



## Housing Authority of the City of Columbia, Missouri

### Board Report Staff Memo

To: Board of Commissioners

From: Phil Steinhaus, CEO

Date: March 15, 2016

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 (February & January 2016)**

##### **Patriot Place – Apartments for Veterans**

The Patriot Place Apartments are almost complete! At least 16 units will be available by the end of March and be issued occupancy permits. Work continues on the interiors of some units and exterior work on the stair wells, risers, and walkway will be complete in the next few weeks. Appliances have been ordered and received and will be installed as apartments are completed. Attic insulation will be added and air conditioning units have been placed on-site. The city has completed the installation of a new water main along the Business Loop and the apartments have been connected to water and natural gas.

CHA Low-Income Services, Inc. (CHALIS) has raised \$100,000 to fully furnish all 25 apartments and furniture has been ordered for the first 16 units. Furniture will be delivered in the first week of April. The Columbia Community Development Corporation, a group of local banks has donated \$81,434 to purchase furnishings for 13 apartments and the construction of a picnic pavilion and other amenities for the Patriot Place Apartments. The seven banks contributing are UMB Bank, Merchants and Farmers Bank, Landmark Bank, Commerce Bank, Central Bank of Boone County, The Bank of Missouri and Bank of America. Twelve other individual and organizational sponsors also donated \$4,000 per unit to furnish the apartments. We also have all three flag poles sponsored at \$5,000 each. We continue to sell engraved pavers and seek additional funds for the development of the Patriot Park area. An elevation of the picnic shelter and flag area is attached along with a sketch of the proposed Patriot Park area. An open house and dedication ceremony is planned for late May.

We are working with staff from the Truman VA to begin moving Veterans into the apartments in April. Our goal is to move eight Veterans into the apartments in April, followed by eight more Veterans in May, and nine Veterans in June to complete the process of occupying all of the apartments.

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

We closed on all the Low-Income Housing Tax Credit and Bond financing on the Stuart Parker Apartments with Paquin Tower on December 29, 2015. The RAD conversion from a public housing operating subsidy to a project-based voucher subsidy was also completed at that time. We have now officially converted 284 public housing units under the RAD program. During the closing process we also paid off the municipal lease (loan) with Central Bank of Boone County for all of the energy conservation measures that were financed for these properties and our Bear Creek Apartments through our Energy Performance Contract.

### **Stuart Parker – Relocation Updates**

Twenty-Two residents were relocated from nine buildings on Unity Street and Lincoln Street from January 19 through February 16th to vacant apartments in the Downtown AMP 1 family site. These residents are scheduled to start returning to the newly renovated Stuart Parker Apartments in August through November of 2016. There are two residents on Hicks Drive that will be relocated on March 29th giving the contractors a total of ten buildings to renovate at the site. The residents that are located on Lincoln Drive in the 2 & 3 bedroom apartments will move directly over to Unity Street after renovations have been completed. Residents from West Worley Street, Oak Street & Hick Drive in the 1 bedroom apartments will be transferred to the AMP 1 Family sites after the residents from Unity Drive return back to their renovated apartments. Moving supplies have been distributed to residents to allow them to pack their own belongings if they choose to do so.

### **Stuart Parker – Renovation Updates**

As of Friday, March 11th all of the remediation work and demolition work has been completed on Unity Street. The contractors will proceed with the demolition work on one building on Lincoln Street and the one building on Hicks Drive will follow after the residents have been relocated. The plumbing and electrical rough-in work has been proceeding on schedule and there will be two buildings ready for the foundation/concrete work to proceed during the week of March 14th. We began relocating residents of Stuart Parker and Paquin Tower on January 19, 2016. We are contracting with Fry-Wagner Moving and Storage to move residents of the Stuart Parker Apartments. The last three households on Unity Drive will be moved on Tuesday, February 16, 2016.

The EM Harris Construction Company installed their construction trailer, storage containers and equipment at the Stuart Parker Apartments on the vacant lot that we own at 304 McBaine Avenue. Storage containers will be placed at Paquin Tower and the construction manager is working out of Apartment G2 in the basement.

### **Paquin Tower – Relocation Updates**

Twenty residents were relocated from the 2nd & 3rd floors to vacant units to other vacant units on the upper floors of Paquin Tower from January 18 to February 8, 2016. Residents are scheduled to be relocated down to the 2nd floor after renovations are complete which is projected to start in mid-April, 2016.

### **Paquin Tower – Renovation Updates**

The remediation work and demolition work has been completed on the 2nd & 3rd Floors at Paquin Towers. The old appliances from the 2nd & 3rd floors have been sold on Govdeals.com. New sewer lines are being installed on both the 2nd & 3rd floors and will be near completion by March 18th. The Epoxy work has started in the bathroom and showers on the 2nd floor. The new kitchen wall cabinets have been delivered and installation will start next week. Floor tile work and painting will follow.

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### **Bear Creek Apartments**

We submitted our firm submission package to MHDC on September 18, 2015. We received the Firm Submission back from MHDC on March 9, 2016 requesting minor additional documentation to be submitted for final approval. We expect final approval of the Firm Submission from MHDC the week of March 14, 2016 with the goal of closing on all of the financing of the project by the second week in April. Relocation and construction will start shortly thereafter.

We submitted our RAD financing plan on October 2, 2015 and received the RAD Conversion Commitment (RCC) documentation on December 22, 2015. We have been working diligently to prepare for our Bear Creek closing and hope to complete the deal by the second week of April. The tax-exempt housing bonds for this project will

be privately placed with Central Bank of Boone County. We currently have enough vacancies at our Bear Creek Apartments to be able to relocate tenants to new units once they are renovated.

### **Bear Creek – Relocation Updates**

Currently CHA has twenty-six vacant units at Bear Creek. The Bear Creek closing is projected for mid-April, 2016. There will be three-to-five residents relocated in May, 2016 to give the contractors a total of 9 buildings to start the remediation work and the renovations. We are hoping that most of the residents at Bear Creek will only need to be move one time to their newly renovated apartment. There are several residents that are either over/under housed which will be addressed during the relocation process. CHA is working on the relocation schedule and getting bids for the moving cost ready for Bear Creek.

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### **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.

The City of Columbia Community Development Commission recommended \$80,000 in funding for Oak Towers on June 17, 2015. We received notice in November that we were awarded \$500,000 in funding from the Federal Home Loan Bank Board (FHLBB) of Des Moines through the Affordable Housing Program grant.

We were awarded \$590,000 in Federal 4% Low-Income Housing Tax Credits (LIHTC) and \$590,000 in State LIHTC funding combined with tax-exempt Multifamily Housing bonds from the Missouri Housing Development Commission (MHDC) on December 4, 2015. The Federal and State LIHTC funding is \$590,000 per year for 10 years.

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. Keys 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.

Our goal is to complete the final architectural and engineering design process by the Mid-April 2016 and get firm construction numbers by Mid-May 2016. Our ultimate goal is to submit our firm submission documents to MHDC by the end of May 2016. This will allow the MHDC to review and finalize our firm submission during the summer months prior to their fall round of LIHTC allocations.

If we are able to get the firm submission back from MHDC by the end of August 2016, we will be able to use the next two months for the closing process and tentatively begin construction in November 2016 with the goal of completing the project by the end of 2017. A critical timeframe to work around is the installation of the ground-source geothermal system with heat pumps in every apartment. This can only be completed during the summer months when we can turn off the heat to the building. The geothermal system will need to be installed between the months of May 2017 and October 2017.

### **Bryant Walkway, Providence Walkway, and East Park Avenue Apartments**

We were disappointed that our Bryant Walkway Apartments project did not receive an allocation of 9% LIHTC funding for the second year in a row. We plan to resubmit an application for 9% LIHTC funding in September 2016.

We lost our original RAD CHAP (Commitment to enter into a Housing Assistance Payments contract) for our Bryant Walkway, Providence Walkway, and East Park Avenue Apartments due to the fact that these projects were not funded by MHDC in a timely manner.

We submitted a new request for a RAD CHAP on July 17, 2015 and we are still on the waiting list for approval. This will depend on how many currently approved CHAPs have to forfeit their award due to lack of progress or funding. We expect more information later this summer about our request.

If awarded a CHAP before September 2016, we will resubmit an application for 9% Low-Income Housing Tax Credits to the MHDC in September 2016 for our Bryant Walkway Apartments.

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### **Storm Water Management Project**

As part of the building permitting process for the Stuart Parker Apartments the CHA reached an agreement with the City of Columbia to develop a master plan for storm water management for all of the CHA's public housing family-site properties located in central Columbia. This includes all of AMP 1, the CHA's Downtown Family Site. We are working with Crockett Engineering to evaluate our properties and to develop workable solutions to manage storm water run-off for these properties.

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### **McQuitty Square Project**

The sale of the CHA's eight properties at the McQuitty Square site was completed on February 19, 2016. The City of Columbia purchased these properties in order to develop "net-zero" energy-efficient affordable housing on this site as well as making other neighborhood improvements. The City of Columbia is planning to use the Community Land Trust model in the development of these properties.

# Picnic Pavilion



# Patriot Park

