

SUMMARY OF MINUTES

COMMUNITY DEVELOPMENT/HOUSING/GENERAL GOVERNMENT COMMITTEE

4:00 P.M., TUESDAY, JULY 14, 2009

COMMITTEE ROOM

ROOM 239, CITY HALL

MEMBERS PRESENT: Mayor Allen Joines (in at 5:20 p.m.)
Council Member Dan Besse, Vice Chair
Council Member Evelyn A. Terry
Council Member Molly Leight

MEMBER ABSENT: Council Member Nelson L. Malloy, Jr., Chair

OTHERS PRESENT: Council Member Joycelyn V. Johnson (in at 4:09 p.m.)
Council Member Robert C. Clark (in at 5:07 p.m.)

Vice Chair Besse called the meeting to order and noted that Chair Malloy would not be attending tonight's meeting.

G-5. COMMENTS BY MR. ROBERT LEAK REGARDING OPERATION IMPACT IN THE EASTON AREA.

Vice Chair Besse indicated that Item G-5 would be postponed until the August meeting of the Community Development/Housing/General Government Committee. Without objection, he stated that the Committee would now consider the Consent Agenda and asked if any items needed to be pulled for consideration. There was a show of hands in the audience to speak on the topic of Item C-2(b). No other items were pulled.

Council Member Leight made a motion for approval of the balance of the Consent Agenda. The motion was duly seconded by Council Member Terry and unanimously carried.

CONSENT AGENDA

C-1. ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF A STRUCTURE PURSUANT TO CHAPTER 10, ARTICLE V, SECTION 10-203(f)(1) OF THE CODE OF THE CITY OF WINSTON-SALEM: *[Repairs less than 50% of value of structure (<50) six months].*

a. Marianne Dehart

4530 Old Walkertown Road

- b. Woodrow Moore, Heirs 4222 Orchid Drive
c/o Hazel Brown
- C-2. ORDINANCE ORDERING THE NEIGHBORHOOD SERVICES DEPARTMENT OF THE CITY OF WINSTON-SALEM TO REMOVE OR DEMOLISH STRUCTURE UNFIT FOR HUMAN HABITATION AND, OTHERWISE, TO EFFECTUATE THE PURPOSE OF CHAPTER 10, ARTICLE V OF THE WINSTON-SALEM CITY CODE: *[Repairs more than 65% of value of structure (>65)].*
- a. Bank of America 300 Farmingdale Avenue
(Accessory Building)
- C-3. APPROVAL OF COMMUNITY DEVELOPMENT/HOUSING/GENERAL GOVERNMENT COMMITTEE SUMMARY OF MINUTES - *June 9, 2009.*
- C-2. ORDINANCE ORDERING THE NEIGHBORHOOD SERVICES DEPARTMENT OF THE CITY OF WINSTON-SALEM TO REMOVE OR DEMOLISH STRUCTURE UNFIT FOR HUMAN HABITATION AND, OTHERWISE, TO EFFECTUATE THE PURPOSE OF CHAPTER 10, ARTICLE V OF THE WINSTON-SALEM CITY CODE: *[Repairs more than 65% of value of structure (>65)].*
- b. Raji K. and Mary J. Juma 2093 Craig Street

Mr. Bruce Bailiff, Project Supervisor – Code Enforcement, Neighborhood Services, presented the staff report.

Ms. Michelle McCullough, Project Planner, City/County Planning Department, explained that this house is located in the Ardmore Historic District which is the second largest in the state. Although it is a contributing structure, it has been allowed to greatly deteriorate throughout the years. She stated that staff has communicated with the Neighborhood Association concerning the home and representatives are present tonight. Ms. McCullough noted that the structure was originally a single family home, but had been converted into four separate living quarters. In response to Council Member Besse's question, she stated other than the fact that this is a contributing structure and one of the first of its kind in the neighborhood, there is nothing unique about it. She indicated that staff had tried to contact the owners to no avail.

Ms. Lonnie Clark, 1212 Watson Avenue, President, Ardmore Neighborhood Association, stated that many Ardmore residents have voiced their opinion about this property and there have been issues with inspections and Police calls to the home for many years. There are structural issues with the house and apparently, Mr. Juma was seen removing pieces of the structure recently. No one is interested in purchasing the structure and there is no intent in opposing demolition of the property. She noted that Mr. Juma owns at least six properties in Ardmore and one of them is a bungalow located on Academy Street that would likely be considered a historic structure and the Neighborhood Association is hoping that an issue does not arise with those properties. Ms. Clark indicated that she has been told there are some children living in this structure and there is no hot water running to the house.

(Council Member Johnson entered the meeting at 4:09 p.m.)

Ms. Juanita Tucker, 2084 Craig Street, indicated that she has lived at her home for 11 years and spent a great deal of time and effort restoring her home and the condition of this home and tenants of the home detracts from the value of her home and the others in the neighborhoods. She stated that the tenants of the house throughout the years have made her feel less safe. There is an elderly couple living in one of the units and there is no hot running water. In response to Council Member Besse's question, Ms. Tucker indicated that due to the reputation and the tenants, she has been frightened to communicate with Mr. and Mrs. Juma.

Mr. Jim Wolfe, 2088 Craig Street, stated that the house is a magnet for trouble. There is always trash on the property. He read a letter from Dr. Melanie Schwartz, a former homeowner from across the street, who stated that her family recently moved sooner than they had intended because they had a new baby and were in fear of the problems with this property. Since moving, they have been unable to sell their home, in large part due to issues with this property.

Council Member Besse asked if anyone had investigated whether or not the home was still zoned for RS-9 single family use.

Mr. Bailiff indicated that staff was unsure what the use was prior to 1967 and if it was grandfathered in but it is still under RS-9 zoning. In response to Council Member Leight, he indicated that there had not been any complaints with the Jumas' properties on Hawthorne Road but there had been some calls for their property on Motor Road.

Council Member Terry commented that there are still so many unregistered rooming houses and there should be a way to make the owners want to bring the properties into compliance so that they are not damaging the character of our older, established neighborhoods.

Council Member Leight pointed out that in the West Salem neighborhood, in particular, there seems to be a lot of confusion over conforming versus non-conforming, grandfathering, etc. It is a very complex process for many residents to understand.

Ms. Clark noted that the Ardmore Neighborhood Association had been working to save many of the homes along Peter Creek and she noted there are opportunities to save some of these historic structures.

Council Member Leight made a motion for approval of the demolition order. The motion was duly seconded by Council Member Terry and was unanimously carried.

GENERAL AGENDA

- G-1. REQUEST FROM GOLER MEMORIAL A.M.E. ZION CHURCH REGARDING AN EXCHANGE OF LAND. *[Item continued from the June meeting of the Community Development/Housing/General Government Committee.]*

Mr. Kirk Bjorling, Real Estate Administrator, Real Estate Office, explained that this item was reviewed by the Finance Committee yesterday and two motions were made. The first motion was to proceed with direct sale of the City-owned property to Lutheran Services, with the proceeds to be reinvested into development of the Winston Lake Park area. The second motion was for the creation of a Neighborhood Advisory Committee to oversee the utilization of those proceeds and to report

back to City Council.

Mr. William Royston, Park Superintendent, Recreation and Parks Department, presented a site plan for a proposed park site on the Goler property. He stated that the property could be used for a playground, picnic areas, walking trails, and parking with approximately 22 spaces.

Mr. Ted Goins, President, Lutheran Services for the Aging, presented the site plan for the nursing home, explaining that it would be a 117-bed facility. In response to Vice Chair Besse, he stated that the dotted line area on the plan indicates the area that was cleared for the previous project proposed by the AKA Sorority, however, and he noted that they would prefer to build a larger facility and offer more spacious accommodations for their residents at the new facility.

Mr. Bjorling explained that on June 30, 2009, Council Member Johnson hosted a neighborhood meeting at which most of the attendees expressed support for sale of the City-owned land to Lutheran Services. A majority of those attendees, however, were not supportive of the City purchasing the Goler property. He noted that if the City sells the land to Lutheran Services, the action will first have to be reviewed by the Recreation and Parks Commission and the Planning Board, prior to being heard by the City Council.

Vice Chair Besse inquired if the neighborhood meeting included residents and users of Winston Lake Park and what type of advertising was done.

Council Member Johnson explained that The Chronicle advertised the meeting and the Neighborhood Assistant Specialists went door-to-door throughout the neighborhood to inform residents. She indicated that many residents as well as individuals who utilize the Park were in attendance at the meeting.

Vice Chair Besse inquired if the motion made at Finance Committee included any suggestions for addressing the loss of the parkland.

Council Member Johnson explained that her motion included that the proceeds from the sale of the land be reinvested in the Winston Lake Park area.

Council Member Leight pointed out that one of the speakers at Finance Committee commented that this community needs more amenities than can be accommodated by the Goler property.

In response to Council Member Terry's question, Mr. Lee Garrity, City Manager, stated that part of the motion made included that a Neighborhood Advisory Committee be formed to make recommendations to the City Council on how the proceeds from sale of the parkland should be used for redevelopment efforts in the Winston Lake Park area.

Vice Chair Besse responded to Council Member Leight's question, stating that the City Council approved a resolution creating a policy to require the replacement of any City-owned parkland that is sold.

Council Member Johnson responded to Vice Chair Besse's concerns, stating that this land had already been planned for use as a nursing home type of facility.

Vice Chair Besse expressed concern that the funds may get put into one area for use such as for a pool, shelter, etc.

Council Member Leight requested that staff investigate the cost to reforest the Goler site.

Vice Chair Besse indicated that he would like for part of the sale of the land to include that the walking trails around Salem Lake will continue to be worked on.

Council Member Leight indicated that although there will be a Neighborhood Advisory Committee, it should be clear that the final decision lies with City Council.

At the request of Council Member Johnson, the City Secretary repeated the motions from the Finance Committee.

Vice Chair Besse stated that input from users of Winston Lake Park should also be sought and that sell of the land should be subject to the understanding that the route of the Winston Lake Park walking trail continues to be worked out.

In response to Council Member Johnson, Mr. Royston indicated that there had been previous discussion of creating a walking trail that makes a continuous loop around Winston Lake Park, but in order to make proper connections, a Master Plan must be developed along with community meetings.

Vice Chair Besse stated that there was no discussion of the trail with Senior Services prior to approval of their project, at which time they were resistant to the suggestion. For that reason, he stated he wanted to include that information in this action. He made a motion to support those motions made at the Finance Committee, but for the City to reserve the future course of the walking trail around Winston Lake Park.

The motion was duly seconded by Council Member Leight and carried on a vote of two in favor and one opposed. Voting in favor of the motion were Council Members Besse and Leight, with Council Member Terry voting in opposition.

Council Member Johnson suggested that as development of the mapping around the Winston Lake Park and walking trails areas continues, it would be helpful to share that information with the community and Lutheran Services.

G-2. RESOLUTION AMENDING THE OPERATING POLICIES AND PROCEDURES FOR WSTV 13. *[Item continued from the June meeting of the Community Development/Housing/General Government Committee.]*

Mrs. Martha Wheelock, Assistant City Manager, explained that the item had been changed in response to discussion at the Community Development/Housing/General Government Committee in June. She noted that references to "nongovernment resources" were changed to "outside sources".

(Council Member Clark entered the meeting at 5:07 p.m.)

Discussion ensued regarding the changes made to the criteria required for considering programming requests.

In response to Council Member Terry's question, Mr. Ed McNeal, Director, Marketing and Communications Department, indicated that language in the policy under item 1(b) of Underwriting, refers to the fact that it should not appear that an organization funding a program has inappropriately influenced the content of a program.

Mr. Garrity pointed out that, although it is the policy of the City that WSTV 13 must not be used for campaigning purposes, it is possible for someone to speak during a Public Comment Period at a City Council meeting and campaign for themselves, as long as their topic is germane to City government.

Mrs. Angela Carmon, City Attorney, indicated that the item needs to be further clarified due to discrepancies in the language pertaining to the criteria for programming requests.

Council Member Terry made a motion for approval of the item, subject to clarification as discussed. The motion was duly seconded by Council Member Leight and was unanimously carried.

G-3. PRESENTATION BY THE HOUSING AUTHORITY OF WINSTON-SALEM PERSONNEL AND CONSIDERATION OF RESOLUTION OF SUPPORT.

Ms. Mellin Parker, Director, Housing/Neighborhood Development Department, explained that the Housing Authority of Winston-Salem (HAWS) is at risk of losing 1,800 Section 8 Housing Vouchers, which could result in more than 1,700 people losing housing.

Mr. Larry Woods, Chief Executive Officer, HAWS, explained that notification of the annual budget funding for voucher program was received in mid-May and discovered that there would be a reduction. The notice indicated that the Department of Housing and Urban Development (HUD) had projected, in error, a \$6 million reserve in the HAWS account; however, there is actually a \$3 million reserve. Mr. Woods stated that the notice was appealed, resulting in an 18-month audit, which identified a very small amount of only \$308 in underreporting. A troubleshooter has been sent by the federal government to determine the impact of the loss of 1,800 vouchers. Mr. Woods indicated that most of the vouchers issued by HAWS are used by families consisting of 3-4 individuals, which could result in anywhere from 5,400 to 7,200 individuals without sleeping accommodations. He indicated that would also translate into almost a 500% increase in homelessness in the city. Many of the individuals who list the properties utilized by these tenants are older, retired individuals who, without the income from them, could possibly have to foreclose on the homes, resulting in boarded up homes throughout communities in the city.

Mr. Woods indicated that his staff has been in contact with Senators Kay Hagan and Richard Burr, as well as Representatives Mel Watt and Virginia Foxx, and all four of them have agreed to try and move this issue forward on the national agenda. He indicated that HAWS is not the only housing authority affected by this problem, and approximately 900 appeals have been sent into HUD. Mr. Woods stated that HAWS was assured recently by two of the highest ranking officers under the U.S. Secretary of HUD that some relief would be forthcoming; however, in the interim, HAWS will begin on September 1st to reduce its voucher payments by 10%. Then, as of October 1st, HAWS will terminate 1,800 voucher holders from the program. He indicated that although they are fairly positive that relief is forthcoming, they would like City Council's support on this resolution which will be sent to HUD and to the local Congressional Delegation asking that the problem be resolved as soon as possible.

Council Member Johnson inquired as to how the owner/investors are being notified of the upcoming reductions.

Mr. Woods indicated that recalculation of 4,100 voucher holders would be complete by the end of July and notification would be sent by mail, giving them a 60-day notice for the September 1st effective date. The 1,800 families that could be impacted have also been identified and if no positive resolution is received, in order to provide them with a 60-day notice as well, they will be mailed notices on August 1st for the October 1st effective date. He explained that there will be exemptions for those families whose head-of-household or whose spouse is a senior or is disabled.

(Mayor Joines entered the meeting at 5:20 p.m.)

Council Member Johnson inquired about projects that are Section 8 project based and if each accommodation is being considered individually or if the entire project is being revoked.

Mr. Woods indicated that those projects will be studied on an individual basis, with those individuals who more recently received vouchers being allowed to retain them and those who have been in the system longer will lose their voucher status. He explained that individuals who remain in the program will still be allowed to use their vouchers to purchase homes or move to different levels; however, the program will not accept any new participants nor will it accept any individuals porting into the community from an area whose voucher payments are lower. There will be a freeze on the program at least for 90 days.

Council Member Johnson indicated that for long-term stability of the program, HAWS must begin identifying those individuals who are long-time participants and help them identify their needs so that they can move out of the program. She expressed concern that she has been contacted by an individual who has been on a waiting list for Section 8 assistance, but is aware of others who have been in the system for 20 years and moved from one house to another, when they should be moving out of the system altogether.

Mr. Woods noted that participation is based on federal regulation and as long as individuals show financial need, HAWS has to continue to allow them in the program. He noted that there has been a proposal by the National Organization of Housing and Redevelopment Officials for changes requiring term limits in the system, but it would have to go through Congress.

Council Member Terry expressed concern over the possibility of the great loss but noted this may be an opportunity to separate those in the system who are most in need from those who really should move on out of the system. She noted that this holds true also for the property owners and noted that there are a number of landlords taking vouchers that are not properly maintaining their properties and contributing to the deterioration of communities. She suggested that a task force could work on this process and noted that maybe some language could be worked into the resolution.

In response to Council Member Clark's question, Mr. Woods stated that HAWS receives two budgets per year – a Housing Assistance Payment Budget in the amount of \$24 million and an administrative budget, which is just a little over \$2 million. He noted that the maximum number of vouchers that HAWS is allowed to issue each year is 4,100 and it has met that maximum for several years.

Council Member Clark inquired if HAWS could handle the \$3 million reduction in its budget.

Mr. Woods indicated that if the savings are utilized, it would still leave a \$2.2 million shortfall. In response to Council Member Clark's question about how the budget mishap occurred, Mr. Woods explained that in March, Congress asked all of the Federal Departments to identify savings and HUD identified three-fourths of a billion dollars in savings, although it was actually housing authority reserve accounts. When that "savings" was identified, Congress rescinded its appropriations.

Council Member Clark asked Mr. Woods about how many individuals are on the waiting list to receive vouchers. He indicated that there are potentially thousands waiting to receive vouchers. As tenants' incomes rise, voucher payments lower which accumulate into savings. He stated that HAWS requested of HUD to use those savings to assist the families on the waiting list. HUD informed HAWS that they could not do that. Instead, they must lease up to the building capacity of \$24 million half payments or voucher capacity of 4,100, which is actually what HAWS has maintained.

Council Member Terry inquired about the percentage of voucher holders who have been in the program for twenty years. She noted that some may qualify for first time homebuyer status and stated that this would be a good opportunity to assist them in moving into that step.

Mr. Woods indicated he is not sure what that percentage is but it is probably a very small percentage.

Mayor Joines thanked Mr. Woods and his staff for addressing this issue.

Council Member Leight made a motion to approve the resolution. The motion was duly seconded by Council Member Terry and was unanimously carried.

G-4. PRESENTATION BY FORSYTH COUNTY AGING SERVICES.

In response to Vice Chair Besse, Mrs. Wheelock indicated that she could ask the representatives of Forsyth County Aging Services to limit their presentation to 15 minutes and then entertain questions from the Committee. She indicated that the agency wants to provide comments on the challenges of the aging community in Winston-Salem. She introduced Ms. Anne MacLeod, Ms. Diane Wimmer and Mr. Sam Matthews for the presentation.

Vice Chair Besse stressed that in asking for a 15 minute presentation, the Committee does not want to imply the topic is not of the utmost importance to the City Council; however, if the presentation requires more time, it cannot be accommodated today due to overrun on the previous agenda items.

A representative from the Aging Services indicated that they were willing to come back and give a more thorough presentation.

By consensus, the Committee agreed to continue the item to allow sufficient time for the presentation to be made.

Council Member Clark requested that the item be placed at the top of the agenda so that the next time it appears, the presentation will not have to be cut short.

ADJOURNMENT: 5:40 p.m.