



701 East Broadway, Columbia, Missouri 65201

Council Memo

Department Source: Housing & Neighborhood Services

To: City Council

From: City Manager & Staff

Council Meeting Date: May 18, 2026

Re: Ordinance authorizing the First Amendment of the Community Development Block Grant (CDBG) Agreement; the First Amendment of the HOME Investment Partnerships Program (HOME) Agreement; the Fourth Amendment of the American Rescue Plan Agreement (ARPA) agreement; a deed of release for the ARPA agreement; the 4th Lien Deed of Trust; the 4th Lien Promissory Note; the Subordination Agreement; and a release of the CDBG lien on 106 E. Worley.

Impacted Ward: Ward 1

Executive Summary

Approval of the ordinance will authorize the City manager to execute the following: (1) an amendment to the CDBG funding Agreement; (2) an amendment for the HOME funding agreement; (3) a Fourth Amendment of the ARPA agreement; (4) a deed of release for the ARPA agreement; (5) a 4th Lien Deed of Trust for the ARPA funds; (6) a 4th Lien Promissory Note for the ARPA funds; (7) a Subordination Agreement; and (8) a deed of release for the CDBG lien on 106 E. Worley.

Discussion

Columbia Housing Authority (CHA) and its partner entity, the Providence Walkway Housing Development Group, LP (hereinafter collectively referred to as "The Property Owner"), plans to replace existing housing units along Trinity Place and Pendleton Street with new and rehabilitated affordable housing units through the Rental Assistance Demonstration (RAD) conversion program. The existing units were constructed in 1965 and have exceeded their life cycle. The units have foundation problems, electrical issues and collapsing sewer lines. CHA's current plan includes 16 units to be rehabilitated and 9 new construction units and will include twelve 4-bedroom, four 3-bedroom, three 2-bedroom, and six 1-bedroom units. The units will have improved accessibility and increased energy efficiency.

On April 1, 2024 the City Council authorized an affordable housing funding agreement with the Property Owner for the development of the Project. The agreement authorized the use of \$3,000,000 in American Rescue Plan Act (ARPA) funds provided in the form of a 0% interest, 20-year forgivable loan, payable upon title transfer and secured by a deed of trust. The first amendment to the agreement extended the 50% and 75% expenditure deadlines to March 31, 2026 and June 30, 2023, and moved up the 100% expenditures deadline to October 31, 2026 to better align with the RAD conversion timeline and keeping with ARPA expenditure deadlines. The second amendment to the agreement was approved by Council on November 4, 2025 and included a timeline created by the Columbia Housing Authority and reviewed by City staff. The third amendment was approved by Council on



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March 2, 2026 to allows an advance disbursement of up to \$250,000 for eligible construction costs. This ordinance will allow for the execution of fourth amendment for the ARPA agreement will extend the maturity date until December 31, 2057 in order to be consistent with the CDBG and HOME Agreements.

On February 2, 2026 the City Council authorized the execution of a CDBG Funding agreement in the amount of \$320,000 and HOME funding agreement in the amount of \$150,000. This ordinance will allow for the first amendment of the CDBG and HOME agreements by amending the utilization date from March 1, 2026 to June 1, 2026, the 50% expenditure date from July 31, 2026 to March 31, 2027, and the time of performance from June 30, 2027 to November 30, 2027 as stated in the CDBG and HOME agreements. In addition, it adds the inclusion of the Build America, Buy American Act provisions as required by HUD.

CHA is requesting additional amendments to these documents as well as an additional subordination agreement as a result of final due diligence reviews by the U.S. Department of Housing and Urban Development (HUD), the Missouri Housing Development Commission (MHDC), CHA and its investors. This due diligence includes adjusting final credit pricing and permanent debt numbers. The execution of a deed release of the ARPA Agreement is necessary for the proper ordering of the funding sources within the capital stack and will be addressed through the issuance of a subordination agreement, a new deed of trust and promissory note showing that the ARPA funding will be in fourth position. Finally, a deed of release will be executed for the property at 106 E. Worley which was acquired with CDBG funds and is within the footprint of the development site. A release is necessary to allow for a clear title and the provisions contained with the CDBG acquisition agreement will be satisfied upon completion of the construction of the new affordable housing units.

CHA will close on the Providence Walkway Project and begin construction on or before July 1, 2026.

Fiscal Impact

Short-Term Impact: \$3,000,000 in ARPA funds, \$320,000 in CDBG and \$150,000 in HOME funds. Long-Term Impact: 9 new affordable housing units will be built and 16 affordable housing units will be renovated. This will provide additional affordable housing and supportive services to persons at-risk of homelessness, and thereby reducing public service costs.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Inclusive and Equitable Community, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



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Legislative History

Date	Action
03/16/2026	<a href="#">B60-26</a> An ordinance approving the third amendment for the ARPA funding agreement.
03/02/2026	<a href="#">R97-25</a> A resolution approving Amendments to FY 2024 Annual Action Plan (amendments not related to original approval of CHA's Providence Walkway project).
02/16/2026	<a href="#">R29-26</a> A resolution authorizing approval of housing revenue bonds by the Housing Authority of the City of Columbia for the Providence Walkway project.
02/16/2026	<a href="#">B36-26</a> An ordinance authorizing agreements, promissory notes, and deeds of trust with the Housing Authority of the City of Columbia for the Providence Walkway development project.
02/16/2026	<a href="#">B26-26</a> An ordinance approving the final plat of "Providence Walkway, Plat No. 1B" located on the east side of Trinity Place and north of Boone Drive (308 Trinity Place).
11/03/2025	<a href="#">B276-25</a> An ordinance authorizing a second amendment to the affordable housing funding agreement with the Housing Authority of the City of Columbia and Providence Walkway Housing Development Group, LP associated with the Providence Walkway development project.
08/18/2025	<a href="#">B196-25</a> An ordinance approving the final replat of "Providence Walkway, Plat No. 1A" located on the southwest corner of Providence Road and Switzler Street.
07/07/2025	<a href="#">R97-25</a> A resolution approving Amendments to FY 2024 Annual Action Plan (amendments not related to original approval of CHA's Providence Walkway project).
12/02/2024	<a href="#">B284-24</a> An ordinance authorizing a first amendment of the affordable housing funding agreement with the Housing Authority of the City of Columbia and Providence Walkway Housing Development Group, LP for the issuance of ARPA funds relating to the Providence Walkway development project.
04/01/2024	<a href="#">B62-24</a> An ordinance authorizing an affordable housing agreement with the Housing Authority of the City of Columbia and Providence Walkway Housing Development Group, LP for the issuance of ARPA funds relating to the Providence Walkway development project.
10/02/2023	<a href="#">R154-23</a> A resolution allocating \$25,284,624.00 in American Rescue Plan funds and authorizing the City Manager to negotiate any agreements for other documents consistent with such allocations.

Suggested Council Action

Approval of the ordinance to authorize the City Manager to sign the documents as listed above.