



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners
From: Phil Steinhaus, CEO
Date: October 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 (September & October 2015)

Patriot Place – Apartments for Veterans

Construction is well underway at the apartments. The roof trusses and decking are installed and they have started to put shingles on the building. Two of the stairwells have been framed and connected to the roof. Windows and doors have been installed. The electricians are now installing wiring in the building. The new addition has been framed in and insulation has been installed on the back wall.

The plan for the coming month is to complete the wiring and plumbing and begin installing drywall. Once the drywall has been delivered, the curbing will be formed and the parking lot will be paved with asphalt. This has to be done before the weather gets too cold and the asphalt plant closes.

Once the roofing has been completed, work will progress inside the apartments unfettered by the weather. It is possible that the project will be complete by February 2016. We would begin leasing the units as quickly as possible.

Plans are being made now for a permanent sign with flag poles, benches, and paving stones that can be engraved. Sponsors will be solicited for each of these items and pavers will be sold.



Stuart Parker Apartments with Paquin Tower

We completed the firm submission process for the Stuart Parker Apartments with Paquin Tower project on Friday, July 17, 2015. We are still waiting for MHDC to complete the review and approval process. We anticipated that it would be complete this month. We have also submitted our closing package to the HUD RAD team for their review. Once MHDC and HUD approve of all the financing and legal documents, we will be able to close on the project and begin the relocation and construction process. We are pushing to close on this project before the end of the year.

We continue to work diligently on communicating with our residents on our relocation plans for the Stuart Parker Apartments and Paquin Tower. Now that the RAD Conversion Commitment (RCC) has been issued, we can begin making moving arrangements for all residents. No residents will be moved until we close on the project. Our Relocation Coordinator Ms. Katie Howard has been conducting individual meetings with each family to coordinate their relocation during the renovation process.

We currently have 19 vacancies in our Stuart Parker Apartments and 14 vacancies in the balance of our Downtown properties. This will give us some flexibility to relocate Stuart Parker residents on property. We will also be issuing Section 8 Housing Choice Vouchers to create vacancies or for relocation purposes as needed.

For Paquin Tower, our plan is to relocate everyone from the second and third floors and then complete the renovations one floor at a time, moving residents from the fourth floor down to the second floor once complete, and so on, as we work our way up the building. The project schedule projects about 6 weeks to renovate each floor. We currently have enough vacancies in Paquin Tower to relocate every resident from the second and third floors into similar units on other floors.

Our Public Housing Managers have been putting in many hours to conduct the required low-income housing tax credit certifications that must be conducted at the beginning of any modernization/rehabilitation project. Our LIHTC Compliance Specialist, Jennifer Hahn has been assisting with this process.

Bond Financing

We are waiting for the approval of our firm submission from MHDC before we can issue the tax-exempt housing bonds for this project. The B Bonds (for construction) will be issued in the amount of \$8,400,000 and will be purchased by Providence Bank.

We are working on finalizing the issuance of the permanent loan financing of the \$4,300,000 in A Bonds. The A Bonds will be sold in various packages related to maturity dates which will bear different interest rates.

Equity Partners

Our federal and state tax credit equity partners, Red Stone Equity Partners, LLC and Sugar Creek Capital have provided very favorable rates for the sale of our tax credits. This was essential to finalizing the Pro Forma for this project.

Bear Creek Apartments

We submitted our firm submission package to MHDC on September 18, 2015. It will take several months for MHDC to review and approve our submission. We submitted our RAD financing plan on October 2, 2015. The RAD team has committed to reviewing the plan no later than November 2, 2015 at which time we will need to complete the RCC submission process. We are working diligently to complete the RED Conversion Commitment (RCC) documentation ahead of schedule so we can submit our documents for review as soon as we receive the RCC. If MHDC approves our firm submission by the end of November, we will do everything possible to close on this deal before the end of the year. There is a slight chance that this will happen.

Equity Partners

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

Oak Towers

We have received our RAD CHAP (Commitment to enter into a Housing Assistance Payments contract) on September 9, 2015 for our Oak Towers project.

We also submitted our \$500,000 Affordable Housing Program grant application to the Federal Home Loan Bank Board (FHLBB) of Des Moines on June 30, 2015. Awards will be announced in November 2015. Our application scores very high and we believe we have a decent chance of receiving funding.

We submitted an application for 4% Low-Income Housing Tax Credits (LIHTC) and tax-exempt Multifamily Housing bonds to the Missouri Housing Development Commission (MHDC) on September 2, 2015. Awards will be announced in December 2015. On April 21, 2015, the CHA Board approved the submission of an application for \$245,000 in HOME funds from the City of Columbia to support this project. The City of Columbia Community Development Commission recommended \$80,000 in funding for Oak Towers on June 17, 2015.

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 by 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 8 of the units (5%) at Oak Towers fully accessible.

Current engineering and financing numbers appear to be very favorable for installing a hybrid ground-source geothermal system combined with a cooling tower. Heat pumps will be installed in each apartment at Oak Towers.

Bryant Walkway Apartments

We submitted our application for our RAD CHAP (Commitment to enter into a Housing Assistance Payments contract) for our Bryant Walkway Apartments project on July 17, 2015. We are still waiting to receive these documents.

We resubmitted an application for 9% Low-Income Housing Tax Credits to the MHDC on September 2, 2015. This project was submitted in September 2014 but did not receive funding.

McQuitty Square Project

We are proceeding with the sale of the eight properties acquired by the CHA in the planning process for developing affordable housing at the McQuitty Square site. The City of Columbia will purchase these properties and develop affordable housing on this site as well as making other neighborhood improvements. Please refer to the additional documentation provided with Resolution 2685 related to approving the sale of these properties to the City of Columbia.