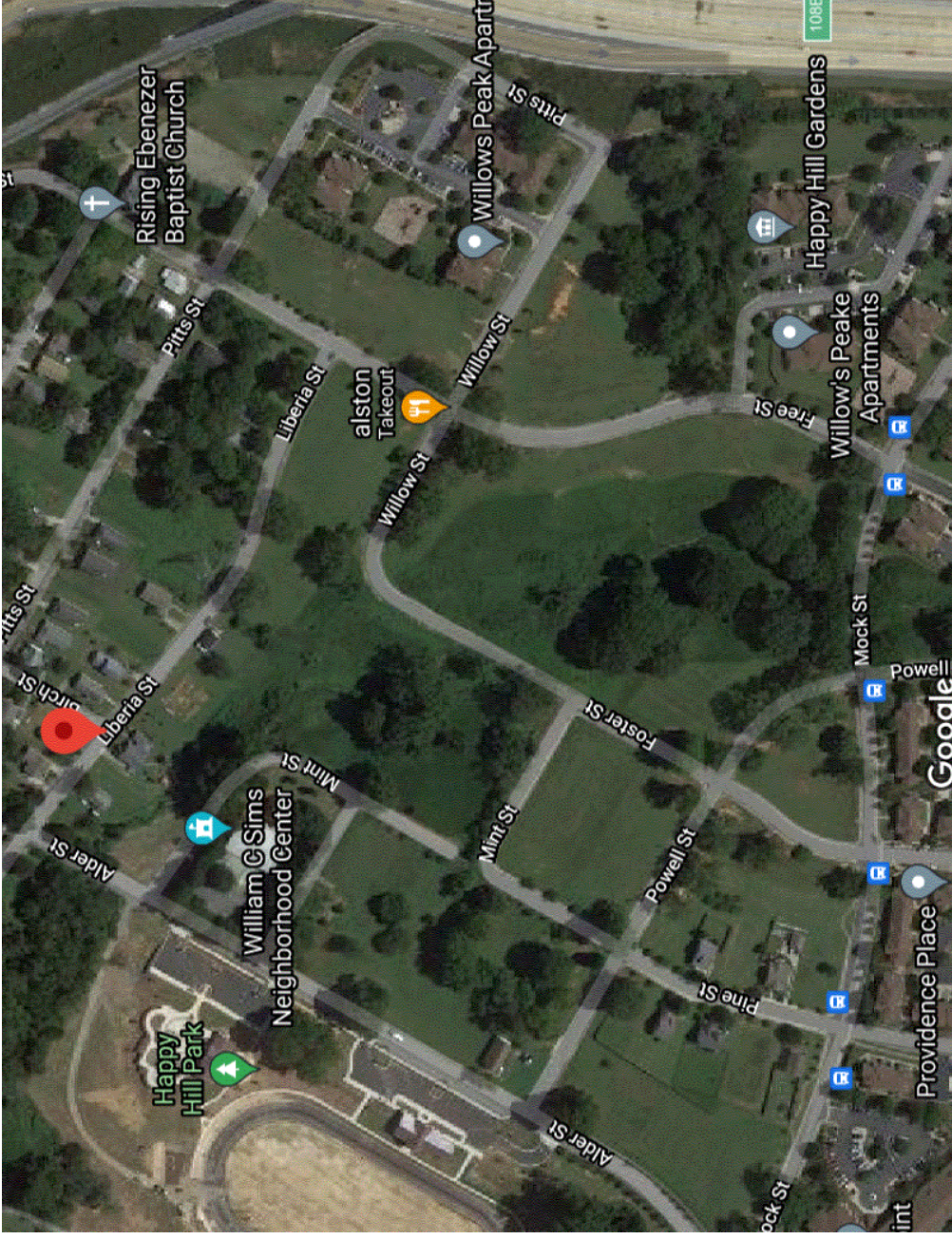
- Former public housing site razed and redeveloped with 2003 federal HOPE VI grant (\$18MM)
- Housing Authority retains ~50 undeveloped lots encumbered by HUD restrictions
- Lots were originally designated for homeownership but market would not support use

## Development Goals

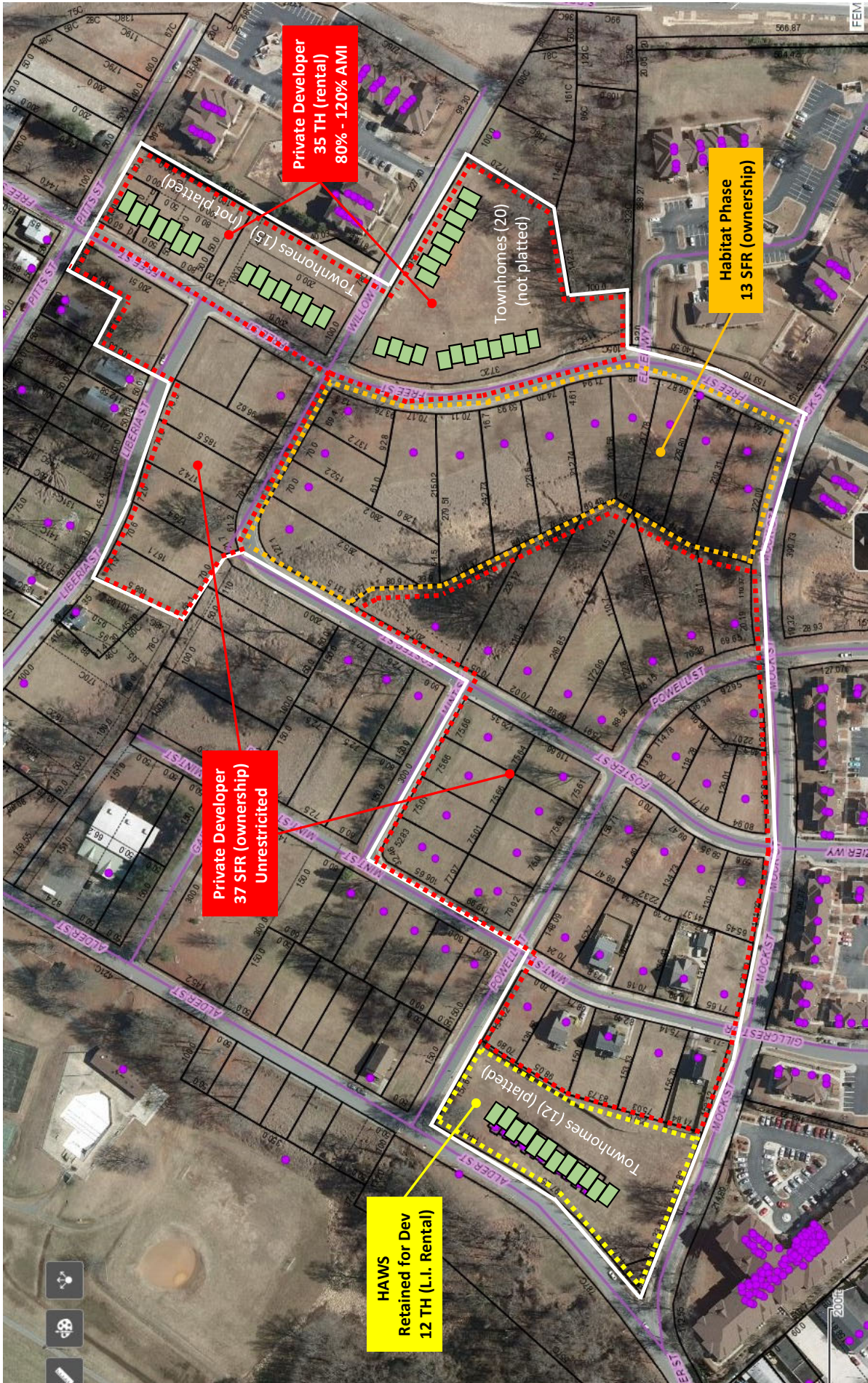
- Create mixed-income housing opportunities
- Close HUD grant
- Retain culture and honor site's history

## Status

- RFP will seek development partner to construct slightly modified version of original development plan
- Revised plan will include market rate homeownership, affordable homeownership, and affordable rental
- Positive feedback from HUD following January call







**Private Developer**  
**35 TH (rental)**  
**80% - 120% AMI**

**Habitat Phase**  
**13 SFR (ownership)**

**Private Developer**  
**37 SFR (ownership)**  
**Unrestricted**

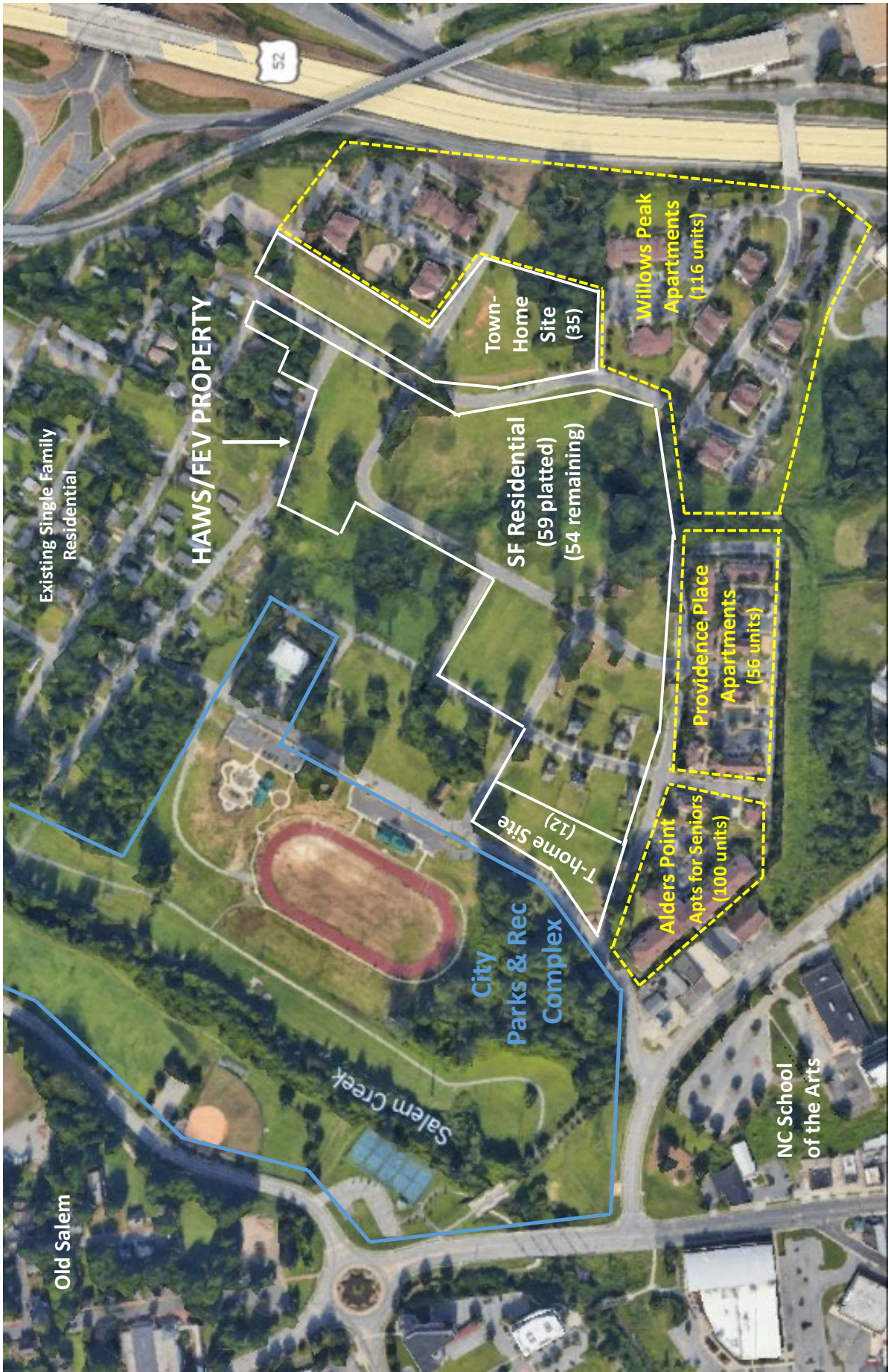
**HAWMS**  
**Retained for Dev**  
**12 TH (L.I. Rental)**

**Townhomes (15)**  
**(not platted)**

**Townhomes (20)**  
**(not platted)**

**Townhomes (12)**  
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# Choice Neighborhood Initiative Summary

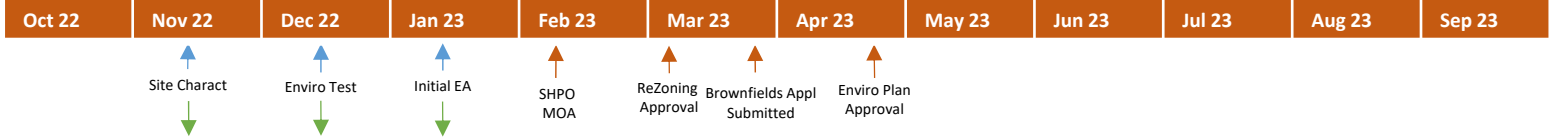
## February 2023

### Project Schedules

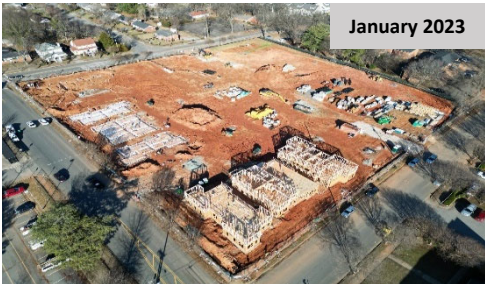
#### Phase I – Brown School Site



#### Phase II – Cleveland Avenue Homes Site



#### Phase III – Cleveland Avenue Homes Site



January 2023



February 2023



February 2023

### Housing Plan

- Phase I Building 1 Under Roof
- Phase I Construction Framing on Buildings 2 & 3
- Phase I Supplemental Funding Application Submitted
- Phase II Supplemental Environmental Testing completed at CAH
- Phase II Brownfield Program Application Being Developed
- Phase II Zoning Public Hearing Held. PC Meeting March 9<sup>th</sup>.
- Phase III Initial Site Survey Work Planned

### Neighborhood Plan

Critical Community Improvements Plan under review by HUD.

- CCI#1: Comm. Corridor Façade & Traffic
- CCI#2: Residential Façade and Blight
- CCI#3: Community Placemaking

Citizens Advisory Steering Committee met on Feb 15. Neighborhood Branding

### People Plan

- 225 CAH families Engaged by USI
- 95% of CAH families enrolled in Case Mgmt
- 55 work-eligible adults (18 - 64) employed full-time
- 98% of CAH residents enrolled in Health Insurance plan

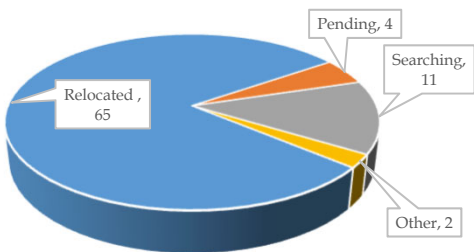
### Relocation Information

- Group I
- Total Units: 82
- Households Relocated/Pending: 69
- Households Remaining: 11
- Households Seeking Housing: 11
- Other (USI Offices): 2

### Section 3 / MWBE

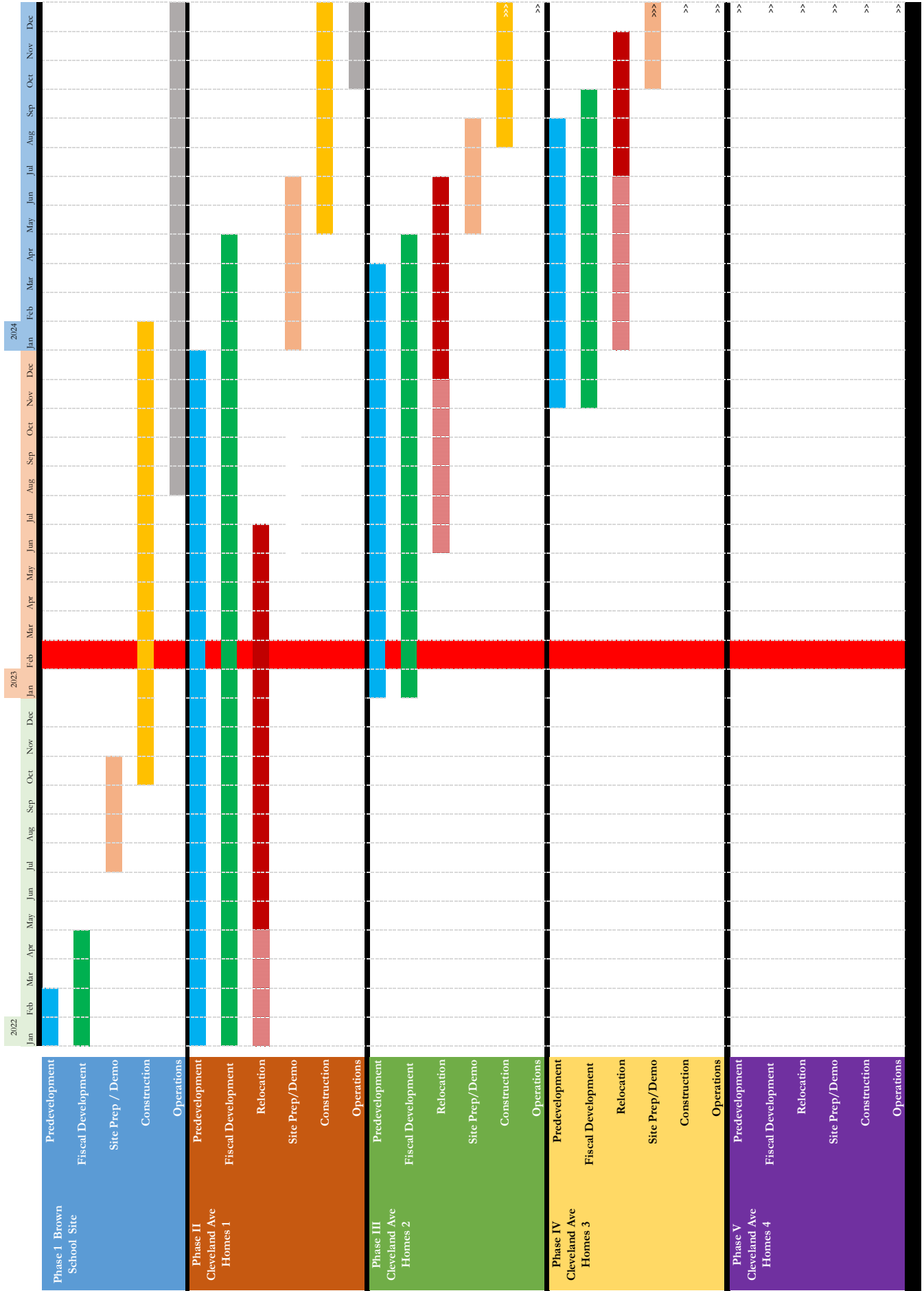
- 17 % of Project to MBEs (Target: 25%)
- 9 % of Project to WBEs (Target: 5%)
- 7 % of Project to Section 3 Businesses
- January 1 to February 1:**
- 50% of hours - Sec 3 workers (Trgt: 25%)
- 81% of Housing Const hours - Sect 3
- 44% of project workers live in W-S/FC.
- 2% of project workers - HAWS Residents

Relocation at CAH



As of February 2023, we are 30 months into our 72 month CNI project effort

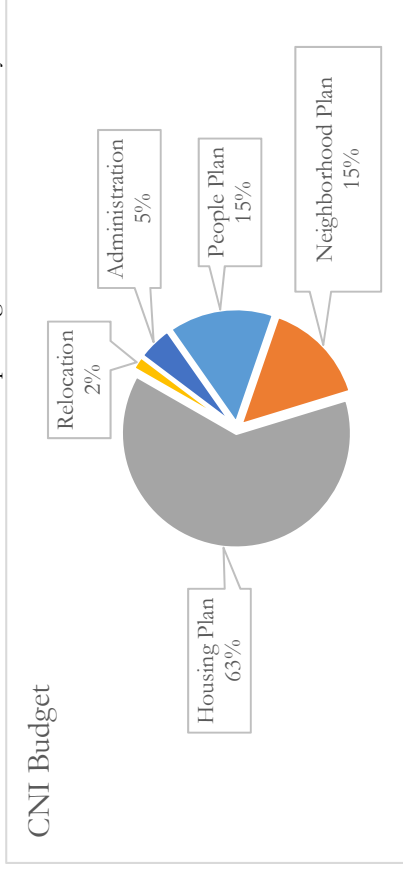




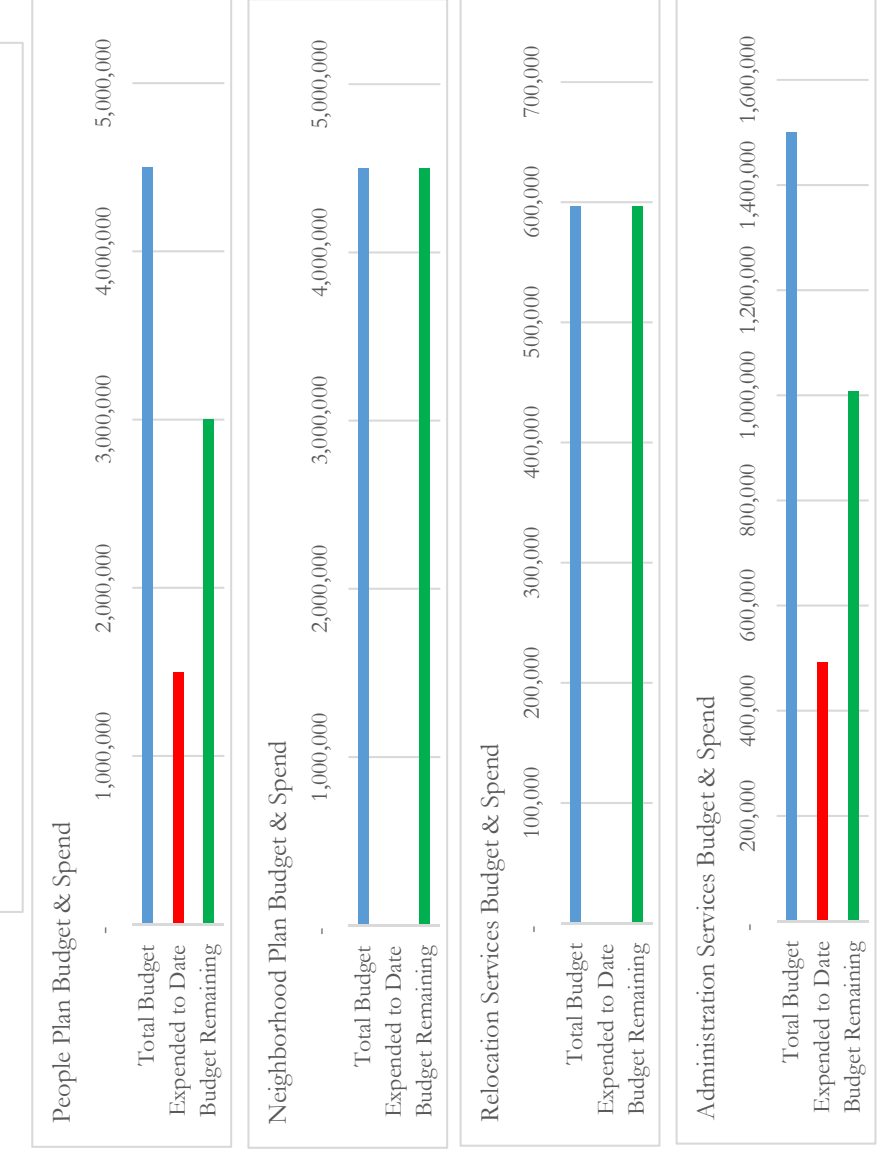
Choice Neighborhood Initiative Budget (HUD funds only)

People Plan	4,500,000
Neighborhood Plan	4,500,000
Housing Plan	18,903,000
Relocation	597,000
Administration	1,500,000
<b>\$</b>	<b>30,000,000.00</b>

Reporting Period: February 2023



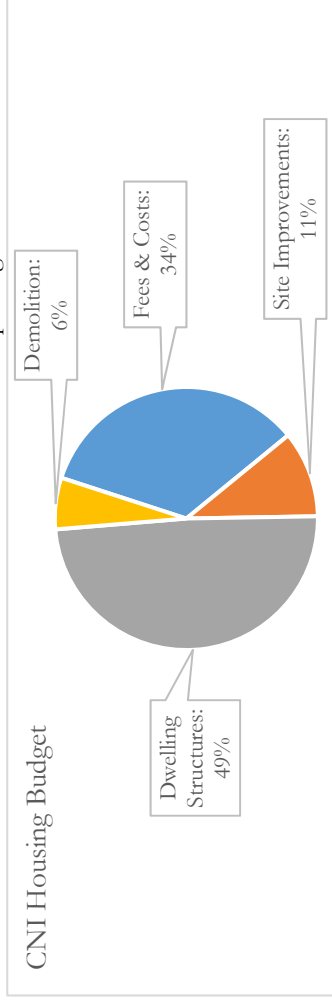
CNI Budget & Expenses by Area



CNI Housing Budget

Reporting Period: February 2023

Fees & Costs:	6,444,862
Site Improvements:	2,012,000
Dwelling Structures:	9,252,138
Demolition:	1,194,000
	\$ 18,903,000



CNI Housing Budget & Expenses by Area

Area	Total Budget	Expended to Date	Budget Remaining	% Expended
Fees and Costs	6,444,862	2,015,686	4,429,176	31%
Site Improvements	2,012,000	740,801	1,271,199	37%
Dwelling Structures	9,252,138	929,736	8,322,402	10%
Demolition	1,194,000	-	1,194,000	0%

