



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: September 17, 2013

RE: Affordable Housing Initiative Report for September 2013

The following is the status of Columbia Housing Authority's (CHA) Affordable Housing Initiative which includes activity since the previous Board Report (August 20, 2013). All Affordable Housing Initiative reports and information (current and archived) are on our website at www.ColumbiaHA.com, under "What We Do" and "Affordable Housing Initiative".

Columbia Housing Authority Affordable Housing Initiative 2013 Strategic Plan

- The Columbia Housing Authority Affordable Housing Initiative 2013 Strategic Plan was presented to the CHA Board on June 16, 2013.

Development and Renovation Projects

- **Kinney Point:** Northeast corner of Garth and Sexton - proposed development.
- **McQuitty Square:** Southwest block of Garth and Sexton - proposed development.
- **CHA's Public Housing:** 719 unit renovations phased over the next several years.
 - **Stuart Parker Apartments:** Initial project – renovation of 284 units.
 - **Stuart Parker (84 units) + Paquin Tower (200 units)**

Kinney Point & McQuitty Square

The Development and Renovation Planning Process

CHA, the City of Columbia and the Columbia Community Development Corporation (CCDC) met with our consultants on the first and third Thursdays of the month through June. These meetings were invaluable and very productive. We temporarily discontinued these meetings to focus all efforts on the RAD and MHDC LIHTC applications (as discussed later in this memo). We are meeting with Mike Crist on Monday, September 16 to discuss a reengagement plan for McQuitty Square.

The following members currently represent our "working group":

- CHA: Phil Steinhaus, Rick Hess, Mary Harvey, and Greg Willingham
- City of Columbia: Tim Teddy and Randy Cole
- CCDC: Mike Crist
- ND Consulting Group: Ken Nuernberger
- Capital Consultants: Sean King and Paul Berry

Design Updates for Kinney Point and McQuitty Square

The initial design concepts for both Kinney Point and McQuitty Square have been presented to the CHA Board of Commissioners, Columbia's City Manager and City Council, the Community Development Commission, the CCDC Board and the neighboring communities. These

concepts have been well received and have generated productive conversation and ongoing support for our affordable housing efforts.

Wallace Architects is the Architect of Record for the Kinney Point development. They have extensive experience developing LIHTC affordable housing and have worked with the Missouri Housing Development Commission for many years. Wallace arranged a tour of a three-story apartment complex they designed in 2008 named Chapel Hill Commons located in Jefferson City. We were very impressed with the design and used it as a template for Kinney Point – a three-story complex consisting of 36 one-bedroom and 6 two-bedroom accessible units. Wallace Architects, with the assistance of Crockett Engineering Consultants, produced designs to the detail necessary for the MHDC application. If MHDC awards this project, the design teams will prepare construction-ready plans for City of Columbia's review.

Rezoning

- **Kinney Point:** Crockett Engineering Consultants submitted an application in our name to the City of Columbia's Planning and Development Department on Monday, June 10, 2013 to amend the "Statement of Intent" of the current Planned Unit Development (PUD) for Kinney Point to better describe the nature of this development. The City Council viewed this amendment on August 5, and the City of Columbia's Planning and Zoning Commission approved the amendment on August 8 with slight modifications which do not alter our proposed design. The City Council gave final approval to the amended Statement of Intent at their August 19 Council Meeting. This ensured the property was properly zoned for our September 6, 2013 MHDC application.
- **McQuitty Square:** We will begin the rezoning process for McQuitty Square over the next few months as we reach consensus of the statement of intent and designs for that development.

Kinney Point Low-Income Housing Tax Credit Application

CHA Staff, ND Consulting, and various partners successfully finalized and submitted the Missouri Housing Development Commission (MHDC) application for 9% Low-Income Housing Tax Credits (LIHTC) by the September 6, 2013 application deadline. This application is for the development of the aforementioned 42 unit, three-story complex we have named "Kinney Point Apartments". The August Resolution 2567 granted CHA authorization to submit this application. MHDC will announce their selections for LIHTC awards by the end of December, 2113.

Kinney Point and McQuitty Square Community Meetings

CHA conducted a public informational meeting on Monday, July 8, 2013, at Oak Towers, 700 North Garth Avenue. Twenty-two persons attended the 3 ½ hour meeting to learn about the CHA's proposed affordable housing developments in this area, Kinney Point and McQuitty Square, and participated in a question and answer session. Public comment cards were distributed to all attendees and comments were summarized. This was the fourth neighborhood meeting since February 2013. The CHA Board has also accepted public comment on both of these projects for the past six months.

I met with the Ridgeway Neighborhood Association on August 13 to discuss the new Kinney Point designs and I feel they were pleased with the new concepts. They have offered suggestions and we will make every effort to incorporate these ideas into the design as feasible.

McQuitty Square Demolition and McQuitty Square and Kinney Point Maintenance

All McQuitty Square properties are now clear of structures and both McQuitty Square and Kinney Point properties have ongoing mowing and maintenance services.

McQuitty Square Land Donation

On July 15, 2013, the Columbia City Council approved the donation of 106, 108 and 110 W. Sexton to CHA for the purpose of developing McQuitty Square's affordable housing complex and these three lots have since been legally transferred to the CHA.

McQuitty Square Development Issues

Storm water and sanitary sewer system issues were presented by key employees of the City of Columbia's Public Works Department who reviewed camera footage of the storm water tunnel and further discussed sanitary sewer issues in this area with the working group. Crocket Engineering Consultants will intensely analyze these issues and we will continue a dialogue with the City of Columbia in an attempt to design appropriate systems to address these issues for both the McQuitty Square property and the surrounding neighborhood. Now that the MHDC LIHTC applications have been submitted, we will resume this effort.

McQuitty Square Financing

- **McQuitty Square:** Due to the number of partners involved in the McQuitty Square development, it is felt that the planning and financing processes will require additional time, so, as all efforts are currently on the MHDC LIHTC applications for Kinney Point and Stuart Parker projects, we will resume focus on all McQuitty Square financing and design options shortly after the submission of these applications.
- **CDBG Funding:** The Columbia Community Development Commission recommended and the City Council approved \$190,000 in CDBG funding for McQuitty Square infrastructure improvements in 2014.

Public Housing Revitalization Planning Process and the RAD Program

CHA Board approved submitting an application to HUD's Rental Assistance Demonstration (RAD) Program to convert all of the CHA's 719 public housing units to Project Based Vouchers (PBV) at the July 23, 2013 Board meeting (see the July 23 Board Memo and Resolution for details). The RAD application was submitted HUD on Monday, July 29, 2013. We are in communications with the RAD Office and they have tentatively approved our application for Stuart Parker & Paquin Tower, but they are discussing rather we should use a Portfolio or a Multi-phase Development to secure the program for the future projects necessary to convert all 719 units. This has temporarily delayed the process as the approval of the future projects schedule shall be an inclusion of the award.

CHA Staff, the ND Consulting Group, and various partners continue the planning process for the revitalization of our aging public housing units. Our initial project consists of the renovation of 284 public housing units in which we have named "Stuart Parker Apartments". This includes major renovation of 84 downtown public housing units located in the Lincoln, Unity and Hicks neighborhoods plus modest improvements to the 200 public housing units in Paquin Tower.

Capital Consultants, the Architect of Record for the Stuart Parker Apartments project, produced designs to the detail necessary for the MHDC application. If MHDC awards this project, the design team will prepare construction-ready plans for City of Columbia's review.

Stuart Parker / Paquin Tower Low-Income Housing Tax Credit Application

CHA Staff, ND Consulting, and various partners successfully finalized and submitted the Missouri Housing Development Commission (MHDC) application for 4% Low-Income Housing Tax Credits (LIHTC) by the September 6, 2013 application deadline. This application is for the aforementioned 284 unit public housing renovation project we have named "Stuart Parker Apartments". The August Resolution 2568 granted CHA authorization to submit this application. MHDC will announce their selections for LIHTC awards by the end of December, 2113.

Legal Items

CHA staff, ND Consulting Group and Attorneys Marjorie Lewis and Jack Pletz, from the Jefferson City law firm of Pletz and Reed, P.C successfully established the legal entities necessary to support MHDC's LIHTC applications (see the August 20 combined Board Memo and corresponding Resolutions for details). Mr. Pletz provides legal advice to the Jefferson City Housing Authority and has worked with them on four previous affordable housing developments and/or public housing renovations that utilized the Low-Income Housing Tax Credit Program.

This month's Resolution 2578 is for approval of the Articles of Incorporation in establishing the "Columbia Community Housing Trust" Corporation (see the Board Resolution Staff Memo in your packet for details). This will serve as the initial step in creating our Community Housing Trust (see below) as well as accommodate the Neighborhood Stabilization Program properties donated by the City of Columbia to CHA.

Other legal issues being discussed include the use of tax credit and bond attorneys and identifying attorneys that specialize in HUD regulations related to affordable housing development by Public Housing Authorities. We believe CHA should employ the services of a local attorney to provide general legal advice to CHA who would also be able to consult with a variety of other attorneys who specialize in a wide range of affordable housing development issues.

We will be issuing an RFP for legal services in the future that will incorporate the legal services that we need for the development process as well as the CHA's other legal needs.

Neighborhood In-Fill Projects

The City of Columbia has transferred the title for the land and properties located at 904 Madison Street and 711 Mikel Street for the purpose maintaining the property as an affordable rental or owner occupied housing. Both of these properties were acquired and renovated through the Neighborhood Stabilization Program and have been rented to income-eligible families with incomes at or below 50% of the Median Family Income. A lease and a set of house rules and policies have been approved by the Board and both homes are now occupied.

McBaine Townhomes

The four-year rental period for these five townhomes has been completed as required by the HOME Rental Production Program. These townhomes can now be converted to homeownership properties and sold to the occupants or other income-eligible families. An appraisal of each townhome will need to be completed and legal descriptions developed so they

can be sold as separate units. It is my recommendation that the land remain in a housing trust to ensure compliance with HOME regulations, proper long-term maintenance, and owner occupancy.

Community Housing Trusts, Housing Trust Funds, and Land Trusts

CHA staff convened a meeting with interested parties to discuss the formation of a Community Housing Trust, a Housing Trust Fund, and a Land Trust. More detailed information on all three topics is contained in a separate report to the Board for May 21, 2013.

Interested parties attending the meeting included CHA staff, the City Manager and City Planning Department Staff, the Columbia Community Trust, Job Point, and the Columbia Community Development Corporation. The discussion went very well and all parties were very interested in moving forward with forming a Community Housing Trust. CHA staff agreed to take the lead and reconvene at a later date.