

Affordable Housing Implementation Committee Meeting Minutes
February 6, 2025
Community Development Department
Via ZOOM
Personalized Participant ID: Delivered via email

Committee Members Present: Tavion Hill, Lisa Brown, Howard Burchette, Lea Efird-Green, Courtney James, Shannon Judd, Cornell Richards, Prince Rivers

Committee Members Absent: Glenda Ange, Laura Betye, Thomas O'Rourke, Humberto Trejo, Jennifer Wright

Excused Absence: Venice Sanders

City of Durham Staff: Reginald J. Johnson, Marshall Troublefield

Durham Housing Authority: Eric Swan

I. Call to Order

The meeting was called to order by Co-Chair Prince Rivers at 6:09 p.m.

II. Welcome /Roll Call

The staff clerk took attendance during the roll call.

III. Review Agenda and Ground Rules

Co-Chair Prince Rivers reviewed the agenda for the meeting.

IV. Approval of Minutes

Approval of November 7, 2024, minutes will be moved to next meeting on May 1, 2025, due to not having a quorum of committee members. Approval of 2025 AHIC meeting dates: 2/6/2025, 5/1/2025, 8/7/2025, and 11/6/2025 will be moved to the next meeting on May 1, 2025.

V. DHA Property Updates

Mr. Eric Swan, Project Manager at DHA updated the committee on the progress they are making because of the support from the City of Durham.

Mr. Swan's presentation provided updates on DHA's DDNP, CNI, and DDNP Phase II. The presentation showed an updated map of most of the DDNP which includes DHA Office, Hunt Street Station, JJ Henderson/The Joyce, 519 E Main/Liberty Street, Forest Hill Heights, Southside III, and Fayette Place. This initiative came out in November 2019. DHA and City of Durham partnered together to apply for a \$40 million dollar grant to being 519 E. Main Street/Liberty phases. This project is a part of CNI. There are different components of this plan that relates to people, housing, and critical community improvements. The Elizabet Street project should finish by the end of March 2025. The

Commerce Street project has just started with site preparation. The Dillard Street project will be built in three different phases.

The Elizabeth Street project will have 72 units and 21 of those units will be replacements units from the Liberty/519 site. The remaining will focus on affordability and go up to 60% AMI. This is a 9% tax credit deal with 2 buildings.

The Commerce Street project is adjacent to Elizabeth Street project. It will have 172 units within 2 buildings. The financial closing was June 2024 with a groundbreaking August 2024. One building will have 88 units for seniors and the second building will have 84 family units. This is the largest project within CNH and will take about 20 months to complete.

The Dillard Street project will have three phases (A, B, C) which will total 150 units. Those projects have been submitted to HUD regarding the development plan and are awaiting feedback.

The 519 E Main project is the first phase of the DDNP. The second phases will include Fayette Place, Forest Hill Heights, and the DHA Office/Criminal Justice Center. Construction for Fayette Place and Forest Hill Heights will start Q3 of 2025. DHA's priority is Fayette Place and Forest Hill Heights. Fayette Place is a 4% tax credit project that will consist of multiple phases. The total project cost is \$189 million and will have 565 units with retail/commercial and 880 spaces for parking. Phase 1A will have 43 units of townhouses for sale. Phase 1B will have 252 Garden Walk-up units. Phase 2A will have 202 MFH units for families. Phase 2B will have 68 MFH units for Seniors.

DHA was able to obtain a waiver from NCHFA for the 252 units Phase 1B of Fayette Place. Normally, a 4% tax deal is capped at 200 units, but the waiver gave the opportunity to make a greater impact with the amount affordable housing. 30 of the units in this phase will be transfer of assistance. That means residents of McDougald Terrace will transfer to this project when it comes online. The tax credit application was submitted in January. The RAD (Rental Assistance Demonstration) application was submitted also. There will be a Community Building with Fitness Rooms within this component of Fayette Place.

Forestville Hill Heights is another project that is being prioritized in the DDNP Phase II. This project will have 362 units with 55 existing units that will be redeveloped within Phase I of the project. This is not a senior designated community but there are several seniors who live in the community with disabilities and who are seniors. One of the buildings in Phase I will be set aside for senior preference.

Q (Shannon): When do you plan to start with the construction to have all residents moved out of McDougald Terrace?

A (Eric): It will be a while before the property is redeveloped. Lincoln Apartments will be redeveloped first to give residents of McDougald Terrace a place to transition during the redevelopment. We are offering transfer of assistance from McDougald through the

RAD and Section 18 program. Out of the 360 units with McDougald, 22 are being transferred to the 300 East Main project, 53 are being transferred to the 500 East Main project, and 30 to the Fayette Place project. There should be an RFP put out the latter part of this year for the site and project to present to HUD. There will still be a number of components and fundings to evaluate with this.

Q (Tavion): You stated the building should be completed by March, right? At what point will DHA website be updated with the application process?

A (Eric): The website for both projects has already gone live and there have been applications. The 22 units coming from DHA are all vacant units. There has already been communication with residents from McDougald to start the application and wait list process. The Elizabeth Street project is coming online at the same time and a number of those units have residents returning. Anyone can go to the website and apply.

Q (Tavion): Right now, we have a big homeless population so will there be enough units for the general public with Elizabeth Street?

A (Eric): We are working closely with Mr. Johnson's office to ensure the tenant selection plan for these projects align with the city's goals regarding the at risk and homelessness populations.

Q (Tavion): Can you post the link to the application?

A (Eric): Yes

Q (Prince): Is there any sense of the pipeline of funding being affected by the current administration in Washington?

A (Eric): At this point our CNI project is the only one linked to federal funding. Most of our projects are tax credit with other funding sources. There shouldn't be much disruption to the plans at this point.

VI. Community Development Update

Community Development Department (CDD) Director Reginald J. Johnson started by answering the last question from Prince Rivers. It is inconclusive regarding the city projects. There shouldn't be any impact because we are using local dollars or ARPA funds that are already received. It could impact the homelessness area with programs that work with ESG and HOPWA that factor in on diversity and equity. HUD has gone silent right now and there is no communication currently. The Trade Association is meeting this week in Washington. We are monitoring and will keep everyone posted.

Mr. Johnson began his briefing by showing pictures of the progress with Southside Phases III & IV. There are a total of 100 units with 60% AMI or below on 8 acres. This is apart of Forever Home Durham. There was more ARPA funds used for this project. Construction has begun and is progressing well. We almost didn't make close on this project but thanks to the previous city manager, Wanda Page, we were able to make close.

Mr. Johnson also gave updates on Ashton Place, which has 51 units of senior housing. The developer is about to have a ribbon cutting for this project.

Mr. Johnson also shared the City Managers spreadsheet with the committee and went over amounts related to the Forever Home Durham spending plan. \$58 million of the \$95 million bond goes to work that DHA is doing.

Q (Courtney): Since there is a possibility that the federal funding could be impacted, could we be updated via email before the next meeting in May?

A (Reginald): Absolutely

Q (Lea): I wanted to check in on the Community Development Staffing. Are you at capacity and able to fill vacancies?

A (Reginald): We only have 1 vacancy left out of all the FTE allocations. At one time of the 30 staff, we were running at 30% vacancy rate. We have been successfully able to fill all except for one. Our service provider went out of business with HOPWA (Housing Opportunities Persons with Aids) and we've added a temporary person to complete that. We have other requests we are entering into the budget process for additional staff.

Q (Tavion): I have 3 questions. 1.) We never received the email from the last meeting with updates about Forever Home Durham. 2.) Can we get an update on Hardee Street apartments? 3.) Can we also get an update on 500 E Main Street because the complex that was built there are saying they don't know anything about affordable housing being built there.

A (Eric): The Maison project is not a DHA or city project. That is a market rate project. 500 East Main, which is a DHA/City project will sit directly behind it. We are still looking for HUD approvals for that project. We anticipate closing by the end of March for the 195 Units with 53 transfer of assistance from McDougald.

Q (Tavion): The reason I asked Mr. Johnson is because it was on the website at one time. Was that an error or was it meant to be put there?

A (Reginald): It is not a city own parcel so we would not have put it on our site. However, DHA and the County have their own sites. I just need to be clear on which site you are referring to.

Q (Courtney): It is listed on the counties site so that can be a little confusing. It lists 300/500 Main but references 300 Main everywhere else on the site. So, 500 is or is it not affordable?

A (Eric): 500 Main Street is affordable, but the Maison project is not affordable. That project is directly on Main Street. 500 Main Street is more along Ramsuer, which is slightly behind it. I am not sure why or how it got the name that it did with its location.

VIII. Public Comments

There were no public comments.

IX. Wrap-Up/Adjournment

The meeting adjourned at 7:09 p.m.

Meeting can be viewed on YouTube

(<https://www.youtube.com/live/CM9MIhNqgfM?si=TJywDFFZUBUnWWLm>)