



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: July 23, 2013

RE: Affordable Housing Initiative Report for July 2013

The following is an update on the CHA's Affordable Housing Initiative for the past month.

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.
- **Renovation of CHA's 719 Public Housing units.**

Kinney Point & McQuitty Square

The Development and Renovation Planning Process

CHA, the City of Columbia and the Columbia Community Development Corporation (CCDC) continue to meet with our consultants on the first and third Thursdays of the month with the following members representing this "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

Preliminary Design of Kinney Point and McQuitty Square

The initial design concepts have now been presented to the CHA Board of Commissioners, the City Manager, the City Council, the Community Development Commission, the CCDC Board and the neighboring community. These concepts have been well received and have generated productive conversation and ongoing support for our affordable housing efforts.

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. This submission should ensure that this project is properly zoned prior to our September 6, 2013 MHDC

application. The Planning and Zoning Commission met on July 18, 2013 and approved the amended Statement of Intent for the PUD for Kinney Point.

- **McQuitty Square:** We will begin the rezoning process of McQuitty Square sometime later this year.

Kinney Point Architectural Services

The CHA solicited a Request for Qualifications (RFQ) from three well-qualified local architects. Wallace Architects was chosen as the Architect of Record for the Kinney Point development. Wallace Architects has extensive experience developing LIHTC affordable housing and has worked with the Missouri Housing Development Commission for many years.

Kinney Point Low-Income Housing Tax Credit Application

CHA Staff, ND Consulting, and Capital Consultants have been working diligently during the past month to prepare for the submission of a 9% LIHTC application to the MHDC by the September 6, 2013 deadline. The project will come to the CHA Board for approval in August.

Kinney Point and McQuitty Square Community Meetings

On June 3, 2013, the Columbia City Council requested that the Columbia Housing Authority (CHA) provide additional opportunities public and neighborhood input concerning the proposed donation of City owned, Neighborhood Stabilization Properties (NSP), located at 106, 108, and 110 West Sexton Road. The City of Columbia was proposing to donate these three properties to the CHA's proposed McQuitty Square affordable housing development.

The CHA conducted a public informational meeting at 7:00 p.m. 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.

McQuitty Square Demolition and Maintenance

The two dilapidated structures on 700 Oak Street and 105 Lynn Street have now been completely removed and mowing services are ongoing for all properties.

McQuitty Square Land Donation

On July 15, 2013, the Columbia City Council approved the donation 106, 108 and 110 W. Sexton to CHA for the purpose of developing the McQuitty Square affordable housing complex and we are in the process of transferring the properties to the CHA.

McQuitty Square Development Issues

Rick Hess and Greg Willingham met with Crocket Engineering Consultants to further explore the storm water and sanitary sewer systems issues as 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. We will continue a dialogue with the City of Columbia in an attempt to improve the entire neighborhood's storm water and sanitary sewer systems.

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 it is being recommended that this site is developed separately with financing other than the LIHTC program.
- **CDBG Funding:** The Columbia Community Development Commission recommended \$190,000 in CDBG funding for infrastructure improvements in 2014

McQuitty Square Ongoing discussions

- Site control and property ownership and related legal issues.
- Securing architectural services.
- Securing construction services
- Financing options and time frames for application submissions.
- Development timelines.
- Public engagement plan and communication with neighborhood associations.

Public Housing Revitalization Planning Process and the RAD Program

CHA Staff, the ND Consulting Group, and Capital Consultants have continued the planning process for the revitalization of our aging public housing units. CHA staff are recommending that the CHA Board approve submitting an application to the Rental Assistance Demonstration (RAD) Program to convert all of the CHA's 719 public housing units. A separate Board Resolution and staff memo are included in the July 23, 2013 Board packet concerning the RAD program.

Legal Issues

CHA staff working with ND Consulting Group and Attorney Marjorie Lewis are proceeding with the process of establishing the necessary limited partnerships and Limited Liability Corporations necessary to support the LIHTC applications to the MHDC. Jack Pletz from the Jefferson City law firm of Pletz and Reed, P.C. has been enlisted to assist with this process. 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.

Other legal issues being discussed include the use of tax credit and bond attorneys, establishing a Community Housing Trust, and attorneys specializing in HUD regulations related to affordable housing development by Public Housing Authorities. We believe the CHA should employ the services of a local attorney to provide general legal advice to the 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.

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 assessment of each townhome will need to be completed and legal descriptions developed for each townhome so they can be sold as separate units. It is my recommendation that the land should 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.