



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: January 20, 2015

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".

Recent Activity (December 2014 & January 2015)

Stuart Parker Apartments with Paquin Tower and Patriot Place – Apartments for Veterans

We are currently working to complete the firm submission process for both Stuart Parker Apartments with Paquin Tower and the Patriot Place – Apartments for Veterans.

Construction documents and bid packets have been completed and for both projects. Bids were received for Patriot Place on November 28, 2014 and for Stuart Parker on December 19, 2014. Bid documents will be complete for Paquin Tower next week with bids due later in February. Construction bids for Stuart Parker are being evaluated at this time.

Bids have been evaluated for Patriot Place and they came in about \$370,000 above projections. We reviewed the specifications and were able to complete some "value engineering" to get the costs within projections. Major project revisions included removing one stairwell and using wood stair frames in the stairwells rather than steel as well as removing the concrete paving and storage cages from the basement. It is our hope that a number of these items can be put back into the project with contingency funds. We anticipate closing on Patriot Place by late February 2015 with construction starting in March.

Bond Financing

The financing package for the \$3M in tax-exempt housing bonds for Patriot Place was issued and the low bid from Boone County National Bank was accepted. The rates were very favorable for both the A Bonds (permanent loan) and the B Bonds (construction loan).

The financing package for \$12M in tax-exempt housing bonds for the Stuart Parker Apartments with Paquin Tower will be issued on Tuesday, January 20.

Equity Partners

We have received Letters of Intent (LOI) from our federal and state tax credit equity partners, Red Stone Equity Partners, LLC and Sugar Creek Capital who will be syndicating our tax credits.

Once all financing aspects of both projects are complete, we will submit our final documents and cost estimates to MHDC to close each deal. The construction schedule will be finalized once each deal is closed. We are also working to complete the corresponding milestones in the Rental Assistance Demonstration (RAD) program process and crafting our tenant relocation plans.

Patriot Place – Apartments for Veterans Project Update:

- Veterans United Home Loans donated \$1M to the project on December 16, 2014. A second donor has come forward to fill the final funding gap with a donation of \$450K.
- A 10 foot strip of land was purchased on the west side of the property to allow space for the placement of the air conditioning units and the roof overhang.
- Zoning and subdivision of the property will be approved by the City Council on January 20, 2015

Stuart Parker Apartments with Paquin Tower Project Update:

- The RAD Physical Conditions Assessment (PCA) was completed by the Dominion Due Diligence Group.

Bear Creek Apartments

The Bear Creek Apartments project received an award of 260,353 4% low-income housing tax credits and tax exempt bonds from the MHDC on December 5, 2014 in the following amounts:

- Federal LIHTC - \$260,353
- State LIHTC - \$260,353

The documents for the conditional reservation of credits has been submitted and we are moving forward with completing the Physical Conditions Assessment (PCA) and construction bid documents.

Bryant Walkway Apartments

Our Bryant Walkway Apartments project did not receive an award of 9% LIHTC funding from the MHDC in December. We will need to resubmit this application in September 2015.

Providence Walkway Apartments, East Park Avenue Apartments, and Oak Towers

We will also need to submit applications for these three additional projects in September 2015. Providence Walkway and East Park Avenue Apartments will need major rehabilitation and will require 9% LIHTC to complete. We are working on plans to renovate Oak Towers with 4% LIHTC.

The RAD program requires that all of our projects be submitted to RAD for a Commitment to enter into a Housing Assistance Payment contract (CHAP) no later than June 30, 2015. We will then have two LIHTC applications cycles to complete all four of our projects. If not all of our projects are funded within the RAD deadlines, we may reapply for RAD under the current expansion of RAD units.