



Housing Authority of the City of Columbia, Missouri

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To: Honorable Mayor Brian Treece and Members of the Columbia City Council

From: Phil Steinhaus, CEO

Date: September 4, 2020

RE: Request for a City Council Resolution Supporting an Application to the Missouri Housing Development Commission for 9% Low-Income Housing Tax Credits for the Replacement of 36 Downtown Public Housing Units with New Construction Known as the Kinney Point Apartments.

The Columbia Housing Authority (CHA) is requesting a City Council Resolution supporting an application to the Missouri Housing Development Commission (MHDC) for 9% Low-Income Housing Tax Credits (LIHTC) for the replacement of 36 downtown public housing units with new construction. We ask that the Columbia City Council rank the CHA's Kinney Point Apartment application as the highest priority project for the City of Columbia over any other proposed LIHTC project for this year. This will carry a great deal of weight with MHDC staff and the Commission.

CHA's Affordable Housing Initiative - Progress to Date

To date the Columbia Housing Authority has renovated 597 units of public housing and constructed 25 new units for homeless Veterans. Planned and completed phases of our master plan to renovate the CHA 717 units of public housing are as follows:

Rental Assistance Demonstration (RAD) Program - CHA Public Housing Renovation Phases							
Phase	Public Housing Sites	Type & # of Units	Rehab Level	LIHTC	Application Date	Funded? Y/N	Completion Date
1	Stuart Parker	84 Family Site Units	Major	4%	5-2014	Yes	9/17
	Paquin Tower	200 High Rise Units	Minor			Yes	4/17
2	Bear Creek	76 Family Site Units	Modest	4%	9-2014	Yes	10/17
3	Oak Towers	147 High Rise Units	Modest	4%	9-2015	Yes	6/18
4	Bryant Walkway II	36 Family Site Units	Major	4%	9-2016	Yes	12/18
5	Bryant Walkway	54 Family Site Units	Major	9%	9-2016	Yes	7/19
6	Kinney Point Apartments	36 Family Site Units	Major	9%	10-2020	No	7/22*
7	Providence Walkway Apartments	34 Family Site Units	Major	9%	9-2021	No	7/23*
8	East Park Avenue	40 Family Site Units	Major	9%	9-2022	No	7/24*
9	Fisher Walkway	30 Family Site Units	Major	9%	9-2023	No	7/25*

* Projected Completion Dates

Kinney Point Project Summary

Kinney Point Apartments 2020

The CHA submitted applications for low-income housing tax credit (LIHTC) funding to the Missouri Housing Development Commission (MHDC) in 2018 and 2019 to renovate and replace apartments in the Providence Walkway and Trinity Place areas. Neither application was funded. During our strategic planning review process of the 2018 and 2019 applications, it became apparent that we needed a master plan for our final 120 public housing units that would result in new construction on bare ground for each project, if possible.

CHA staff have concluded that our best option (phase six) is to build as many replacement units on the property we own at 1 East Sexton Road, which has an acreage of 1.96 acres. Our plan is to construct 24 new units on our Kinney Point property, once we relocate residents from the corresponding units on Trinity Place and Providence Walkway, we will demolish the empty buildings in preparation for redevelopment of the Trinity Place and Providence Walkway sites in the future.

As part of this project, we will demolish five (5) buildings on the northwest side of Trinity Place. (One 3-bedroom 4-plex and four 4-bedroom duplexes.) Four three-bedroom duplexes and one building with three one-bedroom units and one 2-bedroom unit will be constructed on the northwest side of Trinity Place bringing the total new units in this phase to 36 units. This plan reduces many relocation issues and costs. It also results in our goal of having bare ground to work with on the next project.

This new construction be required to meet existing city codes. Parking requirements are a concern as city code requirement will significantly reduce green space on the property and result in stormwater mitigation requirements. We will need to receive the highly competitive 9% LIHTC funding in order to replace our final 120 units of public housing with new construction.

Downtown Family Site Townhomes – Physical Conditions Assessment

As part of the strategic planning process, a physical conditions assessment was completed, and the assessment determined that it would be more cost effective to replace these public housing units rather than attempt to renovate these properties. Staff at the MHDC have concurred with this assessment and have recommended replacement of these units due to unanticipated conditions and cost overruns on previous projects.

Key issues identified by the physical conditions assessment include:

- Aging plumbing systems of cast iron pipes that require significant maintenance;
- Uneven and settling “floating slab” floors that require periodic “poly-jacking”;
- Inadequate electrical systems to meet modern family needs;
- Many units lack dryer hook-ups. Washer hook-ups are located in the kitchen and other exposed areas;
- Furnaces and water heaters located in exposed areas;
- Poor egress from second story apartments;
- Poor design and use of living space;
- Lack of storage;
- Lack of ventilation in the kitchen and bathroom areas;
- Poor or non-existent insulation and low energy efficiency; and
- Lack of accessibility for persons with disabilities.

Our current master plan to complete the renovation of the CHA public housing units will have four phases as follows:

1. Kinney Point and Northwest Trinity Place36 Units
2. Southeast Trinity Place & Providence Walkway 34 Units
3. East Park Avenue.....40 Units
4. Fisher Walkway 30 Units
- Total 140 Units

Our master plan has four main goals:

1. Achieve the correct size of each project to be within 30-50 new units.
 - a. Projects that are too small have high administrative costs and lower returns.
 - b. Projects that exceed 50 units are too large and costly to be competitive for LIHTC funding.
2. Plan projects that can be completed and filled within the 24-month LIHTC funding window.
3. Reduce the amount of temporary relocation of current residents.
4. End up with bare ground/empty units to demolish for the next phase of the plan.

It is worth noting that 9% low-income housing tax credits will be required for each phase of the plan.

Rental Assistance Demonstration (RAD) Program Expansion and Approval

On August 6., 2020, the CHA received a Commitment to Enter into a Housing Assistance Program Contract (CHAP) from the HUD Rental Assistance Demonstration (RAD) program for our Kinney Point project.

The HUD Rental Assistance Demonstration (RAD) Program allows Public Housing Authorities (PHAs) to convert public housing subsidies into long-term, Project-Based Section 8 rental assistance subsidy contracts. This is beneficial to PHAs because historically public housing subsidies and funding for capital projects have been unpredictable and fluctuated annually due to federal budget cuts. Project-Based Section 8 Vouchers provide a stable and predictable annual subsidy. Stable and predictable revenues allow the Columbia Housing Authority (CHA) to apply for Low-Income Housing Tax Credits and other sources of financing to fund public housing renovations.

The RAD Program provides significant protections for Public Housing residents to ensure that they will continue to be eligible to receive housing assistance once the conversion is approved and the new construction is complete. Public Housing serves families and individuals with very-low incomes at or below 30% of the Median Family Income (MFI). The CHA's Public Housing properties will continue to serve this population after the RAD conversion and the replacement of these Public Housing properties.

City Council Request

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KINNEY POINT SITE PLAN

SCALE: 1" = 50'-0"

MAY 2020

TRINITY SITE PLAN



