



# Housing Authority of the City of Columbia, Missouri

## Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: January 15, 2013

RE: Affordable Housing Initiative Report for January 2013

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The following is an update on the CHA's Affordable Housing Initiative for the past two months. Updates are organized by topic.

### **Lambeth Apartments Development**

The application for this proposed development was not recommended for funding by the Missouri Housing Development Commission on Friday, January 11, 2013. Needless to say, this is a very disappointing recommendation for the CHA and New Horizons Community Support Services. We will continue to work in the future to develop additional affordable housing with supportive services in partnership with local health and human service agencies. A copy of the MHDC funding recommendations for 2013 is attached.

### **Public Housing Revitalization Planning Process**

Phil Steinhaus, Rick Hess, and Mary Harvey consulted with Ken Nuernberger and Ron Urlaub in November 2012 regarding potential funding sources for the revitalization of the public housing townhomes located on Lincoln and Unity Drive. Several options were discussed including how the Low-Income Housing Tax Credit (LIHTC) program can be used to finance renovations; the use of the HUD pilot Rental Assistance Demonstration (RAD) program; and the process for getting HUD approval through the Special Applications Center (SAC) for any major renovations to public housing.

It was felt that both the LIHTC and RAD programs offered different opportunities for financing public housing renovations and that each program also entailed complex regulations that needed to be studied more in-depth in order to make the best possible decision for the preservation of the CHA's oldest public housing units and the associated rental subsidy assistance for current and future residents. As the analysis of these funding options goes hand-in-hand with the CHA's Strategic Planning Process, I feel that it is necessary to try to finalize the planning process before making any decisions as to the next steps in the public housing revitalization process.

### **Strategic Planning Process Update**

Phil Steinhaus, Rick Hess, Mary Harvey, and Greg Willingham held a work session with the ND Consulting Group (NDCG) on December 20, 2012 to refocus energies on completing the strategic planning process. A three-hour follow-up conference call was conducted on January 9 with NDCG. It is our goal to complete this process in the next month or so and make a presentation to the CHA Board with our findings and recommendations.

Due to the complex nature of affordable housing development and the enormity of the task of revitalizing and preserving public housing, the strategic planning process will be an on-going process that will be subject to continuous revisions and planning updates based on evolving development opportunities and available financing options.

**Partnership with the City of Columbia and the Columbia Community Development Corporation**

In December 2012, the CHA acquired several properties located in the vicinity of the intersection of Garth Avenue and Sexton Road for the purpose of developing new affordable housing to serve low-income families and individuals. The properties purchased with CHA Central Office Cost Center reserves for a total of \$327,110.85.

<b>CHA Property Acquisitions - Garth Avenue and Sexton Road</b>				
<b>Address of Property/size</b>	<b>Lot Size</b>	<b>Sq. Ft.</b>	<b>Price</b>	<b>Closing Date</b>
105 Lynn Street	50' x 202.8'	10,140	\$25,000	12/05/2012
1 East Sexton Road	1.96 Acres	85,377	\$242,664	12/12/2012
104 West Sexton Road	59'x202.8'	11,965		
115 Lynn Street	50' x 211.5'	10,575	\$22,000	12/06/2012
107 Lynn Street	50' x 204.6'	10,230	\$15,000	12/06/2012
700 Oak Street	60' x 198'	11,880	\$21,500	12/05/2012
Closing Costs:			\$946.85	
Total Purchase Price:			\$327,110.85	

To maintain the cash liquidity of the Central Office Cost Center financial reserves, CHA has initiated the process for securing an interest only loan with Boone County National Bank for the cost of purchasing these properties.

The CHA has also initiated a meeting with the City of Columbia and the Columbia Community Development Corporation (CCDC) which have joint interests in developing affordable housing on the following properties adjacent to the properties acquired by the CHA.

- City of Columbia .....106, 108, & 110 West Sexton Road
- Columbia Community Development Corporation ..... 109, 111, & 113 Lynn Street

An initial partnership meeting with the City of Columbia and the Columbia Community Development Corporation (CCDC) was held on Friday, January 11, 2013. This meeting included the City Manager and Community Development staff and Mike Crist and Andrew Beverly representing the CCDC. The meeting included a discussion of the framework of the development partnership; potential development financing options; the process for developing agreements for the development of the site; site clean-up and maintenance issues; work-to-date and related site issues; initial timelines and benchmarks; and the scheduling of future meetings to move the development process forward.