



**DATE:** November 2, 2021

**TO:** Michelle Kennedy, Director of Neighborhood Development

**FROM:** Internal Audit Division

**SUBJECT:** Partnership Homes, Inc. (Partnership Village III) 2019-2020  
(No Response Required)

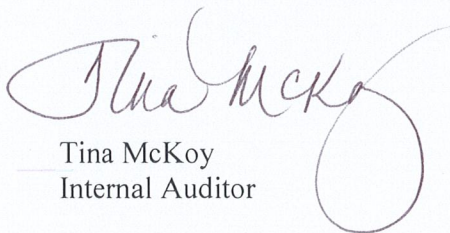
The Internal Audit Division has performed our compliance review for the year ended December 31, 2020 of Partnership Homes, Incorporated (“Borrower”) or (“Entity”), which consists of 12 two bedroom apartment units to be used as transitional housing for homeless families located at 129 Greenbriar Road. These units are known as Partnership Village III and are managed by Landura Management Associates. The Management Office is located at 135 Greenbriar Road.


This Borrower received a loan on November 2, 2007 for \$162,264 from the City of Greensboro to help in the initial building of the apartment units. This is a non-interest bearing loan with final payment due October 31, 2037. The balance as of December 31, 2020 per the Neighborhood Development Department was \$162,264, which agrees with the audited financials for December 31, 2020.

A physical inspection of the property has been delayed due to COVID-19 precautions. The most recent physical inspection was performed on July 18, 2019. Ms. Von Patrick, Neighborhood Outreach Specialist for the Planning Department, inspected 15 percent of the units and no repairs were noted for the property at the time. Also, the exterior building and grounds were noted to be in excellent condition.

We examined selected financial transactions and program documentation maintained by the Entity for compliance with the loan agreement. Based on our review, it appears that the terms of the loan agreement were met.

We would like to thank Mr. Marty Holbrook, Chief Operating Officer; Ms. Jackie Miller, Regional Property Manager; and the staff of Landura Management Associates for providing the documentation needed to complete this review. If there are any questions or comments concerning the details of this visit, we can be reached at 373-4528.

  
Tina McKoy  
Internal Auditor

  
Len Lucas  
Internal Audit Director

Cc: Chris Wilson, Interim City Manager  
Larry Davis, Assistant City Manager  
Cyndi Blue, Manager of Housing Services, Neighborhood Development  
Caitlin Bowers, Community Development Analyst, Neighborhood Development  
Charla Gaskins, Federal Compliance Coordinator, Neighborhood Development  
Mike Cooke, President of Partnership Homes, Inc.  
Marty Holbrook, Chief Operating Officer, Landura Management Associates



NEIGHBORHOOD DEVELOPMENT

October 22, 2021

Mike Cooke  
Partnership Village III  
1031 Summit Avenue, Suite 2W-2  
Greensboro, NC 27405

Dear Mr. Cooke:

The City of Greensboro's Neighborhood Development Department is issuing this report based upon the monitoring function for the loan agreement between the City of Greensboro and Partnership Homes, Inc. for a loan for the construction of 12 apartment units located at 135 Greenbriar Road. The scope of the compliance monitoring addresses a desk review of administrative files for rent, occupancy, and tenant eligibility requirements.

The purpose of this monitoring is to determine compliance with HOME and agreement requirements, rules, and regulations during fiscal year 2019-2020. On October 22, the desk review of Partnership Village III was completed. Enclosed you will find the City of Greensboro's Fiscal Year 2019-2020 compliance monitoring review which documents the details of the review. There were no findings or concerns resulting from this monitoring review, therefore an official response is not required. If you would like to submit a response, the response should be submitted in writing to Charla Gaskins within 14 days of this letter.

Neighborhood Development staff appreciates the assistance and documentation that Jackie Miller, Regional Asset Manager provided during the monitoring visit.

Sincerely,

Charla Gaskins  
Federal Compliance Coordinator  
Attachments

Michelle Kennedy  
Director

cc: Chris Wilson, Interim City Manager  
Larry Davis, Assistant City Manager  
Caitlin Bowers, Community Development Analyst, Neighborhood Development  
Cynthia Blue, Manager of Housing Services, Neighborhood Development  
Tina McKoy, Internal Auditor, Executive

Marty Holbrook, Chief Operating Officer, Landura Management Associates  
Jackie Miller, Regional Asset Manager, Landura Management Associates

**City of Greensboro  
Neighborhood Development  
COMPLIANCE DESK MONITORING REVIEW**



**Project Name: Partnership Village III  
Reviewer: Charla Gaskins**

**Compliance for FY: 2019-2020  
Desk Monitoring Completion Date: 10/22/20**

QUESTIONS	YES	NO	N/A	NOTES
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**A. RENT REQUIREMENTS**

1.	Did the project use proper utility allowances to calculate maximum rent levels?	X			
2.	Was the total tenant rent charged for units below the HOME maximum rent?	X			
3.	Is the total tenant rent charged for units at or below the rent listed in the loan agreement or below an approved rent increase?	X			A rent increase was approved on 4/6/20 with a retroactive effective date of 4/1/20.
4.	If any in-place tenants had incomes above 80 percent of the area median income, were they charged 30 percent of their adjusted monthly income for rent and utilities?			X	
5.	Do the rents listed for assisted units in the RCRS Project Compliance Report demonstrate that the maximum gross rent for 12 two-bedroom units did not exceed applicable Low HOME rents?	X			
6.	Did the property meet the unit restrictions within each building?			X	

**B. OCCUPANCY REQUIREMENTS**

1.	When a tenant vacated an assisted unit, was the next available unit made available to an income eligible tenant?	X			
2.	Did the property maintain a physical occupancy of 85% or greater?	X			The physical occupancy during FY 19-20 was 96.3%.
3.	Was the average vacant unit offline time for the property less than 45 days?	X			The average vacant unit offline time was 40.8 days during FY 19-20

**C. TENANT ELIGIBILITY**

1.	Did incoming tenants have incomes below 50 percent AMI?	X			
2.	Was a waitlist maintained?	X			
3.	Were incoming tenants listed on the waitlist?	X			One of three incoming tenants were on the waiting list.



QUESTIONS	YES	NO	N/A	NOTES
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**D. TENANT FILES**

1.	Did the RCRS Report support that project documentation submitted to the City was accurate?	X			
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**E. PROPERTY STANDARDS**

1.	Did the property pass the City's physical inspection for decent, safe, and sanitary housing?			X	This desk review did not entail a review of the physical property due to the COVID 19 pandemic. Inspections are expected to resume this fiscal year.
2.	Was insurance maintained on the property?	X			
3.	Was the City of Greensboro named as the insured on the property?	X			
4.	Did the property adhere to the affirmative marketing policy?	X			