



Housing Authority of the City of Columbia, Missouri

Board Report Staff Memo

To: Board of Commissioners
From: Phil Steinhaus, CEO
Date: February 18, 2020
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".

To date the Columbia Housing Authority has renovated 597 units of public housing and constructed 25 new units for homeless Veterans.

Completed projects are as follows:

Project Name	Designation	# Units	Completion Date
Patriot Place Apartments	Housing for Homeless Veterans	25	April 2016
Stuart Parker Apartments	Renovated Public Housing	84	September 2017
Paquin Tower Apartments	Renovated Public Housing	200	September 2017
Bear Creek Apartments	Renovated Public Housing	76	October 2017
Oak Towers Apartments	Renovated Public Housing	147	October 2018
Bryant Walkway II Apartments	Renovated Public Housing	36	December 2018
Bryant Walkway Apartments	Renovated Public Housing	54	September 2019
Total Completed Affordable Housing Projects to Date:		622	

Recent Activity (January-February 2020)

Providence Walkway Apartments

We submitted our second application to the Missouri Housing Development Commission (MHDC) for 9% Low-Income Housing Tax Credits (LIHTC) on September 15, 2019 to redevelop the Providence Walkway Apartments. For the second year in a row, the MHDC issued a Qualified Allocation Plan that only included federal Low-Income Housing Tax Credit (LIHTC) funding. No state low-income housing tax credits were issued. This resulted in fewer units of affordable housing constructed across the state and made the application process much more competitive.

Our first LIHTC application, submitted on March 13, 2018, was to renovate 50 public housing units in the Providence Walkway area. The MHDC did not recommend funding for our project and gave the rationale

for not funding our project as they believed our credit request was too high and that the cost of renovation was approaching the cost of new construction. We reduced the size of the project to 35 units which involves replacing 34 existing public housing units with new construction and adding one additional new unit. (Site design and building elevations are the end of this report.)

Revised Providence Walkway Project and New Designs

We developed new designs for the new construction of 35 units for the property and applied to MHDC for \$753,500 in 9% federal low-income housing tax credits and \$313,000 in HOME funds on Wednesday, September 15, 2019. Unfortunately, our revised project was not funded for the coming year.

A concept review meeting was held with the City of Columbia staff on September 17, 2019. Since the new construction will require us to replat the property, there are several requirements that must be addressed including several variances that are needed before the project can be approved. The replatting of the property is expected to come before the City Council sometime in February or early March.

We received our Commitment to Enter a Housing Assistance Payment Contract (CHAP) from the HUD Rental Assistance Demonstration Program (RAD) on July 19, 2019. Since we did not receive funding for the project, we will need to reapply for a new CHAP.

Meeting with MHDC Staff

On February 4, 2020, CHA staff Phil Steinhaus, Rick Hess, and Tammy Matondo met with MHDC staff to review the reasons our Providence Walkway project was not funded. Ken Nuernberger and Eric McMahon from ND Consulting joined us at the meeting.

For 2020, the MHDC implemented a scoring system for all LIHTC applications. We were informed that the scoring system just established a threshold to determine if the application would make it to the second round of staff evaluation. At the meeting we were informed that our Providence Walkway application scored 106 points which made our application less competitive than other applications. We were also informed that our per-unit cost exceeded their maximum cost per-unit threshold. MHDC stated that they really supported the work that we were doing and that they had strong support for the RAD program. They asked us if there was any way we could reduce the cost per-unit price. We believe that we did everything possible to manage the costs on this project.

Items driving up the cost of new construction include the following:

- Abatement of asbestos in the buildings.
- Demolition of the buildings.
- Replacement of the entire sewer system and water lines. (The current sewer system has so many abandoned sewer taps that would need to be repaired that the cost of the repairs would exceed the cost of installing a new sewer system.)
- Increased relocation costs as all residents would have to be relocated for more than one year and the CHA would not have enough other units available to meet the need.

We are now left with the decision as to whether we proceed with new construction or return to our original plan to renovate the apartments. One of the issues driving up the average per-unit cost is that MHDC staff have the threshold cost per-unit for one-bedroom units set too low, thus putting us at a disadvantage due to the eight one-bedroom units in the project.

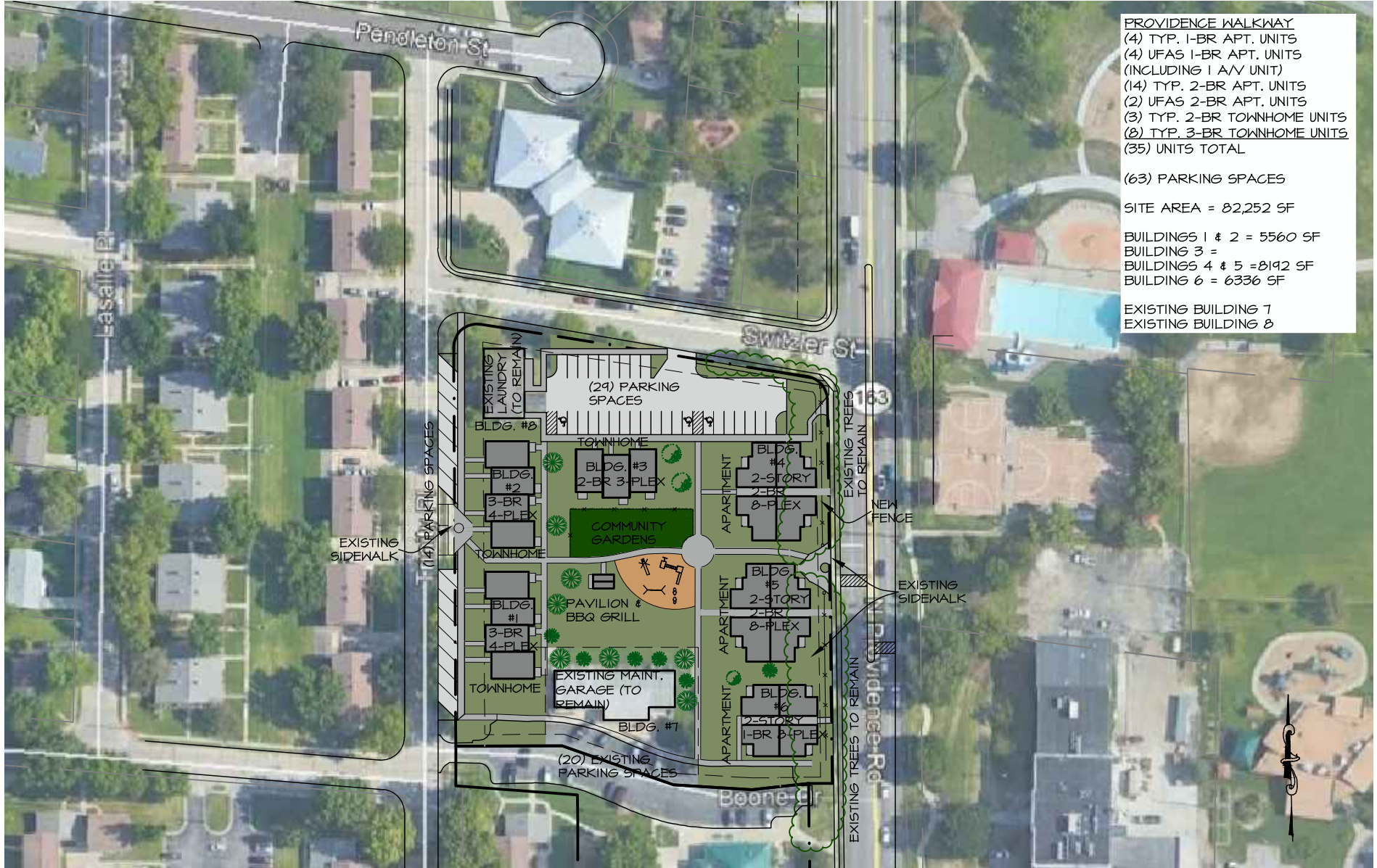
Trinity Place Apartments

As a result of reducing the size of our Providence Walkway project, we removed 16 units on the west side of Trinity Place from the project. These 16 units will need to be replaced in the future and we will most likely add some additional units to the project at another location. These additional units would be low-income housing tax credit units but not have any additional subsidy attached to these units.

East Park Avenue , Fisher Walkway, and Trinity Place Strategic Planning Process

As a result of Congress approving an increase to the cap on the number of RAD units nationwide from 185,000 to 225,000, the CHA was issued a multiphase RAD award for our remaining 120 public housing units to be renovated. This includes our Providence Walkway Apartments (34 units), East Park Avenue Apartments (40 units), Fisher Walkway Apartments (30 units), and Trinity Place Apartments (16 units). The multiphase award was issued on April 26, 2017. The award reserves RAD conversion authority for these final 120 units of public housing. We will need to reapply for a new multiphase award.

We initiated a strategic planning process for the renovation or redevelopment of the East Park Avenue, Fisher Walkway Apartments, and Trinity Place Apartments. This process has been delayed due to the lack of funding for the Providence Walkway Apartments. This will be an on-going planning process in the future will involve community input at some point in the process. This strategic planning process will also include discussions with other property owners, strategic community partners, and governmental agencies.



PROVIDENCE WALKWAY
 (4) TYP. 1-BR APT. UNITS
 (4) UFAS 1-BR APT. UNITS
 (INCLUDING 1 A/V UNIT)
 (14) TYP. 2-BR APT. UNITS
 (2) UFAS 2-BR APT. UNITS
 (3) TYP. 2-BR TOWNHOME UNITS
 (8) TYP. 3-BR TOWNHOME UNITS
 (35) UNITS TOTAL

(63) PARKING SPACES

SITE AREA = 82,252 SF

BUILDINGS 1 & 2 = 5560 SF
 BUILDING 3 =
 BUILDINGS 4 & 5 = 8192 SF
 BUILDING 6 = 6336 SF

EXISTING BUILDING 7
 EXISTING BUILDING 8

PROPOSED SITE PLAN

SCALE: 1" = 120'-0"

AUGUST 2019



2-BR 8-PLEX BUILDING ELEVATION (1-BR 8-PLEX SIMILAR)

AUGUST 2019



4-PLEX TOWNHOUSE FRONT ELEVATION

AUGUST 2019