



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: August 20, 2013

RE: Affordable Housing Initiative Report for August 2013

The following is the status of Columbia Housing Authority's (CHA) Affordable Housing Initiative which includes activity since the previous Board Report (July 23, 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). The following members represented 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

Preliminary Design of Kinney Point and McQuitty Square

The initial design concepts have been presented to the CHA Board of Commissioners, the City Manager, the 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. We now have

an Architect of Record for Kinney Point who has presented new design concepts for our MHDC LIHTC application (as discussed later in this memo).

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 that do not alter our proposed design. This will go before the City Council on August 19 seeking final approval. Approval will ensure this project is properly zoned prior to our September 6, 2013 MHDC application.
- **McQuitty Square:** We will begin the rezoning process for McQuitty Square after we submit the Kinney Point MHDC LIHTC application.

Kinney Point Architectural Services and Updated Design Concepts

Through a "Request for Proposal" (RFP) process, 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. Wallace Architects 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 have agreed to use it as a template for the design of Kinney Point. To date, we have decided on a three-story complex consisting of 36 one-bedroom and 6 two-bedroom accessible units.

Kinney Point Low-Income Housing Tax Credit Application

CHA Staff, ND Consulting, and various partners continue to work diligently in preparation for the submission of a Missouri Housing Development Commission (MHDC) application for 9% Low-Income Housing Tax Credits (LIHTC) which is due by September 6, 2013. This application is for the development of the aforementioned 42 unit, three-story complex we have named "Kinney Point". This month's Resolution 2567 would grant CHA authorization to submit this application.

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. As all efforts are currently on the MHDC LIHTC applications, we will resume this study shortly thereafter.

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, for a multi-year phased conversion, was submitted HUD on Monday, July 29, 2013. To date, we have not received any status of this application.

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.

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

CHA Staff, ND Consulting, and various partners continue to work diligently in preparation for the submission of a Missouri Housing Development Commission (MHDC) application for 4% Low-Income Housing Tax Credits (LIHTC) which is due by September 6, 2013. This application is for the aforementioned 284 unit public housing renovation project we have named "Stuart Parker Apartments". This month's Resolution 2568 would grant CHA authorization to submit this application.

Legal Items

CHA staff has been working with ND Consulting Group and Attorneys Ms. Marjorie Lewis to prepare the legal entities and documents necessary to support MHDC's LIHTC applications (see the August 20 combined Board Memo and corresponding Resolutions for details). Mr. 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 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.