



**DATE:** January 19, 2024

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

**FROM:** Internal Audit Division

**SUBJECT:** Churchview Place Limited Partnership 2020-2021  
(No Response Required)

The Internal Audit Division has performed a compliance review for the year ended December 31, 2021 for Churchview Place Limited Partnership (“Partnership”), which consists of 68 units for low-income elderly individuals located at 2302 Old Chapman St. These units are called Churchview Farm Apartments (“Project”) and are managed by Beacon Management Corporation (“Management”).

The Partnership received a loan September 8, 2008 for \$888,284 from the City of Greensboro (“City”) to help in the initial building of the apartment units. This is a ½ of 1% (0.5) interest bearing loan with final payment due October 1, 2028. Mortgage payments to the City shall be made as follows: on the first day of September 1, 2010, and continuing on each September 1<sup>st</sup> through September 1, 2013, the Partnership shall make principal payments to the City of \$2,500; on September 1, 2014 through September 1, 2018 payment of \$7,500; and September 1, 2019 through September 1, 2028 payment of \$10,000. As of December 31, 2021, the principal balance on the loan per the Neighborhood Development Department was \$810,826. A loan payment of \$10,000 was due to the City by September 1, 2022; and a payment of \$10,000 was processed by the City on September 7, 2022.


Partnership equity at December 31, 2021 was (\$876,193); an increase in the deficit of (\$25,285) over the (\$850,908) reported in the prior year.

We examined selected program documentation maintained by the Partnership for compliance with the loan agreement. Based on our review, it appears that the terms of the loan agreement have been met.

We would like to thank Barbara Springs, Regional Asset Manager; and the staff of Beacon Management Corporation for providing the required documentation for our 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: Larry Davis, Assistant City Manager  
Nasha McCray, Assistant City Manager  
Cyndi Blue, Assistant Director of Housing & Strategy, Housing & Neighborhood  
Development  
Caitlin Bowers, Neighborhood Investment Manager, Housing & Neighborhood Development  
Charla Gaskins, Business Services Analyst, Housing & Neighborhood Development  
Nicole Jordan, Federal Compliance Coordinator, Housing & Neighborhood Development  
Anna Blanchard, Housing Analyst, Housing & Neighborhood Development  
George Carr, President of Beacon Management Corporation



**GREENSBORO**  
Housing & Neighborhood  
Development

January 18, 2024

Churchview Farm Apartments  
George Carr, Beacon Management, Inc.  
408 Battleground Avenue  
Greensboro, NC 27401

Dear Mr. Carr:

The City of Greensboro's Housing and Neighborhood Development Department is issuing this report based upon the monitoring function for the loan agreement between the City of Greensboro and Churchview Place Limited Partnership for a loan to help finance the construction of 68 apartment units located 2302 Old Chapman Street. 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 years 2019-2020, 2020-2021, 2021-2022 and 2022-2023. On 1/16/2024, the compliance review of Churchview Place Apartments was completed. Enclosed you will find the City of Greensboro's combined Fiscal Year 2019-2023 compliance monitoring report 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 Beacon Management, Inc. would like to submit a response, the response should be submitted in writing to Nicole Jordan within 14 days of this letter.

Sincerely,



Nicole Jordan  
Federal Compliance Coordinator  
Attachments



Michelle Kennedy  
Director

cc: Chris Wilson, Deputy City Manager  
Nasha McCray, Assistant City Manager  
Larry Davis, Assistant City Manager  
Cyndi Blue, Assistant Director, Housing and Neighborhood Development  
Shonta Lewis-Fleming, Community Development Analyst, Housing and Neighborhood Development  
Tina McKoy, Internal Auditor, Executive

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



Project Name: Churchview Farm  
 Reviewer: Nicole Jordan

Compliance for FY: 2019-2023

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? 24 CFR 92.252(d)(2)	X			
2.	Was the total tenant rent charged for units below the HOME maximum rent and in accordance with Section 42 of the Internal Revenue Code? 24 CFR 92.252(a)	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? 24 CFR 92.252(b)	X			
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? 24 CFR 92.252(i)(2)			X	Exempt pursuant to Section 42 of the Internal Revenue Code.
5.	Do the rents listed for HOME assisted units in the RCRS Project Compliance Report demonstrate that the lower of applicable Low HOME rents or LIHTC rents at the 50% median income level for 6 one-bedroom units and 1 two-bedroom units did not exceed 50% AMI?	X			HOME rents were the lower applicable rent.
6.	Do the rents listed for HOME assisted units in the RCRS Project Compliance Report demonstrate that the lower of applicable High HOME rents or LIHTC rents at the 60% median income level for 24 one-bedroom units and 3 two-bedroom units did not exceed 60% AMI?	X			HOME rents were the lower applicable rent.
7.	Did the property meet the unit restrictions within each building?	X			

**B. OCCUPANCY REQUIREMENTS**

1.	Did existing tenants have incomes below 80 percent AMI?	X			
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QUESTIONS		YES	NO	N/A	NOTES
2.	In projects where the HOME-assisted units float: a. When a tenant vacated a HOME unit, was the next available unit made available to a HOME-eligible tenant? 24 CFR 92.252(j)	X			
	b. When a tenant's income rose above 80 percent of AMI, was the next available comparable unit rented to a HOME-eligible tenant? 24 CFR 92.252(j)			X	
3.	Were 40% of units in each building occupied by tenants at or below 50% of the area median income?	X			
4.	Did the property maintain a physical occupancy of 85% or greater?	X			
5.	Was the average vacant unit offline time for the property less than 45 days?	X			

C. TENANT ELIGIBILITY					
1.	Did incoming tenants have incomes below 60 percent AMI?	X			
2.	Was a waitlist maintained?	X			
3.	Were incoming tenants listed on the waitlist?	X			

D. TENANT FILES					
1.	Did the RCRS Report support that project documentation submitted to the City was accurate?	X			

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 include a physical property inspection. Physical inspection will be scheduled on a separate date.
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? 24 CFR 92.351(a)	X			