CITY OF GASTONIA

Notice of Funding Opportunity (NOFO): Pathways to Remove Obstacles to Housing

Thursday, October 12, 2023

The City of Gastonia seeks to apply for funding through the **Pathways to Remove Obstacles to**

Housing (PRO Housing) Notice of Funding Opportunity through the U.S. Department of

Housing and Urban Development (HUD). The purpose of the funding program is to support

communities who are actively taking steps to remove barriers to affordable housing. The

application deadline is October 30, 2023, at 11:59PM.

15-DAY PUBLIC COMMENT PERIOD

As part of the application, the City of Gastonia is required to have a 15-day public comment period,

which will begin on Thursday, October 12, 2023, and end on Saturday, October 28, 2023. The

draft version of the Pathways to Remove Obstacles to Housing Application is now available for

public comment. The City of Gastonia reserves the right to make minor edits to the application

after posting it to the website.

VIRTUAL PUBLIC HEARING

A virtual public hearing will be held on Wednesday, October 18, 2023, at 1:00 pm. The meeting

may be accessed through a computer or mobile device by using the following information:

Date:

Wednesday, October 18, 2023

Time:

1:00 - 2:00 pm

Location:

Virtual

Meeting Link:

https://cityofgastonia.webex.com/cityofgastonia/j.php?MTID=m1d454621a9cb1e13f61ea

303cb728309

WebEx Join Meeting Link:

https://signin.webex.com/join

Meeting Password:

nhBmJXe9M43

WRITTEN COMMENTS

Any individual or organization may provide written comments regarding this draft version of the PRO Housing application. Persons with a disability or limited English proficiency, who wish to comment and requires an auxiliary aid, service, or other accommodation to participate, should contact Danette Dye, Director of Housing and Community Engagement, City of Gastonia at danette.dye@gastonianc.gov or (704) 866-6758 to discuss how the department may best accommodate their needs.

Written comments will be accepted until **4PM on Saturday, October 28, 2023**, and should be sent to Danette Dye, Director of Housing and Community Engagement, City of Gastonia, PO Box 1748, Gastonia, NC 28053-1748, email <u>danette.dye@gastonianc.gov</u>.

1-C October 12, 2023



PATHWAYS TO REMOVING OBSTACLES TO HOUSING

(PRO HOUSING)









TABLE OF CONTENTS

AFFORDABLE HOUSING NEEDS (35 Points)	4
Current Efforts	5
Acute Demand	6
Key Barriers	8
Income and Affordability	9
Unequal Access to Housing	10
Limited Housing Stock/Availability	10
SOUNDNESS OF APPROACH (35 Points)	11
Vision	11
Geographic Scope	12
Key Stakeholders	12
Aligns with Affirmatively Further Fair Housing Requirements	12
Proposed Budget and Timeline	14
CAPACITY (10 Points)	15
LEVERAGE COMMITMENT (10 Points)	17
LONG-TERM EFFECT (10 Points)	17
Outcomes	18
Appendix A	19

AFFORDABLE HOUSING NEEDS (35 Points)

Like many cities and townships in North Carolina, Gastonia continues to experience increasing growth. With this population surge, Gastonia is presented with its own set of unique challenges related to affordable housing often resulting in limited to no options for many low- and moderate-income citizens. Addressing such barriers on a larger scale will take both time and a collaborative effort of local government, businesses and the community. The ultimate goal is to expand fair housing choice opportunities for the most vulnerable members of our community, those of low-to moderate income.

To better address current barriers, Gastonia continues to assess market conditions and its impacts on the overall community; identify and form collaborative partnerships; and identify funding to combat barriers to affordable housing. Within the past 36 months, there has been a substantial increase in the population segment of 0-50% of the AMI unable to afford decent housing. Gastonia households within the 0-50% AMI range experience the greatest challenges in acquiring affordable housing. There are still challenges, though not as great, for those persons in 51-80% AMI. Funding opportunities such as Pathways *to Removing Obstacles to Housing Program*, provides a vehicle to make a significant impact in Gastonia's housing dilemma.

When considering the target program area of the Marietta Street/Osceola Street corridor, the percentage of overall need is much larger when compared to Gastonia.

Historically, Gastonia's neighborhoods were integrated into the urban fabric of the city, organized around a grid street network, and closely situated to local businesses and employers, with public gathering spaces as integral components. Prior to World War II, when car ownership was less common, the city's neighborhoods were relatively dense and conveniently located near the city center, enabling residents to walk or bike to work, businesses, and amenities. During this period, textile mills constructed housing for their workers, and mill villages were typically within walking distance of the mills. Communities like the Loray (Firestone) Mill village had their own shopping areas. These neighborhoods varied in size, layout, and architectural styles and were often situated near other mills and their villages. South of the commercial district and toward the eastern end of Gastonia, neighborhoods were primarily occupied by non-textile workers, small business owners, and city employees. The African American community centered around Chester Street and York Street, while the city's professional, commercial, and industrial leaders built their homes near Franklin Street and York Street to remain close to the commercial center. After World War II, increased car availability and the decline of public transportation led to a shift in living styles from urban to suburban. This shift resulted in larger lots, fewer sidewalks, and more self-contained neighborhoods. Shopping centers like Akers Center, Dixie Village, and Gaston Mall emerged, often requiring cars for access. This transformation had a significant impact on Gastonia's neighborhoods, leading to increased suburbanization and decreased urban density, ultimately affecting neighborhood connections to businesses, parks, recreation, and services. Today, Gastonia's neighborhoods largely comprise post-World War II single-family residential suburban developments, with few connections to the city's historic core and a predominant focus on subdivision and planned communities.

Current Efforts

Efforts to Address and Remove Barriers to Affordable Housing Production and Preservation in Gastonia, NC:

Timeframe: Over the past five years, we have actively pursued efforts to address and remove barriers to affordable housing production and preservation.

1. Collaborative Policy Initiatives: We have worked in close collaboration with different departments within the city, community organizations like Habitat for Humanity, and housing advocates to identify and address the most pressing barriers to affordable housing. A key outcome of this collaboration has been the development and implementation of a comprehensive Affordable Housing Strategy.

Measurable Impact: The Affordable Housing Strategy has successfully streamlined and expedited regulatory processes for affordable housing projects, reducing the time it takes to gain approvals and permits by 25%. This has significantly reduced development costs, making it more attractive for developers to invest in affordable housing projects.

2. Land Use and Zoning Revisions: We have recently revised zoning codes to remove restrictions and promote mixed-income housing development in various parts of the city. This approach has been particularly targeted at high-opportunity areas, which were previously underutilized due to zoning constraints.

Measurable Impact: As a result of the zoning revisions, we have seen a 20% increase in the construction of affordable housing units in high-opportunity areas over the past three years. This has created a more inclusive housing landscape in these regions, ensuring that low- and moderate-income populations have access to previously unattainable housing options.

3. Investment in Underserved Communities: We have allocated significant resources to improve infrastructure and community services in historically underserved neighborhoods. This investment extends beyond housing and includes upgrades to parks, public transportation systems, sidewalks, and crosswalks.

Measurable Impact: The investment in underserved communities has not only revitalized these areas but also attracted private developers to invest in affordable housing projects. There are homes that were developed to help revitalize the highland communities in partnership with developers and CHDO organizations. As a direct result, we have seen a 2% increase in affordable housing stock in underserved communities, creating long-term opportunities for low-income residents, which is a considerable improvement for the area.

4. Preservation Initiatives: We have launched preservation initiatives to ensure the long-term affordability of existing housing units. These initiatives include rehabilitation for property owners to maintain safe, energy-efficient, and affordable homes and the establishment of a GEAR program to help them with their utility expenses.

Measurable Impact: Preservation efforts have successfully retained the affordability of over 25 housing units in the city. Additionally, we have partnered with developers to enable the acquisition of properties that would have otherwise been converted into market-rate housing, preserving affordability in high-demand areas.

5. Access to High-Opportunity Areas: To increase access to affordable housing in high-opportunity areas, we have increased the down payment and closing cost assistance amount from \$5,000 to \$7,500 and partnered with lenders in the area who offer an additional amount of \$10,000 to \$20,000 along with the North Carolina Housing Finance to provide additional funds to drive home affordability.

Measurable Impact: The introduction of housing incentives has resulted in an increase in the number of low- and moderate-income households residing in high-opportunity areas. This has not only provided housing options but also enhanced residents' access to employment and education opportunities.

6. Affordable Housing Fund: We established a dedicated Affordable Housing Fund to secure sustainable funding for affordable housing initiatives, ensuring the continuity of affordable housing projects over the long term.

Measurable Impact: The Affordable Housing Fund has provided over the last five years more than \$1 million in funding for affordable housing projects, contributing to the creation and preservation of hundreds of affordable housing units in the city through renovations and rehabilitations.

Programs (2019 – 2023)	Investment Amount
Housing Rehabilitation Projects	\$524,407
Gastonia Electric Assistance Resource	\$ 34,590
(GEAR) Program	
Down Payment Assistance Program	\$620,636.60

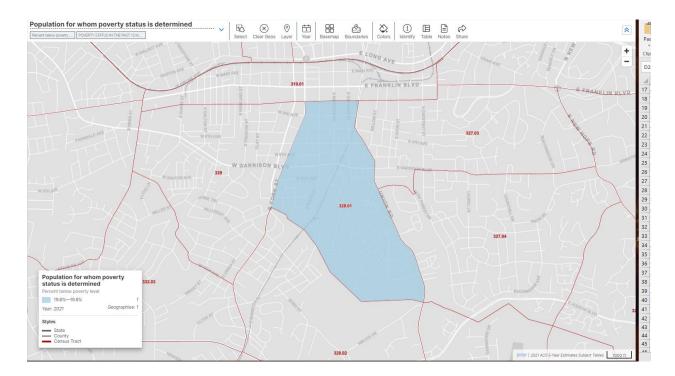
Our efforts to identify, address, and remove barriers to affordable housing have resulted in measurable progress. By collaborating with various stakeholders and implementing innovative policies and initiatives, we have significantly increased the availability of affordable housing for low- and moderate-income populations, promoted housing preservation, and enhanced access to housing in high-opportunity areas. These initiatives are permanent fixtures in our community planning and have created a more equitable and inclusive housing landscape in Gastonia, NC.

Acute Demand

Yes, Gastonia, NC faces an acute demand for affordable housing. While we can provide datadriven evidence to support this claim, it is essential to highlight the unique challenges and pressures that our community faces, which may not be fully captured by the provided measures.

Map supporting Acute Demand

The map below shows a poverty level of 19.8% based on household numbers, taking into account the renters-to-homeowner ratios. Which is comparable to the towns/cities such as Stanley that is deemed a priority for the grant.



Measures Supporting Acute Demand:

- 1. **Affordable Housing Not Keeping Pace:** Gastonia has experienced rapid population growth over the past five years, with a 15% increase from 2019 to 2023. During the same period, the number of units affordable and available to households at 80% of the HUD Area Median Family Income (HAMFI) has only increased by 5%. This indicates that our affordable housing stock has not kept pace with our population growth.
- 2. **Insufficient Affordable Housing:** The number of households at 80% of HAMFI has steadily risen, surpassing the number of available units for households at the same income level. For instance; in the area that we are focusing on Osceola and Marietta Blvd. There are 2 renters for every homeowner with less than 130 units available out of 2600 units. This insufficiency has resulted in increased competition for affordable housing, making it challenging for low and moderate-income families to secure suitable housing.
- 3. **Widespread Housing Cost Burden:** A significant portion of households with incomes at or below 100% of HAMFI experience housing problems. Cost burden is a prevailing issue, with a substantial number of households paying more than 50% of their income on housing. This cost burden significantly limits the financial stability and well-being of these households.

Compelling Local Information:

Beyond these measures, Gastonia faces additional factors indicating acute demand for affordable housing:

1. **Displacement Pressures:** The city has been experiencing significant displacement pressures due to gentrification in certain neighborhoods. As the demand for housing in

revitalized areas increases, lower-income residents are pushed out of their communities, exacerbating the affordable housing crisis.

- 2. **Housing Stock Condition:** A considerable portion of the housing stock in Gastonia is aging and in need of repairs or renovations. This leads to substandard housing conditions, contributing to health and safety concerns for residents.
- 3. **Income Disparities:** The ratio of median home prices to the area median income is disproportionate, making homeownership an unattainable dream for many low and moderate-income families. This creates a rental-heavy market that further strains the supply of affordable housing.
- 4. **Homelessness:** The city has seen a rise in homelessness, with limited shelter space and affordable housing options available for those experiencing housing instability.
- 5. **Workforce Housing Shortage:** Gastonia's economy has been growing, but many of the available jobs do not pay wages sufficient for housing at market rates. This creates a heightened need for workforce housing options.

In summary, the acute demand for affordable housing in Gastonia, NC is not only supported by the provided measures but is also evident in the unique challenges and local factors we face. The increasing cost burden, displacement pressures, aging housing stock, income disparities, homelessness, and workforce housing shortage all contribute to the pressing need for affordable housing options for households with incomes below 100% of the area median income in our community.

Key Barriers

Key affordable housing barriers identified within Gastonia as part of prior and current studies identified the following barriers:

- 1. **Availability of Financing and Subsidies:** The foremost barrier to affordable housing production and preservation in Gastonia is the limited availability of financing and subsidies. While there is a growing demand for affordable housing, securing the necessary funding to develop and maintain these properties remains a substantial challenge. Federal, state, and local resources have not kept pace with the demand for affordable housing. This has resulted in a lack of incentives for developers to invest in low-income housing projects, hindering the growth of affordable units. This is a key barrier because without adequate financing and subsidies, it is impossible to create and maintain affordable housing options.
- 2. Capacity of Local Affordable Housing Developers and Managers: The capacity of local developers and property managers specializing in affordable housing is another significant barrier. Many developers lack experience in low-income housing development, which can lead to inefficiencies and delays in project execution. The absence of specialized training and expertise in managing affordable properties also affects the long-term viability of these units. This barrier is key because it limits the ability to efficiently develop and manage affordable housing projects and maintain their quality over time

- 3. **Procedural Delays and Community Engagement:** Procedural delays associated with community engagement and review processes contribute to slow affordable housing production. Gastonia's regulatory procedures and community review can be time-consuming and sometimes result in extended project timelines. The extensive review processes can be a significant barrier because they deter developers and investors from engaging in affordable housing initiatives. Streamlining these processes is crucial to accelerate the development and preservation of affordable housing units.
- 4. **Opposition to New and Affordable Housing:** Opposition from certain community members to the construction of new affordable housing is a key barrier to production and preservation. There is a misconception that affordable housing may negatively impact property values or increase crime rates, which can lead to resistance from residents. Overcoming this barrier requires addressing these misconceptions through community education and awareness programs.
- 5. Unique Challenges for Low and Very Low-Income Households: In Gastonia, low and low-income households face unique barriers, such as limited access to employment opportunities, affordable healthcare, and public transportation. These challenges can prevent residents from escaping the cycle of poverty, making it essential to integrate comprehensive support services, employment opportunities, and healthcare access with affordable housing initiatives to address the root causes of housing instability.
- 6. **Lack of Land and Infrastructure:** The availability of suitable land and infrastructure is a challenge for affordable housing development. Limited vacant land in desirable locations and the need for necessary utilities and infrastructure upgrades increase development costs and can lead to reduced affordability.

Addressing these key barriers is essential to creating a sustainable and effective affordable housing program in Gastonia, NC. By developing strategies to increase financing options, build the capacity of local stakeholders, streamline regulatory processes, and educate the community about the benefits of affordable housing, we can overcome these challenges and make meaningful progress in addressing the affordable housing crisis in our jurisdiction.

Income and Affordability

Current incomes within Gaston County and more specifically Gaston County are not keeping pace with housing market. As noted as part of the North Carolina Low Income Housing Coalition's 2023 Housing Need in Gaston County, the average fair market rent is \$1,333 per month. The average wage needed to afford this payment is \$25.63 per hours or an annual income of \$53,320. When compared to the average salary range of \$23,490 - \$29,850 for childcare, healthcare and farming labor, there is a substantial cost burden to many Gaston County households. Gaston County ranks 12th in the state for the number of evictions among renter households. Cost burden data shows that affordability needs are particularly severe for renters with incomes under 30% of HUD Area Median Family Income (HAMFI). Input collected from stakeholders and public meeting attendees strongly suggests that a scarcity of quality affordable rental units combined with low incomes makes housing increasingly unaffordable to Gastonia residents.

Education levels in the area pose another barrier to affordable housing. Limited education of low-to moderate-income residents reduces the ability to obtain access to obtain higher technical skilled careers with higher pay levels.

Unequal Access to Housing

Due to the limited housing supply, housing opportunities are at a greater percentage for those of higher incomes in comparison to those of lower income means. Minorities continue to experience housing inequalities in both rental and purchase transactions at a greater rate than non-minorities.

When viewing purchase transactions for real estate, minorities tend take on a greater level of debt to obtain housing with similar characteristics as their counterparts. Low housing equity is created due to smaller down payments and modest median home values which further translates to less overall wealth for both black and Hispanic households. These minority households tend to rely more heavily on their homes to accumulate wealth.

In terms of rental transactions, a growing segment of the population have become renters. With the sharp pricing increase of rental housing, availability is scarce and competition for limited units is more intense. Those with limited incomes are less likely to meet the requirements for income requirements, deposits and fees.

Additional factors that result in unequal access to housing include:

1. Transportation

Transportation is also a factor to housing choice. Areas with limited access to public transportation cannot be accessed or considered by those persons with limited transportation means thus reducing their opportunity for greater housing choice.

2. Corporate Investment in Residential Real Estate

Since 2020, there has been an increased investment of corporate acquisition of residential properties. This action has further limited

3. Gentrification

Aging neighborhoods experiencing the stresses of poverty and the loss of affordable housing units face the risk of both gentrification and displacement. One such example is a neighborhood with an aging population and limited income that can no longer afford to maintain the property and pay increasing tax rates.

4. Eviction and Displacement

Rising housing costs creates a cost burden on the lowest-income and some moderate-income households which face the greatest risk of eviction and/or displacement.

Limited Housing Stock/Availability

Gastonia's Comprehensive Plan noted several trends concerning policies that focus on preserving the city's existing affordable housing stock and developing diverse new affordable housing options. The plan indicated that Gastonia will continue to experience a loss of affordable housing inventory. Several factors were cited including rising housing costs outpacing household incomes,

a high percentage of cost-burdened households in the city, and a need for development of city policies that support the development of a more diverse and affordable housing stock.

Concerns were noted about rising housing costs within Downtown Gastonia and its loss of unsubsidized affordable housing around the Franklin Urban Sports Entertainment (FUSE) district development. Community input noted that rising property values as the district redevelops are likely to impact homeowners who may have difficulty affording property tax increases and renters who may face increased rents, due both to rising market rents and to landlord efforts to recoup property tax increases. The current housing market conditions and the influx of new residents puts an even greater strain on the already limited housing stock availability leaving individuals and families in search of affordable housing with further reducing housing choice.

As of 2022, the City of Gastonia worked to address these factors by implementing and updating housing assistance policies to provide greater assistance levels to low- and moderate- income families and also incentivized multi-family housing development that incorporates housing units for extremely low-income households within the development. Zoning ordinances have been reviewed and several ordinance updates were made to reduce barriers to affordable housing. Furthermore, the City is currently conducting an affordable housing study to better understand Gastonia's affordable housing challenges and offer recommendations on how best to address the housing issue.

SOUNDNESS OF APPROACH (35 Points)

Vision

Our proposal is focusing its efforts toward a geographic location where several improvements and projects are currently underway or will be taking place in the foreseeable future. The City has identified several needs for this area and efforts are being made to enhance the quality of life for citizens through additions of amenities, infrastructure improvements, as well as efforts to enhance safety in the community.

The City of Gastonia is in the process of up-fitting a plot of land previous used as athletic fields by the Salvation Army Boys and Girls Club and turning it into a public access park, with ballfields, playground, and shelter. This amenity will provide opportunities for local residents to have greater access to athletic programs and community building opportunities. Our proposal will utilize some of the funding to go toward additional improvements to the park to increase access for community members to this amenity.

The City has also developed a plan to enhance the street lighting throughout this geographic location. There are still 126 low-pressure sodium streetlights that need to be converted to LED. This LED conversion will cost slightly more than \$26,000, and the improvements from the conversion will increase sight visibility which can lead toward a safer environment during the evening hours.

The City also has plans for multiple sidewalk additions/improvements, adding bicycle lanes to thoroughfares, and road widening to allow for multiuse paths. The improvements will enhance the walkability and accessibility to resources, amenities and services for the citizens in this area.

These anticipated and current initiatives will provide an even greater benefit to the community in which our proposal aims to enhance.

Geographic Scope

The specified focus area is located within the corporate limits of Gastonia, within Census Tract 328.01. Boundaries for the area are noted as follows:

- W. Garrison Blvd between S. York Street and Union Rd
- S. York Street down to E. Hudson Blvd
- E. Hudson Blvd to Union Rd.

See appendix A: Census Tract Map 328.01 Gaston County

Our strategic combination of land acquisition, sidewalk improvements, enhanced lighting, and the addition of a community park will play a pivotal role in the preservation and creation of housing units within the targeted location. Land acquisition will target underutilized land to create opportunities for new affordable housing development and/or enhance local business opportunities for the Minority and Women Business Enterprises. Further, improving sidewalks and improving lighting options not only make neighborhoods safer, preserving the sense of security and thus encouraging residents to stay, but also attract developers, investors, and businesses, contributing to the creation of new housing units to meet growing demand. Lastly, the addition of a community park not only preserves the quality of life for existing residents but also acts as a catalyst for neighborhood revitalization, spurring economic growth and, in turn, housing construction. In this way, these initiatives foster a sense of community, safety, and economic vibrancy, simultaneously preserving and creating housing units to benefit the entire neighborhood.

Key Stakeholders

Key Stakeholders have been identified from prior partnerships and their ability to bring the required skills to carryout activities. The City of Gastonia has established relationships with non-profit development organizations that address new construction and housing rehabilitation, non-profit outreach organizations, for-profit developers, in-house city staff with engineering, utilities and facility operation experience, lenders, real estate agents, and a vast array of organizations that through partnership, have the necessary skillset and resources to carry out the outlined activities.

Aligns with Affirmatively Further Fair Housing Requirements

Our Proposal's Alignment with Fair Housing Requirements:

 Removing Barriers in Well-Resourced Areas: Our proposal includes initiatives to remove barriers to the development of affordable housing in well-resourced areas of opportunity. We aim to increase access for underserved groups by offering incentives to developers to create affordable housing units in these areas. To ensure equitable access, our grant activities target underserved communities of color, including African-American, Hispanic, and other minority households. By fostering diversity in well-resourced areas, our proposal aligns with the goal of affirmatively furthering fair housing.

- 2. **Promoting Desegregation:** We recognize that segregation perpetuates disparities in housing opportunities. Our proposal addresses policies and practices that perpetuate segregation by actively encouraging mixed-income housing developments in historically segregated neighborhoods. By also encouraging higher-income earners to purchase in low to moderate-income areas. Through inclusive zoning revisions and educational programs such as the home buyer education class that includes a portion on Fair Housing, we aim to promote desegregation. Our focus is on dismantling barriers that have contributed to housing segregation and creating more inclusive communities.
- 3. **Preventing Concentration of Affordable Housing:** We have taken measures to ensure that our proposal does not lead to further concentration of affordable housing in low-opportunity areas. By providing incentives for the development of affordable housing in well-resourced areas, we expand housing choices and the neighborhoods in which residents seeking affordable housing can live. This approach is in line with the objective of deconcentrating affordable housing.
- 4. **Unique Housing Needs of Protected Class Groups:** Our proposal prioritizes addressing the unique housing needs of protected class groups. We include provisions for accessible housing for persons with disabilities and families with children, ensuring compliance with the Americans with Disabilities Act (ADA) and Fair Housing Act. Supportive services and transportation options are integrated into our housing plan to promote independent living for individuals with disabilities.
- 5. **Fair Housing Plan Integration:** Our proposal is aligned with our jurisdiction's most recent fair housing plan. We have reviewed and incorporated the goals and strategies outlined in the plan into our proposal, ensuring that our grant activities are consistent with our fair housing objectives.
- 6. **Anti-Displacement Measures:** We have considered the risk of displacement associated with our proposal and have implemented anti-displacement measures. These include the replacement of affordable units for new construction projects and the provision of right of first refusal for existing tenants, safeguarding vulnerable residents in communities of color.
- 7. **Equity and Inclusivity:** We have a diversity and equity plan in place that supports minority-, women-, and veteran-owned businesses during the housing production process. This plan encompasses equity considerations specific to our local circumstances.
- 8. **Promotion of Desegregation:** Our proposal will be evaluated to assess its effect on promoting desegregation, expanding equitable access to well-resourced areas of opportunity, and de-concentrating affordable housing. We will track progress and evaluate effectiveness through metrics such as housing location, tenant demographics, and community diversity.

9. **Broad Affirmative Marketing:** If funded, we will engage in a broad affirmative marketing strategy to ensure that the benefits of our proposal are made widely available to all demographic groups, especially those that may be unlikely to apply without proactive efforts. We will advertise and promote housing opportunities in a manner that reaches diverse and underrepresented groups.

Our proposal not only meets the requirements to affirmatively further fair housing but actively seeks to address historic disparities, break down barriers, and promote inclusivity, accessibility, and equitable housing opportunities for all residents in our community.

Proposed Budget and Timeline

After thoroughly assessing the current barriers, community needs, potential partnerships and community needs, the following budget and timelines are proposed for consideration:

ACTIVITY Affordable Housing Development	BUDGET REQUESTED
Affordable Housing Development	¢2.250.000
Allor dable flousing Development	\$2,250,000
(single and multi-family as available) and	, , ,
may include:	
1. Financing the construction or	
rehabilitation of affordable housing	
2. Acquisition or disposition of land or	
real property for the development of	
affordable housing	
3. Facilitating the conversion of	
commercial or other properties to new	
housing	
4. Establishing or assisting a community	
development financial institution	
(CDFI) to carry out financing	
strategies	
5. Providing large-scale technical	
assistance to affordable or non-profit	
developers, community land trusts, or	
other entities which leads to the	
development of affordable housing	
Park Development and Improvement/	\$ 1,750,000
Other Community Infrastructure	
Improvements	
1. Investing in neighborhood amenities	
that benefit low-and-moderate income	
residents such as parks, community	
centers, bike lanes and improvements	
to the physical environment that	
increase public safety such as	
streetlights or sidewalks	
2. Installing new utilities and/or	
infrastructure improvements necessary	
for the development or preservation of	
affordable housing	
TOTAL PROPOSED BUDGET	\$4,000,000

CAPACITY (10 Points)

Our capacity to effectively manage a federal grant of this size and scope is underpinned by a robust track record of successful grant management. With a highly skilled team experienced in financial management, compliance, project execution, and community engagement, we are well-prepared to handle the complexities of this grant. Additionally, our proven ability to coordinate with federal agencies, oversee sub-recipients, and manage large-scale infrastructure projects positions us as a

reliable steward of grant funds. We are committed to ensuring transparent, efficient, and accountable grant management, making the most of these resources to realize our project's objectives while complying with all applicable regulations.

The City of Gastonia will manage and oversee the entire project. This will be done utilizing the Housing & Community Engagement Department with supporting roles coming from the Finance Services Department, Parks and Recreation, Economic Development, Legal Department, and the Planning Department. The Housing and Community Engagement Department has utilized this same structure and approach with past projects.

The City of Gastonia is well-equipped with the necessary project management, quality assurance, financial and procurement, and internal control capacities to swiftly launch and implement major projects. Our robust policies, crafted in compliance with federal law, ensure efficiency, accountability, and adherence to regulatory standards. With a proven track record in managing large-scale initiatives, we are fully prepared to initiate and successfully execute significant projects that benefit our community.

To effectively implement the reforms, we've envisioned for our infrastructure, including initiatives like upgrading sidewalks, enhancing lighting, developing parks, and acquiring land for affordable housing and business expansion, we recognize the critical importance of leadership capacity and legal authority within our jurisdiction. As local government leaders, our city planning department, and the active engagement of our community leaders and neighborhood associations play pivotal roles in driving these projects forward. We understand that public-private partnerships, in collaboration with local nonprofits and advocacy groups, can significantly bolster our efforts. On the legal front, we're well-aware that our jurisdiction's authority is derived from zoning and land use regulations, the responsible exercise of eminent domain when necessary, adherence to environmental regulations, and the ability to secure funding through bonds or grants. Furthermore, we are committed to strict compliance with fair housing and anti-discrimination laws as we advance our affordable housing initiatives. Ultimately, our success in these reforms hinges on our cohesive efforts, combining effective leadership with a clear understanding of our legal authority, all while adhering to existing regulations and standards.

This specific project will have the following team structure to ensure a successful completion.

Project Manager

- Danette Dye, Director of Housing & Community Engagement Program Manager
- Kenny Gehrig, HUD Administrator for the City of Gastonia Project Team Members
 - Daphney Pierresaint, Case Management Specialist
 - Nancy Welch, Case Management Specialist
 - Eric Murphree, Construction Specialist II
 - Tyler Davis, Neighborhood Program Administrator

Grant Administrator

- Lana DuPont, Grants Accounting Specialist

Collectively, this team is the driving force behind the successful completion of the project. At the helm, the Project Manager takes charge of comprehensive project planning, providing vital oversight and guidance throughout the project's lifecycle. Directly reporting to the Project Manager, the Program Manager ensures that the project stays on track and meets its objectives.

Supporting these leadership roles, the Project Team Members carry out the project's intricate technical work, guaranteeing that each activity is executed with precision and adherence to required standards. These team members are also responsible for meticulous documentation, ensuring the project's progress is well-documented and readily available for evaluation and reporting. The Grant Administrator plays a critical role in managing the financial aspects of the agreement, meticulously tracking budgets and expenditures, and ensuring strict compliance with the stipulated terms and conditions. Throughout this project's journey, adherence to the City of Gastonia's Grants Policy remains a guiding principle, guaranteeing that all financial and procedural aspects align with established regulations and practices.

LEVERAGE COMMITMENT (10 Points)

The City of Gastonia is committed to addressing affordable housing and community-related issues. Within the specified subject area, the nearest park is approximately four (4) miles away and requires crossing a busy thoroughfare. In order to provide a community resource that will benefit the subject area, the City of Gastonia, in 2002, acquired a vacated facility on South Marietta Street that was a previously center for a non-profit organization. The site has not been utilized for a number of years.

Currently, the City of Gastonia plans to spend approximately \$200,000 of its Community Development Block Grant (CDBG) funds to construct two (2) park shelters and install playground equipment at the recently acquired park facility. As available, general fund dollars will be used to add additional amenities.

As a grantee of HOME Investment Partnership Program Funds, the City of Gastonia, as funds are available, may use its funds to assist with pre-development costs, construction and assistance to homebuyers.

The City of Gastonia will utilize its staffing resources as available in the follow capacity:

- 1. Staff labor where available to add features and amenities to the park to reduce the overall costs; and
- 2. Staff labor to provide education and resources to citizens in need of programming services to obtain education and training needed to acquire and sustain housing;

LONG-TERM EFFECT (10 Points)

Our proposal strategically combines land acquisition for affordable housing and business development, along with improving sidewalks, lighting, and adding a community park. This approach effectively addresses critical barriers to both producing and preserving affordable housing. The acquisition of land opens opportunities for affordable housing and businesses to thrive, reinvigorating blighted areas and bolstering economic growth. Enhanced sidewalks and

lighting contribute to improved safety, encouraging residents to remain in their homes and safeguarding existing affordable housing units.

The measurable outcomes of our project encompass an increase in housing units, economic growth indicators like job creation and heightened property values, lower crime rates due to improved lighting, and enhanced public spaces leading to an improved quality of life. Additionally, we aim to cultivate heightened community engagement and participation, serving as an indicator of our success in promoting neighborhood pride and cohesion. The preservation of existing affordable housing units will further underscore our project's success.

Upon the completion of grant-funded activities, our project will have achieved transformative impacts, including new affordable housing units and business spaces, fostering sustainable economic growth. The improvements in infrastructure and public spaces will lead to safer and more vibrant neighborhoods, creating a lasting and positive effect on the quality of life for our residents. These outcomes are tangible, enduring, and set the foundation for a brighter and more inclusive future.

While we are steadfast in our commitment to achieving our project goals, several roadblocks may present challenges during the process. Land acquisition for affordable housing might face hurdles due to limited availability of suitable land, competing interests in the real estate market, or potential resistance from current landowners. Similarly, promoting business development for minority and women business enterprises could encounter obstacles related to access to funding, market competition, and achieving inclusivity within a competitive business landscape. Enhancing sidewalks and lighting may face delays due to permitting issues, budget constraints, or coordination challenges with existing infrastructure. Lastly, building a park may encounter challenges related to environmental regulations, community zoning concerns, or limited available space. Despite these potential roadblocks, our determination and strategic approach will guide us in navigating and overcoming these obstacles to realize our project goals and positively impact the community.

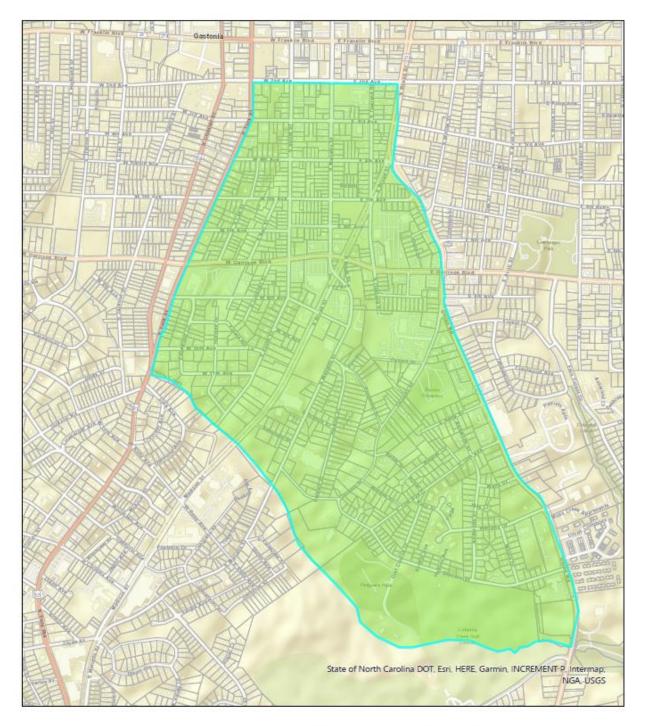
Our proposal serves as a replicable model for other communities, presenting a holistic approach to community development. By strategically acquiring land for affordable housing and business development, enhancing infrastructure, and incorporating a park, we create a balanced and sustainable community. The core principles of strategic planning, community engagement, compliance with regulations, and partnerships with stakeholders can be tailored to suit the unique needs of different communities, making our proposal a valuable template for those seeking to revitalize and enrich their own neighborhoods.

Outcomes

The proposed activities upon completion should deliver measurable outcomes to include:

- 1. Reduce further distress and decline to the subject area;
- 2. Increase Gastonia's housing stock and the availability of affordable housing;
- 3. Improve the quality of life for citizens within the community; and
- 4. Increase the health and safety of residents within the community.

Map of Census Tract 328.01 – Service Area



Census Tracts 328.01 Boundary Map