



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners
From: Phil Steinhaus, CEO
Date: March 17, 2020
RE: Affordable Housing Initiative Report

The following is a current status report for the Columbia Housing Authority's (CHA) Affordable Housing Initiative which includes any significant activity for the past month. All Affordable Housing Initiative reports and information (current and archived) are on our website at www.ColumbiaHA.com, under "What We Do" / "Affordable Housing Initiative".

To date the Columbia Housing Authority has renovated 597 units of public housing and constructed 25 new units for homeless Veterans.

Completed projects are as follows:

Project Name	Designation	# Units	Completion Date
Patriot Place Apartments	Housing for Homeless Veterans	25	April 2016
Stuart Parker Apartments	Renovated Public Housing	84	September 2017
Paquin Tower Apartments	Renovated Public Housing	200	September 2017
Bear Creek Apartments	Renovated Public Housing	76	October 2017
Oak Towers Apartments	Renovated Public Housing	147	October 2018
Bryant Walkway II Apartments	Renovated Public Housing	36	December 2018
Bryant Walkway Apartments	Renovated Public Housing	54	September 2019
Total Completed Affordable Housing Projects to Date:		622	

Recent Activity (February-March 2020)

Providence Walkway Apartments 2020 – Round III

Historical Context

In 2018, the CHA applied to the Missouri Housing Development Commission (MHDC) for 9% low-income housing tax credit (LIHTC) funding to renovate 50 units of public housing referred to as the Providence Walkway Apartments. This included the 34 units in the Providence Walkway area and 16 units on the west side of Trinity Place. MHDC staff did not recommend funding and stated that the cost of renovation approached the cost of new construction. MHDC staff recommended that the proposal be resubmitted in 2019 as a new construction project. (See previous monthly reports for additional details on the 2018 and 2019 applications.)

In 2019, the CHA applied to the MHDC for 9% LIHTC funding to replace the 34 units of public housing in the Providence Walkway area with 35 newly constructed housing units. The 2019 project was reduced in size and scope from the previous year to make the application more competitive. Our funding request was denied based on not scoring high enough on the new scoring rubric and secondly, it was felt that our funding request was too high.

Two factors had a significant impact on both applications. In both 2018 and 2019, the state did not issue state LIHTC funding, thus making the application process much more competitive. In 2019, the cost of new construction was significantly increased by the cost of demolition and abatement of the 34 Providence Walkway Apartments as well and the need to replace the sewer and water infrastructure, which were not required as part of the previous renovation project.

Due to extensive termite damage discovered during the Bryant Walkway and Bryant Walkway II renovation projects, it is our conclusion that the last 120 public housing units need to be replaced rather than renovated. The extensive termite damage cause significant cost overruns on both projects exceeding the original cost estimates.

2020 Project

During our strategic planning review process of the 2018 and 2019 applications, it became apparent that we needed a master plan for our final 120 public housing units that would result in new construction on bare ground for each project, if possible. If the CHA is to proceed with new construction for our final 120 public housing units, being able to build on bare ground helps to resolve two major issues:

1. **Relocation Issues:** Building new apartments allows the CHA to easily relocate our residents once the new units are completed with minimal interruption in their daily lives. The one downside is that children in these families might have to change school districts.
2. **LIHTC Construction Timing Issues:** The LIHTC program requires that construction be completed, and units filled within a two-year (24 months) time frame. Tearing down and replacing existing units that are partially occupied make this a near impossible feat. It would be a formidable task to relocate all the residents from the property during the construction process due to the demolition process and the process to replace the infrastructure.

Rethinking the Project and the Process

After much thought and internal deliberations, CHA staff have concluded that the best option is to build as many Providence Walkway replacement units on the property we own at 1 East Sexton Road, which has an acreage of 1.96 acres. This property was named “Kinney Point” after the late Marvin Kinney, on a previous attempt at new construction. The current Providence Walkway property comprises 2.21 acres when you exclude the warehouse and the laundry facility. Maps of both properties are attached for comparison.

Currently, the Providence Walkway Apartments contains the following mix of units:

Bedroom Size	# of Units
1	7
2	19
3	4

The goal would be to see how many of these units could be built on the Kinney Point property. If we could get 24-26 units built on the Kinney Point property, once we relocated residents from the corresponding units on Providence Walkway, we could demolish the empty buildings in preparation for redevelopment of the Providence Walkway site in the future. In that event, we would only have to relocate 10-12 residents and could begin construction and infrastructure replacement as soon as financing was finalized, and we were given a notice to proceed with construction.

This plan reduces many relocation issues and costs. It also results in our goal of having bare ground to work with on the next project. The downside is that the costs of demolition between projects would have to be funded with sources other than LIHTC funding. This is because when you add the cost of demolition and infrastructure replacement to the project, the result is a project that approaches or exceeds the MHDC total development cost limit, thus making our project less competitive for 9% LIHTC funding.

Another downside of new construction is that the new properties will need to meet existing city code, in particular, parking requirements which will significantly reduce green space on the property and very likely will result in stormwater mitigation requirements. We will need to receive the highly competitive 9% LIHTC funding in order to replace our final 120 units of public housing with new construction.

Trinity Place, East Park Avenue, and Fisher Walkway Strategic Planning Process

As a result of reducing the size of our Providence Walkway project in 2019, we did not include the 16 units on the west side of Trinity Place in the project. These 16 units will need to be replaced in the future and we will most likely be constructed with some additional units on the vacated Providence Walkway location. These additional units would most likely come from units that we own on Park Avenue or Fisher or Moore Walkway. Our strategic planning process to develop a master plan has not been finalized yet and will be a work in progress as the fluidity of federal and state LIHTC funding continues as well as other market factors that affect new construction.

Rental Assistance Demonstration (RAD) Program Expansion and Approval

As a result of Congress approving an increase to the cap on the number of RAD units nationwide from 185,000 to 225,000, the CHA was issued a multiphase RAD award for our remaining 120 public housing units to be renovated. This includes our Providence Walkway Apartments (34 units), East Park Avenue Apartments (40 units), Fisher Walkway Apartments (30 units), and Trinity Place Apartments (16 units). The multiphase award was issued on April 26, 2017. The award reserves RAD conversion authority for these final 120 units of public housing. We will need to reapply for a new multiphase award.

"Kinney Point" Property – 1.96 Acres

1631500210010001

Owner	HOUSING AUTHORITY OF THE
Address	201 SWITZLER ST
City, State, Zip	COLUMBIA, MO 65203
School	COLUMBIA (C1)
Legal Description	GRACE COVENANT CHURCH SUBDIVISION PLAT 1-A LOTS 1-A
Deeded Acreage	1.96
Parcel	16-315-00-21-001.00 01

Full Real Estate Summary
Click plus icon above to view full real estate summary

Parcel Data Current as of: 2/10/2020
Real Estate Assessment Current as of: 1/1/2019
Information Retrieved: 3/10/2020 1:20 CST

Boone County Assessor's Office 0 50ft

Parcel and Base Map Data: Boone County, MO

Providence Walkway Acreage



 [Click here for navigation tips](#)

Measure Tool: Segment: 108ft Total: 1,552ft Area: 2.21ac