City of High Point

Municipal Office Building
211 S. Hamilton Street
High Point, NC 27260

Meeting Agenda

Manager's Briefing

Jay W. Wagner, Mayor
Britt W. Moore (At Large), Mayor Pro Tem
Tyrone Johnson (At Large), Cyril Jefferson (Ward 1), Christopher Williams (Ward 2), Monica L. Peters (Ward 3), S. Wesley Hudson (Ward 4), Victor Jones (Ward 5), and Michael Holmes (Ward 6)

Monday, April 5, 2021 | **3:30 PM** | **Council Chambers**

As part of the City of High Point's on-going COVID-19 mitigation efforts, in-person attendance was not allowed at this meeting. Instead, the meeting was live-streamed and the public was provided a link to listen to the meeting as it was being live-streamed. www.HighPointNC.gov/VirtualPublicMeeting.

CALL TO ORDER and ROLL CALL

PRESENTATION OF ITEMS

2021-130 **High Point Schools Partnership**

Matt Thiel with the High Point Schools Partnership will provide a presentation to City Council regarding an initiative focused on expanding access to broadband internet for families with school children.

Attachments: HPSP 2021 Meeting City Council.pdf

2021-131 **Workforce Development**

Chris Rivera, Executive Director for GuilfordWorks, will provide a presentation to City Council regarding the Workforce Development contract and official name change for the agency.

Attachments: High Point City Council_Workforce Presentation 4.21.pdf

2021-132 **Tax-Exempt Multifamily Housing Revenue Bonds**

Kristen Kirby with McGuireWoods will provide a presentation to the City Council regarding Tax-Exempt Multifamily Housing Bonds.

Attachments: Multifamily Housing Bonds 101 - City of High Point.pdf

ADJOURNMENT

McGUIREWOODS

TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS

Kristen Kirby
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Raleigh, North Carolina 27601
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What are multifamily housing revenue bonds?

- **Bond (debt) issued by a governmental entity – state or local housing authority, county or city (the "Issuer")**
- **Under N.C.G.S. 160D-1311(b), cities are authorized to exercise the powers of a housing authority, including acting as the Issuer of tax-exempt multifamily housing bonds**
- **Proceeds are loaned to private entity (the "Borrower")**
- **Borrower uses those dollars to acquire, construct and/or rehab and equip "multifamily residential rental housing"**
- **Bonds are "private activity bonds" under Section 142 of the Internal Revenue Code (the "Code")**

What are the tax rules for a for-profit developer?

- **Rules focus on the use of the proceeds of the bonds and the use of the project constructed with those proceeds**
- **95% of proceeds must be used for capitalizable costs**
- **Acquisition of existing property permitted only if an amount equal to 15% of purchase price is used for rehabilitation (structural upgrade or replacement of equipment, renovation of kitchens, etc.) or for adaptive reuse**

Resulting project must meet the following criteria:

- **one or more buildings or structures**
- **located on a single tract of land**
- **owned by same person/financed pursuant to common plan**
- **occupied on other than transient basis (leases 6 months or longer)**
- **containing one or more similarly constructed units**
- **unit must contain separate and complete facilities for living, sleeping, cooking and sanitation (no dorms, hotels)**
- **functionally related and subordinate facilities can be included (e.g. club house, parking, pool, playground)**
- **leased to general public, although it can be limited to just the elderly if owner so designates**

What are the income restrictions?

Either

20% of units must be set aside for individuals whose income is 50% or less of area median income (“AMI”)

Or

40% of units must be set aside for individuals whose income is 60% or less of AMI

- **Income limits based on HUD guidelines; subject to family size adjustment**
- **Income determination must be made at least annually**
- **Income of low income tenant continues to qualify until income reaches 140% of AMI; thereafter next available unit must be set aside for low income resident**
- **Restrictions apply for the LONGER of 15 years or life of bonds**
- **General rule is no students (some exceptions)**
- **Income restrictions apply to entire project; not done on building by building basis**

What about volume cap?

- **Under the Code, each state is permitted to issue a limited amount of private activity bonds in each calendar year (“volume cap”)**
- **Volume cap is divided among industrial development, student loan, single family, waste disposal and multifamily housing bonds based upon demand**
- **In North Carolina, 2021 volume cap is more than $1.0 billion**
- **Volume cap for housing allocated by the North Carolina Federal Tax Reform Allocation Committee (“TRAC”), based on recommendation of the North Carolina Housing Finance Agency (“NCHFA”)**

Volume Cap Allocation Process

- **NCHFA reviews volume cap applications at the same time it reviews 9% applications, and again midyear beginning in May**
- **Applicants must comply with many of the same requirements as tax credit investors under the applicable qualified allocation plan**
- **January application round results in volume cap award in August**
- **Mid-year applications expected to result in volume cap award in January, of following year's volume cap**
- **Bonds must be issued in the same calendar year as volume cap is awarded or have volume cap "reissued" for the next year (routinely done)**

What steps are required?

- **Developer files application with NCHFA for approval of volume cap for bonds**
- **Issuer adopts preliminary (also called "inducement" or "reimbursement") resolution - Issuer agrees that if all approvals are obtained, it will issue bonds**
- **Developer receives allocation of volume cap**
- **Public hearing (also called "TEFRA" hearing) after 7 days' published notice before City Council, followed by approval resolution from City Council**
- **Findings resolution to satisfy LGC (if LGC approval required)**
- **Final approval of documents and issuance of bonds by City Council**
- **Approval by Local Government Commission (Department of State Treasurer) if term of bonds is 5 years or longer**

Why does someone want to buy these bonds?

- **Interest received on the bonds is exempt from federal and state income taxation**
- **In North Carolina the Local Government Commission requires that bonds must either have credit enhancement, be sold to a bank, similar financial institution qualified institutional buyer or have an investment grade rating; even if LGC approval not required, most issuers follow that standard**
- **May be purchased by a single institutional investor such as a bank, which may also be the tax credit investor**
- **"Short" bond program combines tax-exempt bonds during construction period with long-term taxable loan; loan proceed fund cash collateral account that secures short-term bonds; allows 4% tax credits**
- **No LGC approval required for short bonds**

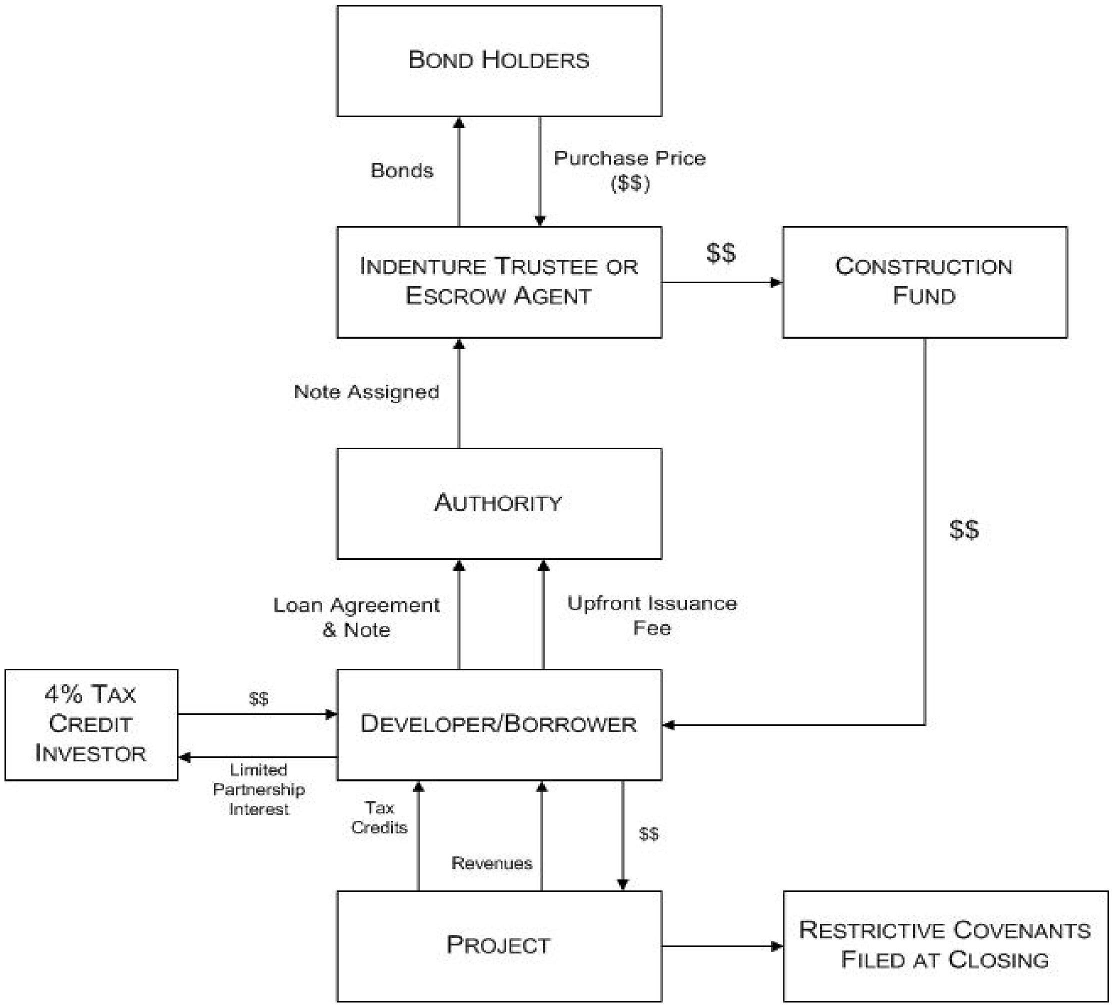
What about tax credits?

- Under Section 42 of the Code, if at least 50% of the basis of the project is financed with Section 142 tax-exempt bonds, 4% tax credits automatically apply
- No allocation of 4% tax credits, except in the sense that NCHFA recommends projects to which TRAC allocates volume cap (and 4% tax credits come with it)
- Rules are similar but not exactly the same
- Short term financing still produces tax credits

Who are the players in a bond deal?

- **Issuer - governmental unit that issues bonds (in this instance the City)**
- **Purchaser – in privately placed deal, entity or bank that purchases bonds directly**
- **Underwriter – in publicly offered deal, investment banking firm that structures the deal and finds buyers**
- **Trustee - bonds are sometimes issued under a trust indenture**
  - **holds proceeds pending disbursement for construction costs**
  - **collects debt service payments from Borrower and pays to bondholders**
- **Bond counsel – oversees entire process and issues opinion that bonds are tax-exempt**
- **Issuer's counsel – looks out for issuer's interests**
- **Purchaser's counsel – represents purchaser of privately placed bonds**
- **Underwriter's counsel - prepares disclosure document to sell bonds to the market place - "Official Statement" if publicly sold through an underwriter**
- **Borrower's counsel - looks out for Borrower's interest; generally does real estate work and opinion**

Structure – Tax-Exempt Multifamily Housing Bonds



What are the Issuer's Responsibilities?

- **Adopt inducement or reimbursement resolution**
- **Hold public hearing on proposed project and bonds**
- **Adopt findings resolution making findings required by LGC application, if LGC approval required**
- **Adopt final resolution approving documents and financing (often done at the same time as findings resolution)**
- **Sign documents at closing**
- **Post issuance: receive and review monitoring reports regarding compliance with low income requirements**

QUESTIONS?

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WORKFORCE DEVELOPMENT UPDATE

April 5, 2021

Chris Rivera, Director

WORKFORCE DEVELOPMENT SYSTEM

- GuilfordWorks is one of the 23 Workforce Boards in North Carolina that is part of National Workforce Development System with 538 regional entities
- Primary focus:
  - Youth Services: 16-24 year old low wage earners
  - Adult Services: 24+ year old adults that are unemployed, or earning less than $16.25 per hour
- Third party service provider leveraged for program delivery
- Funded by Dept. of Labor and disbursed through federal allocations
- Annual employment goals: 74% of people accessing services
- Annual employer collaboration goals: 10% of registered businesses
- Brand Affiliations: GuilfordWorks, American Job Center Network (NCWorks)

WORKFORCE DEVELOPMENT PROGRAMS

- Local Career Connections (V,I)
- Career Counseling (V,I)
- Connection to Community Resources (V,I)
- Online Job Market and Life-Skills Classes (V)
- Occupational Skills Training (V,I)
- Work Based Learning Opportunities (V,I)

******Virtual (V) and In-person (I) Services are currently being offered***

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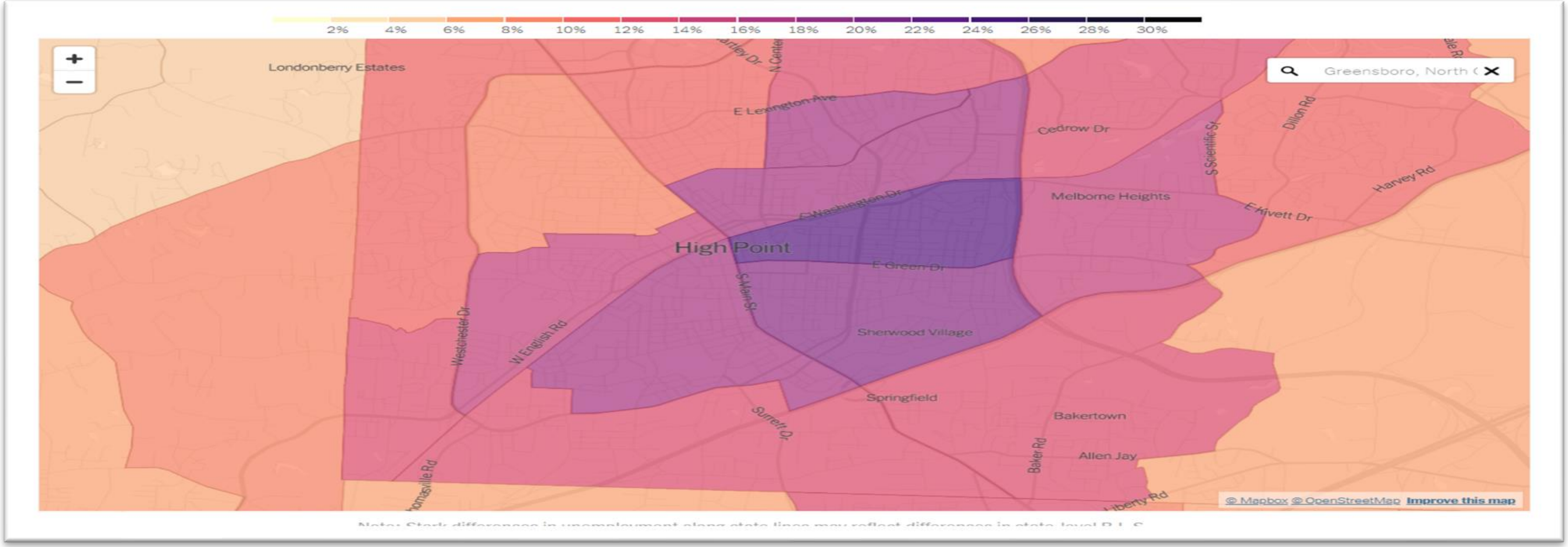
EMPLOYMENT CONDITIONS: HIGH POINT



- Segments of High Point have been hit especially hard by the COVID-19 pandemic.
  - Some communities have experienced unemployment rates as high as 24%; specifically in the South Cental area – as *seen in darker shaded areas of map above*.

Source: https://www.nytimes.com/interactive/2020/08/05/upshot/us-unemployment-maps-coronavirus.html?auth=link-dismiss-google1tap

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HIGH IMPACT AREAS: HIGH POINT

General location	
E Kivett Dr, Hwy 74, E Green Dr, N Main St	
Unemployment Rate	24%
Total Population	4,402
Population enrolled in college or graduate school	213
% of Population enrolled in college or graduate school	4.8%
# of Households	1,629
% of Households with one or more people under 18 years	39.3%
% of Households without an Internet Subscription	46.7%
Population 16 Years and Over	3,166
Civilian Employed Population 16 Years And Over	1,364

General location	
E Green Dr, Hwy 74, Hwy 85, S Main St	
Unemployment Rate	18%
Total Population	4,353
Population enrolled in college or graduate school	116
% of Population enrolled in college or graduate school	2.7%
# of Households	1,465
% of Households with one or more people under 18 years	41.3%
% of Households without an Internet Subscription	43.1%
Population 16 Years and Over	3,134
Civilian Employed Population 16 Years And Over	1,563

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Source: US Census Bureau, American Community Survey, 2018 5-Year Estimates

General location	
E Lexington Ave, Montlieu Ave, N Centennial St	
Unemployment Rate	17%
Total Population	2,410
Population enrolled in college or graduate school	1,667
% of Population enrolled in college or graduate school	69.2%
# of Households	420
% of Households with one or more people under 18 years	18.1%
% of Households without an Internet Subscription	49.8%
Population 16 Years and Over	2,285
Civilian Employed Population 16 Years And Over	914

General location	
RR Tracks, S Scientific St, Triangle Lake Rd, Hwy 85, Hwy 74	
Unemployment Rate	16%
Total Population	3,600
Population enrolled in college or graduate school	289
% of Population enrolled in college or graduate school	8.0%
# of Households	1,322
% of Households with one or more people under 18 years	42.4%
% of Households without an Internet Subscription	38.9%
Population 16 Years and Over	2,699
Civilian Employed Population 16 Years And Over	1,493

Source: US Census Bureau, American Community Survey, 2018 5-Year Estimates

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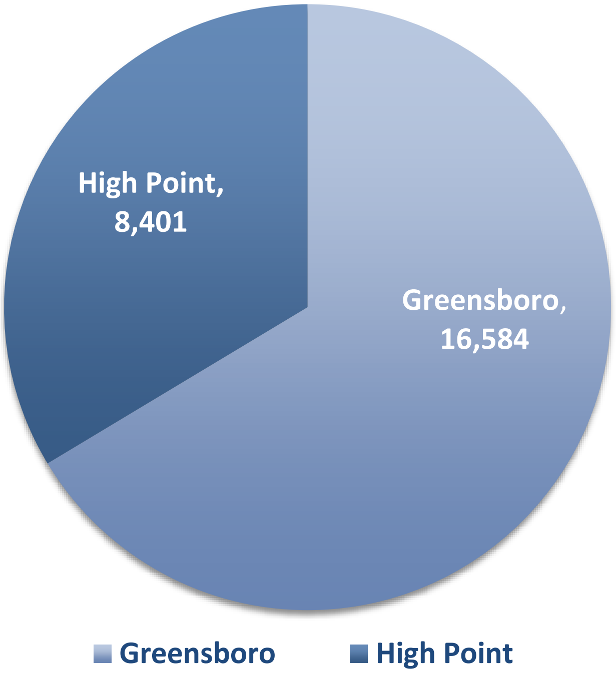
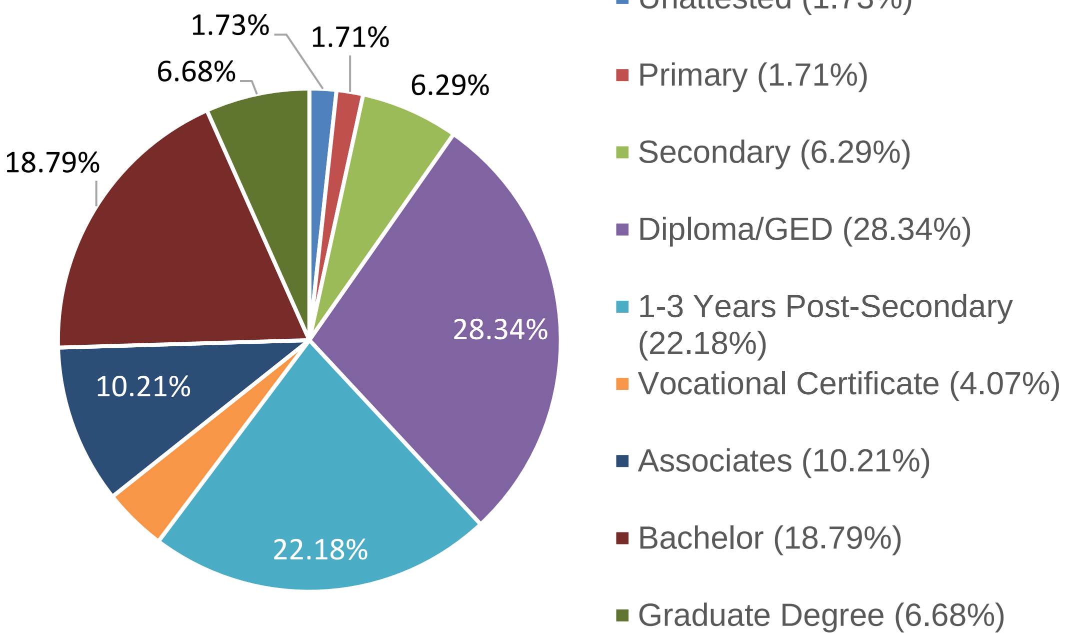
Customers Served



Total Customers: 24,985

Education Level



**Data represents services provided to 24,985 unique customers*

April 1, 2020 – March 31, 2021

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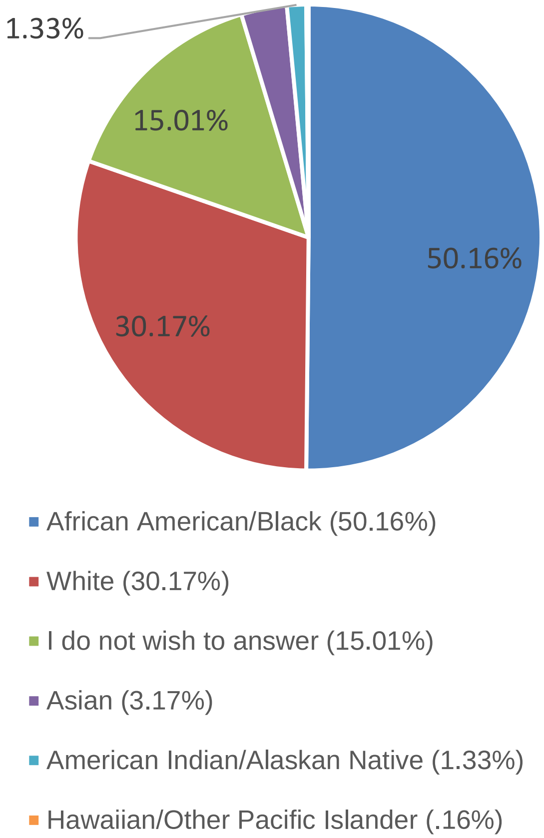
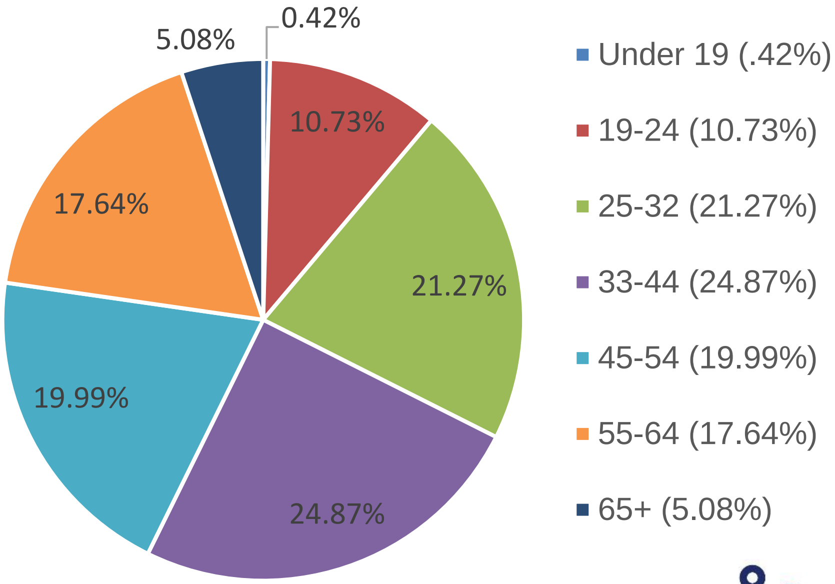
Demographics



Race

Age



April 1, 2020 – March 31, 2021

WORKFORCE DEVELOPMENT COVID RESPONSE

- Workforce Career Centers have continued to provide virtual and in-person services; **8,401 residents of High Point** received nearly **53,400** services ranging from resume assistance, labor market information, virtual workshops, virtual job fairs and referrals to jobs

- Launched text technology that connected **5,400+** residents to unemployment information; **2,059** residents to employment connections; and **1,760** virtual appointments scheduled

- Hosted Virtual Community Resource Fairs to link residents with essential services such as rent/utility, food, clothing and health services; **147** residents were served

WORKFORCE DEVELOPMENT COVID RESPONSE

- Offered free online college training courses to dislocated workers; **257** residents participated
- Partnered with GTCC to host virtual skills training event to connect individuals to training in in-demand occupations; **57** residents participated
- Hosted more than **60** Open-Air/Drive-thru Job Fairs; over **30** employers participated and more than **1,200** residents attended

****To date: **5,231** individuals that have accessed our services have returned to work;*

1,561 *(30%) are residents of High Point*

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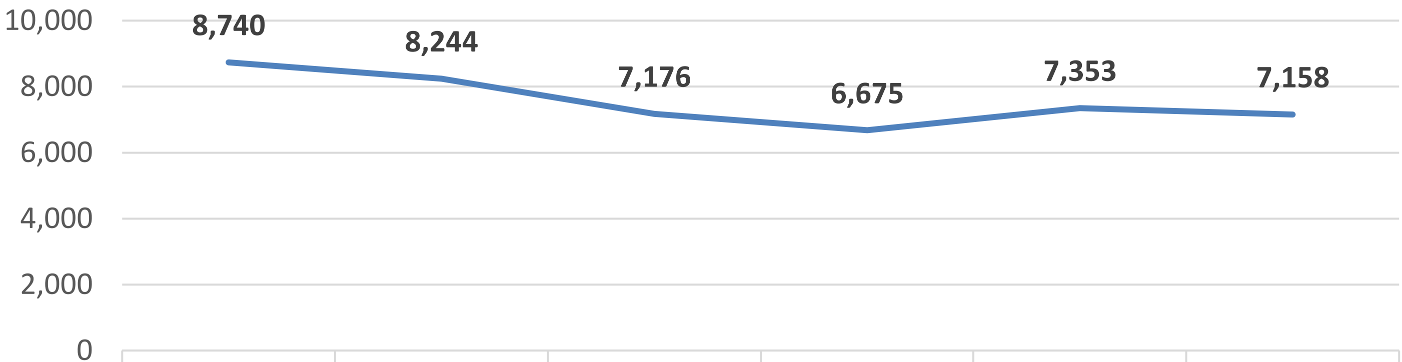
6-MONTH UNEMPLOYMENT TRENDS

UI Claimants: High Point

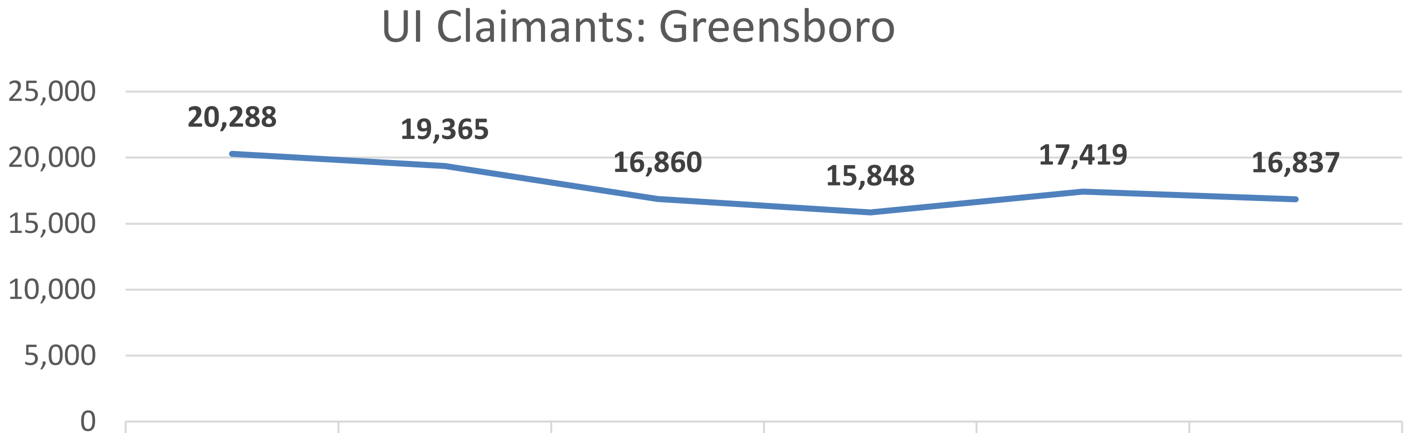


	September	October	November	December	January	February
UI Claimants	8,740	8,244	7,176	6,675	7,353	7,158

UI Claimants

Unemployment claims continue to decline in High Point. However, the number of residents that continue to collect benefits is still nearly 2(x) higher than there were at the start of the pandemic.

6-MONTH UNEMPLOYMENT TRENDS



	September	October	November	December	January	February
UI Claimants	20,288	19,365	16,860	15,848	17,419	16,837

UI Claimants

Unemployment claims continue to decline in Greensboro. However, the number of residents that continue to collect benefits is still nearly 2.5x higher than there were at the start of the pandemic.

FUTURE OFFERINGS

- Community Conversations: Workforce Developments Staff has begun engaging residents and leaders in areas that are experiencing high unemployment. Information received will enable the department to deploy targeted services, in the community, based on need.

- High Point Career Center Renovations: Workforce Development has been collaborating with HP City staff on renovations for the NCWorks Career Center – High Point. The center will receive a "facelift" in customer areas that will create a more welcoming, employment and training appropriate space that is sure to infuse energy into the location. Significant features will include VR and Innovation Labs and meeting/counseling pods that exude collaborative services.

- Mobile Career Center: Workforce Development, as a participating partner of the Eastern Triad Workforce Initiative, has secured funding to purchase a Mobile Career Center. This will enable the department to mobilize a variety of services to communities in needs and ease the burden of customers having to visit brick and mortar locations. Expected commission date: April 2021.

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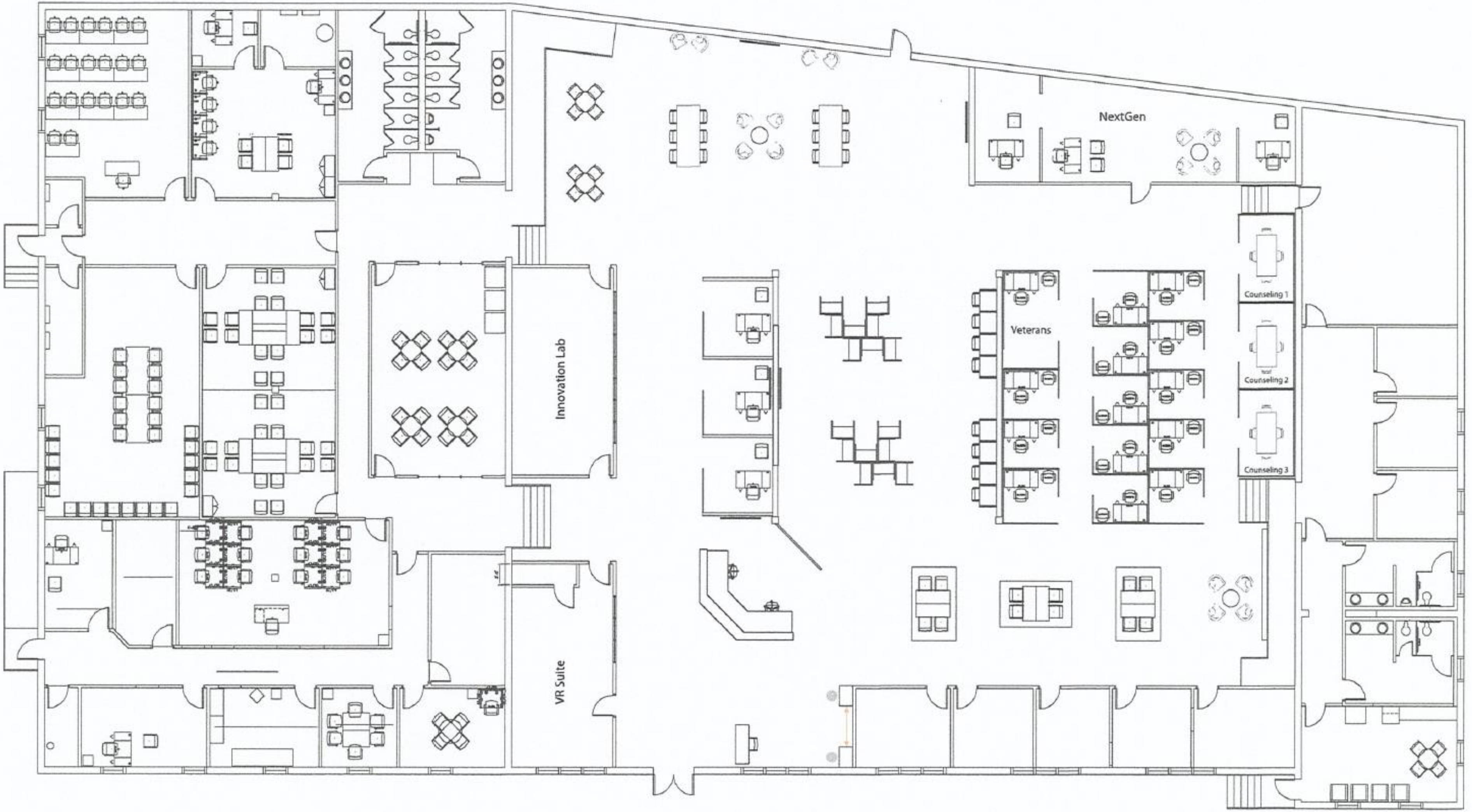
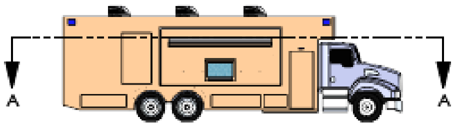
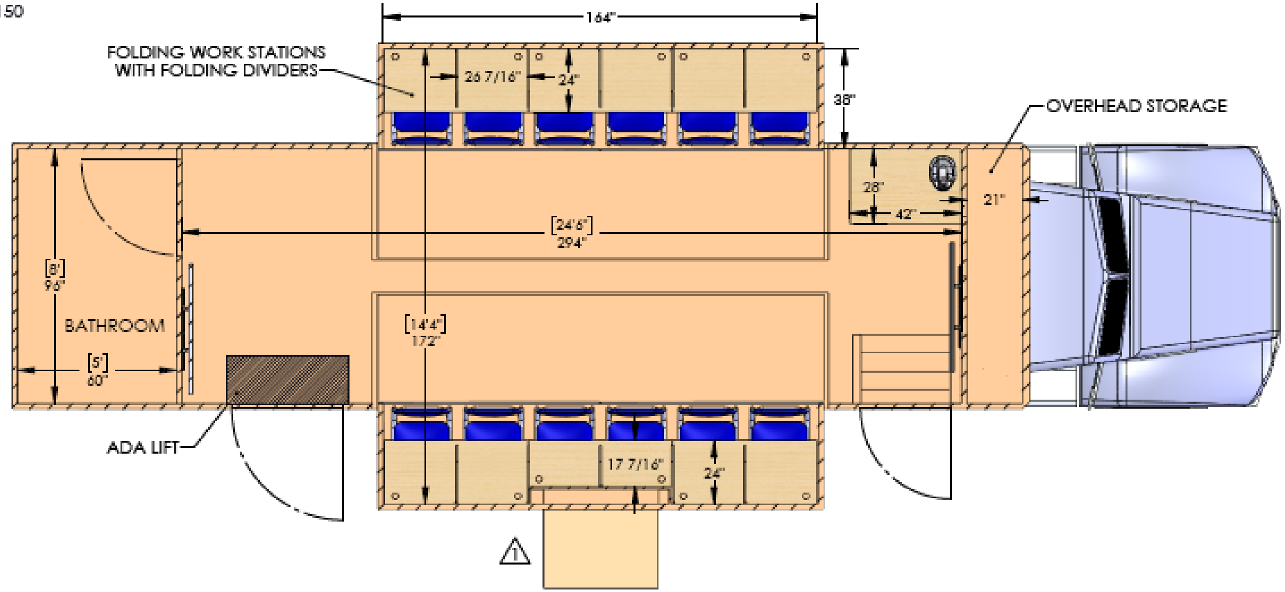

NextGen
Innovation Lab
Veterans
Counseling 1
Counseling 2
Counseling 3
VR Suite



PS VIEW
SCALE 1 : 150



SECTION A-A
SCALE 1 : 40

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THREE PLACE DECIMAL: ± .005
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P.O. Box 11845, Winston-Salem, NC 27116
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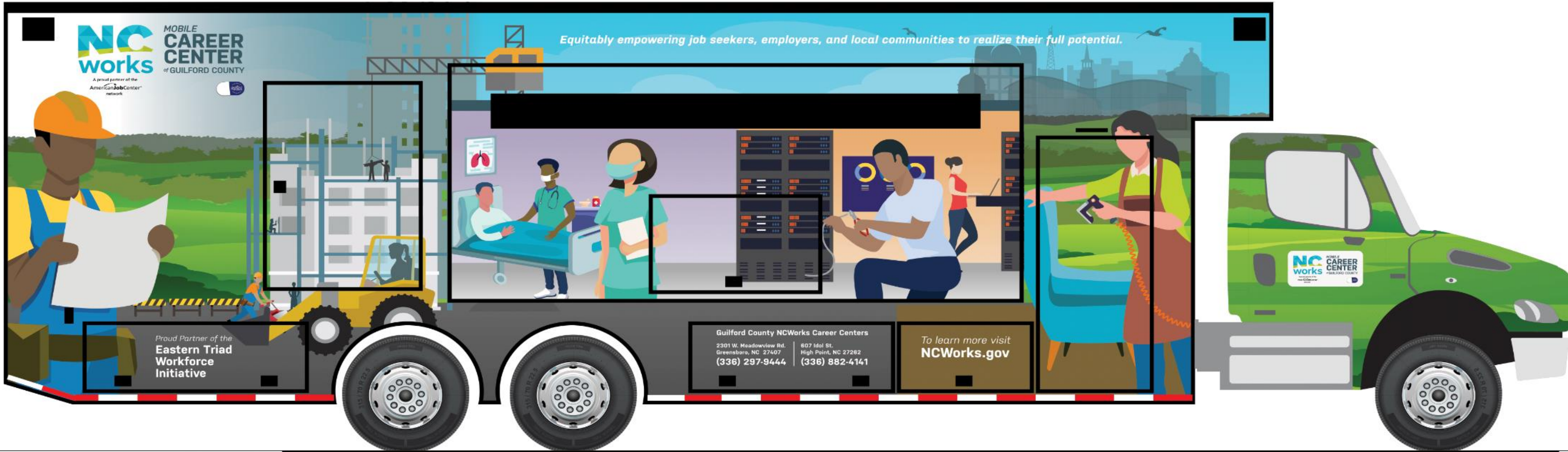
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MOBILE CAREER CENTER of GUILFORD COUNTY
A proud partner of the AmericanJobCenter network
Equitably empowering job seekers, employers, and local communities to realize their full potential.
Proud Partner of the Eastern Triad Workforce Initiative
Guilford County NCWorks Career Centers
2301 W. Meadowview Rd. Greensboro, NC 27407 (336) 297-9444
607 Idol St. High Point, NC 27262 (336) 882-4141
To learn more visit NCWorks.gov


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Presentation to High Point City Council

April 5, 2021

WHY?

GEA High Point Schools PARTNERSHIP

Mission

1. Engage and mobilize our High Point Community
2. Increase awareness and understanding of our schools
3. Create sustainable partnerships between schools and community
4. See our schools reach their full potential

Great High Point Schools ⇔ Great High Point Community

GEA High Point Schools PARTNERSHIP

Leadership

James Adams,	NAACP
TD Bellamy-Small,	GCS BOE
Dr. Joe Blosser ,	HPU
Nancy Bowman,	Visit High Point
Dr. Sharon Contreras,	GCS Superintendent
Jakki Davis,	D-UP
Carlvena Foster,	GC Commissioner
Cyril Jefferson,	High Point City Council
Madalyn Kunow,	HP Realtors' Assoc.
Paul Lessard,	HP Com. Foundation
Jane Liebscher,	UWGHP

Heidi Majors,	YWCA
Ruthan May,	GO FAR
Winston McGregor,	GEA
David Miller,	DS Miller, Inc
Jim Morgan,	Morgan,Herring, LLP
Brian Norris,	Business High Point
Matt Thiel,	SignatureWealthStrategies
Tommy Walls,	CIS High Point
Linda Whitlow,	GTCC
Chris Williams,	City of High Point
Dr. Linda Wilson,	GCS

GEA High Point Schools PARTNERSHIP

Community Partners

Communities In Schools
High Point

High Point's NAACP

the YMCA

ywca

HPRAR
High Point Regional Association of REALTORS®

GUILFORD County Schools
SOAR TO GREATNESS

BUSINESS HIGH POINT
CHAMBER OF COMMERCE

HIGH POINT UNIVERSITY

HIGH POINT community foundation

HIGH POINT
NORTH CAROLINA'S INTERNATIONAL CITY™

GUILFORD EDUCATION ALLIANCE

High Point Schools Partnership – Strategic Initiatives

Our Focus Areas

Partnerships

Ensuring all High Point schools have essential community support.

Advocacy

Advocating for our students, teachers, and schools.

Marketing

Sharing stories about students, teachers, and schools in High Point.

Recruitment and Rewards

Rewarding and supporting the recruitment of excellent teachers and administrators.

Support

Supporting strong education initiatives in both High Point and Guilford County.

Racial Equity

Promoting racially equitable policies and practices across High Point's schools.

Recent Accomplishments

November 2020

Distributed 100 laptops for remote learning to 6 High Point enrichment centers and received $25,000 Oak Foundation grant, funding STEM kits in 14 High Point elementary schools

December 2020

Raised more than $9,000 for GEA's Teacher Supply Warehouse

January 2021

Purchased and distributed $10,000 worth of PPE and school supplies to 14 High Point enrichment programs serving 35 sites

March 2021

Hosted the first Teacher Supply Warehouse Pop-Up Shop, serving over 200 teachers in High Point

GEA High Point Schools PARTNERSHIP

Our Events

Extraordinary Educators

Highlight
Extraordinary Educators
at each High Point school.

Student Leadership Awards

Reward outstanding
High Point high school seniors
each spring..

Community Reader Day

Coordinate volunteers
to read to students
at High Point schools.

Teacher Appreciation Week

Lift up
excellent
GCS educators.

Principal for a Day

Step into the daily life of a school
principal for a first-hand look at
what's going on in our schools.

Adopt-A-School

Encourage long-term partnerships
between community businesses,
churches, and High Point schools.

Role for High Point City Council

1. Communicate, publicly the criticality of great High Point schools

2. Engage with regional and state leadership in advocating for our schools

3. Collaborate with us in lifting up our schools

ASK

High Point City / Council

1. Collaborate with us as we expand Wi-Fi access to more school families

2. Support the 2022 Guilford County School Bond

3. Enact a teacher supplement to attract and retain quality educators

GEA High Point Schools PARTNERSHIP

W E A R E

High Point Schools Partnerships

Leading, Learning, Together, Today!

GEA High Point Schools PARTNERSHIP