



## Housing Authority of the City of Columbia, Missouri

### Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: April 21, 2015

RE: Affordable Housing Initiative Report

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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](http://www.ColumbiaHA.com), under "What We Do" / "Affordable Housing Initiative".

#### Recent Activity (March 2015 & April 2015)

##### Patriot Place – Apartments for Veterans

Shelter Insurance Companies made a donation of \$450,000 to support our construction of this project. A reception was held as the Inside Columbia Culinary Adventures location and the project was well received with others stating they would support the Welcome Home emergency shelter project.



Our Firm Submission should be approved by the Missouri Housing Development Commission (MHDC) in the next few days. Once approved, we hope to close on all aspects of the Low-Income Housing Tax Credit and tax-exempt bond financing in the next few weeks. The CHA Board approved the tax-exempt bond financing documents on March 17, 2015.

We closed on the property sales agreements to Welcome Home, and the Columbia Community Housing Trust (Patriot Park purchase) on Tuesday, April 14, 2015. Rick Hess did an outstanding job negotiating with the previous owner to clear up an issue with the title for the property. He drove to Rock Island, IL to explain the issue and to get her notarized signature.

We plan to start construction in May and plan a groundbreaking ceremony at that time.

## **Stuart Parker Apartments with Paquin Tower**

We are currently working to complete the firm submission process for the Stuart Parker Apartments with Paquin Tower project.

Construction documents and bid packets have been completed and bids were received for Stuart Parker on December 19, 2014. Construction bids for Stuart Parker are being evaluated by E.M. Harris Company, our General Contractor for the project.

Bid documents are now finalized for Paquin Tower and will be sent out this week. We have come up with some cost-saving measures for the accessible shower enclosures and are hoping that we can use this and other cost-savings on the project to enable us to include replacing the flooring in all of the residential units as well as the hallways. The original plan for Paquin Tower only included replacing the flooring in the common hallways on each floor as the hallways were much more worn than the apartments. This was a cost-containment issue.

Our current plan is to replace the current VCT tile with wood textured vinyl planking that is very durable and much better looking than the current tile. We want to include this in all apartments as well as painting all of the apartments while replacing the cabinetry and appliances. This will require us to temporarily relocate Paquin Tower residents within the building. Our plan is to relocate everyone from the second floor and then complete the renovations one floor at a time, moving residents from the third floor down to the second floor once complete, and so on, as we work our way up the building.

## **Bond Financing**

The financing package for the tax-exempt housing bonds for Stuart Parker Apartments with Paquin Tower was issued and the low bid from Providence Bank for the \$7,400,000 in construction bonds (B Bonds) was accepted. The rate was very favorable. The permanent loan financing of the \$4,500,000 in A Bonds will take place at a later date. The A Bonds will be sold in various packages related to maturity dates which will bear different interest rates.

## **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.

## **Firm Submission to MHDC**

As we complete the financing packages for each project, we are also submitting our final documents and cost estimates to MHDC as our Firm Submission to close each deal. When these two processes are complete, we will close on each project and transition into the construction phase. 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 for the Stuart Parker Apartments and Paquin Tower. As noted previously, our plan is to relocate Paquin Tower residents within the building one floor at a time.

The following is our most current schedule for closing the Stuart Parker Apartments with Paquin Tower project. We are anticipating closing in August with relocation and construction to follow.

<b>Stuart Parker/ Paquin Tower</b>										
<b>Timeline to Closing</b>										
Date Prepared:		13-Apr-15								
ACTIVITY	START	END	NOTES	Apr-15	May-15	Jun-15	Jul-15	Aug-15		
CCI Complete PT Bid Docs	04/01/15	04/17/15	Plans & specs ready for EMH to bid	Yellow bar						
Submit HUD Financing Plan	05/01/15	05/01/15	Fatst Track							
Financing Plan Review	05/01/15	06/15/15	Audit, UW/TM review & RAD approval		Purple bar					
PT Bids	04/18/15	05/08/15	EMH bidding & review	Blue bar						
Prepare MHDC Firm	05/01/15	05/29/15	Finalize development budget etc.		Red bar					
Submit MHDC Firm	06/01/15	06/01/15								
RCC Issuance	06/15/15	07/01/15	Issuance & mailing to CHA				Purple bar			
Closing Packet to HUD	06/15/15	08/01/15	Submission & review by HUD				Purple bar			
MHDC Firm issued	07/15/15	08/01/15	MHDC issued & reviewed/ approved by CHA				Red bar			
Pre-Closing	08/01/15	08/14/15	Finalize docs/ pre-sign etc.						Green bar	
<b>CLOSING</b>	<b>08/17/15</b>	<b>08/21/15</b>								

### 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 have been submitted to the MHDC and we are moving forward with completing the Physical Conditions Assessment (PCA) and construction bid documents. Crockett Engineering has completed the required ALTA survey and David Schau and Associates are working on completing the required environmental studies.

### Equity Partners

We have received Letters of Intent (LOI) from our federal and state tax credit equity partners, Mid-West Housing Equity Group and Gardner Capital who will be syndicating our tax credits.

### Oak Towers

We have submitted our application for our RAD CHAP (Commitment to enter into a Housing Assistance Payments contract) for our Oak Towers project.

We will be submitting an application for 4% Low-Income Housing Tax Credits and tax-exempt Multifamily Housing bonds in September 2015. The April 21, 2015 Board Agenda also includes a resolution approving the submission of an application for \$245,000 in HOME funds from the City of Columbia to support this project.

We are working with Dominion Due Diligence Group and PWA Architects to complete the RAD Physical Conditions Assessment (PCA) in order to determine the extent of the work required to make adequate renovations to Oak Towers as required by RAD. Key issues will be replacing the hot water boiler system and window air conditioners with a more energy efficient system, possibly converting Oak Towers to a ground-source geothermal heating and cooling system with heat pumps similar to what we did at Paquin Tower. We also need to make at least 5% of the units at Oak Towers accessible. The results of

the PCA will drive our planning process. The plan submitted with the RAD CHAP application is our first rough draft of the scope of work for the project and will likely have significant revisions as we move forward in finalizing the budget and scope of work.

### **Bryant Walkway Apartments**

The current agenda contains a resolution for the Board to approve the submission of our application for our RAD CHAP (Commitment to enter into a Housing Assistance Payments contract) for our Bryant Walkway Apartments project.

We will be resubmitting an application for 9% Low-Income Housing Tax Credits to the MHDC in September 2015. This project was submitted in September 2014 but did not receive funding.

### **Columbia Community Housing Trust – 207 Lynn Street**

The Columbia Community Housing Trust is requesting \$30,000 in HOME funds from the City of Columbia to construct a single-family home at 207 Lynn Street. Details on this project are included in the CCHT Board packet.