



SPECIAL MEETING NOTICE

To: Asheboro Redevelopment Commission
From: Ross Holt, Chair
Date: July 19, 2024
RE: Asheboro Redevelopment Commission Regular Meeting

The Asheboro Redevelopment Commission will convene for a special meeting on **Monday, August 5, 2024, at 9:00 a.m.** in the Council Chambers at City Hall, located at 146 N. Church Street.

The special meeting will be held to provide information to the Commission on a request from Wynnefield Forward, LLC for city financing and/or assistance to support construction of Memorial Square. The project, an affordable senior-housing development to be built on property presently addressed as 210 Lanier Avenue and identified by Randolph County Parcel Identification Number 7751703525, is expected result in the creation up to 48 dwelling units. The Commission will be asked for its input but will not be requested to exercise any authority granted it under Chapter 160A Article 22 of the North Carolina General Statutes.

The commission will also receive updates regarding the sale of the historic 1909 mill formerly owned by Acme-McCrary and other recent developments relevant to the Commission's role, including the recent solicitation for professional services to complete a downtown *Parking Study and Strategy*.

A handwritten signature in blue ink, appearing to read "Ross Holt", written over a horizontal line.

Ross Holt, Chair

AGENDA
SPECIAL MEETING
ASHEBORO REDEVELOPMENT COMMISSION
MONDAY, AUGUST 5, 2024
CITY HALL COUNCIL CHAMBERS
146 N. CHURCH STREET
9:00 AM

- I. Call to order
- II. Presentation of a request from Wynnefield Forward, LLC for city financing to support construction of an affordable senior housing development to be named Memorial Square.
- III. Updates regarding the following:
 - a. Sale of the historic 1909 mill formerly owned by Acme-McCrary;
 - b. Recent solicitation for professional services to complete a downtown Parking Study and Strategy;
 - c. Urgent Repair Program progress.
- IV. Adjourn



City of Asheboro
146 North Church Street
Post Office Box 1106
Asheboro, North Carolina 27204-1106
Office of the City Manager



To: Chairman Holt and members of the Redevelopment Commission
Mayor Smith and members of the City Council

Re: Letter of Commitment for Permanent Financing for Memorial Square

From: John Ogburn, City Manager

Date: July 31, 2024

A handwritten signature in black ink, appearing to be "JOHN OGBURN", written over the "From:" line.

Wynnefield Forward, LLC has asked for the Redevelopment Commission to provide additional funding to induce the North Carolina Housing Finance Agency to reserve Applicant Low-Income Housing Tax Credits for the development of Memorial Square.

The Redevelopment Commission with Council approval has provided this type of funding to these existing Developments:

Asheboro Mill Lofts LLC

Loan balance \$297,648.49

Rate 2%

Maturity Date 12/31/2032

At maturity, all monies are due.

Sunset Place

Loan Balance \$561,100

Rate 2%

Maturity Date 6/01/2032

At maturity, all monies are due.

A draft **Letter of Commitment** detailing the loan requirements is attached for your review. The language of the letter is the typical language used in NC Housing Finance Agency local Letters of Commitment.

The Community Development Department will present the request to the Redevelopment Commission on its August 5, 2024 agenda.

The Commission will review the request and forward its recommendation to the City Council for action on its August 8, 2024 agenda.



City of Asheboro
146 North Church Street
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~~DRAFT~~

DATE

Memorial Square, LLC.
C/O Craig Stone
Post Office Box 566
Jamestown, North Carolina 27282

Re: Letter of Commitment for Permanent Financing for Memorial Square

Dear Mr. Stone:

The City of Asheboro ("Lender") is pleased to commit a loan (the "Loan") for the development of a 48-unit multifamily affordable housing development to be located at 615 South Church Street, Asheboro, North Carolina, to be known as Memorial Square (the "Development"). The Development will be developed by Wynnefield Forward, LLC, a North Carolina limited liability company ("Applicant"), and the Development will be owned by Memorial Square, LLC, a North Carolina limited liability company ("Borrower").

Our loan conditions are described below. Furthermore, Lender hereby makes the following representations to induce the North Carolina Housing Finance Agency ("Agency") to reserve to Applicant Low-Income Housing Tax Credits for the Development:

1. The loan shall be in the amount of \$650,000.00.
2. The source of the funding of the loan will be Funds from the Cash Reserves. Lender shall have discretion to supplement or replace this source with additional outside funding which may become available to the Lender for the purposes of assisting in the development of affordable housing.
3. The loan shall have a term of 20 years from the date of the closing of the loan and shall mature on the date that is 20 years from the date of the closing of the loan (the "Maturity Date").
4. Payments shall be due and payable as follows: Commencing on December 31st of the year following conversion of the Development to its permanent financing phase, and continuing annually thereafter until the Maturity Date, Borrower shall make annual installments of principal and interest in the amount of Ten Thousand Dollars (\$10,000.00). All outstanding principal and interest shall be due in a balloon payment on the Maturity Date.



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5. The loan will close at the time of closing of the first lien construction loan for the Development. The loan funds will be disbursed to the Borrower in a single draw at the time of the loan closing.
6. Borrower may elect to prepay all or part of the loan without prepayment premium or penalty.
7. The anticipated security interest of the Lender shall be a **second** lien deed of trust on Borrower's fee simple interest in the real property and improvements comprising the Development.
8. This letter of commitment shall be valid until December 31, 2025.
9. All costs pertaining to closing the loan will be borne by Borrower, including recording fees and attorney's fees. There are no origination fees associated with the loan.

We look forward to working with you as you develop affordable housing for families in the City of Asheboro and Randolph County.

Sincerely,

THE CITY OF ASHEBORO, NORTH CAROLINA

By: _____
Name: _____
Title: _____