

# City of Columbia

701 East Broadway, Columbia, Missouri 65201



**Agenda Item Number:** R 217-14

**Department Source:** City Manager

**To:** City Council

**From:** City Manager & Staff

**Council Meeting Date:** November 17, 2014

**Re:** Resolution expressing support to assist Columbia Housing Authority in securing 9% Low-Income Housing Tax Credit funding to renovate aging public housing stock.

## Documents Included With This Agenda Item

Council memo, Resolution/Ordinance

**Supporting documentation includes:** Affordable Housing Initiative letter from Columbia Housing Authority (includes letter, phase and funding tables, map and elected officials page)

## Executive Summary

After being approached by the Columbia Housing Authority (CHA), staff has prepared this resolution requesting prioritization of our support for 9% Low-Income Housing Tax Credits (LIHTC). CHA is in need of strong support from the City of Columbia to secure the LIHTC funding to renovate their aging Public Housing stock. The Missouri Housing Development Commission (MHDC) allocates 9% Low-Income Housing Tax Credits on an annual basis and the allocation process is highly competitive.

Strong advocacy and support from the City of Columbia will have a significant impact on the MHDC's allocation of 9% tax credits to Columbia. The CHA needs the City of Columbia to advocate with the MHDC and local state elected official that renovating Public Housing in the Heart of Columbia is your highest priority over any other housing projects in Columbia. This approach worked for the City of St. Louis when it renovated its Public Housing stock. It is also a great investment in our community with a positive economic impact. Adoption of this resolution also ties strongly to categories within our Vision Statements, our Strategic Plan and our Comprehensive Plan. (impact areas are specified below)

## Discussion

Columbia Housing Authority requests that the City of Columbia convey the following to the MHDC and Local State Elected Officials:

- The City of Columbia's priority for 9% LIHTC funding is rebuilding the Heart of Columbia.
- Renovating Columbia's aging Public Housing stock is a priority for 9% LIHTC funding over any other local projects.
- CHA is among a limited number of housing authorities nationwide that were approved to participate in the HUD Rental Assistance Demonstration (RAD) program to aid in renovating Public Housing units.
- The 9% tax credits must be awarded for three projects over the next three years to complete Public Housing renovations within the RAD deadlines or the CHA will lose the benefit.
- The three projects that need 9% LIHTC funding are: the Bryant Walkway Apartments, Providence Walkway Apartments and the Park Avenue Apartments. These units are located in the Heart of

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Columbia.

There were 50 projects that received 9% LIHTC in the Out-State Region over the past four years. Columbia only received funding for two projects in 2012. No 9% LIHTC were awarded to Columbia in the other three years. The CHA did receive 4% LIHTC funding for two projects in 2014: the Stuart Parker Apartments with Paquin Tower and the Patriot Place - Apartments for Veterans. However these tax credits provide less funding for housing projects and are less competitive. The CHA needs 9% tax credits to complete major renovations to 210 Public Housing units located in our downtown family site: Bryant Walkway, Providence Walkway, & Park Avenue.

The MHDC is composed of four elected officials (Governor, Lt. Governor, Treasurer, and Attorney General. The Commission also includes six appointees. Local state elected officials can also provide significant support for funding Public Housing renovations. Your direct contact with Kurt Schaefer, Stephen Webber, Chris Kelly, Caleb Rowden, John Wright, and Caleb Jones is important in getting them to support the renovation of Public Housing and demonstrate broad community support for the required 9% LIHTC funding.

## **CHA Plans for Renovating Public Housing**

In 2012, the CHA launched an Affordable Housing Initiative to renovate all 719 units of Public Housing in Columbia. As part of this process, the CHA applied for and was accepted into the HUD Rental Assistance Demonstration (RAD) program which will provide stable rent subsidies necessary for the CHA to compete for 9% Low-Income Housing Tax Credits (LIHTC) from the Missouri Housing Development Commission (MHDC). There were only 60,000 public housing units accepted into this demonstration program nationwide. The renovation of the aging Public Housing stock is planned in a series of five phases over a period of six years. A chart of these phases is included with Supporting Documentation along with a map of CHA's downtown properties.

### Stuart Parker Apartments with Paquin Tower (Phase 1} - Funded

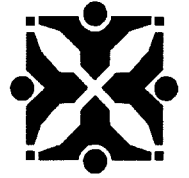
The first phase to renovate the 84 Stuart Parker Apartments combined with the 200 units of Paquin Tower received an award of 4% LIHTC funding from the MHDC in June 2014. The Stuart Parker Apartments are the oldest units in the CHA's stock and were constructed in 1956. These apartments will be completely gutted and renovated to today's modern standards. Paquin Tower will receive modest renovations as well. Renovations will be complete in 2016. CHA was only able to make a 4% LIHTC deal work in this instance by combining the major renovation of the 84 Stuart Parker Apartments with the modest renovation of 200 Paquin Tower Apartments. This lowered the average unit renovation cost low enough to make a 4% LIHTC deal work.

### Bryant Walkway Apartments and Bear Creek Apartments (Phase 2} -Submitted

The second phase of renovations will renovate the 70 Bryant Walkway Apartments and 76 Bear Creek Apartments. Bryant Walkway is located in CHA's downtown housing site and was constructed in 1962. These apartments will also be completely gutted and renovated. The Bear Creek Apartments were constructed in 1978 and will receive modest renovations. The CHA submitted two LIHTC applications to the MHDC on September 5, 2014 to provide funding for these renovations. Awards are expected to be made in December. City of Columbia support is critical for

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these applications.

## Providence Walkway Apartments, Park Avenue Apartments, & Oak Towers (Phases 3-5)

Renovation of the Providence Walkway and Park Avenue Apartments will complete the renovation process for the downtown family sites. Both projects contain 70 units each and will also be completely gutted and renovated. Oak Towers will receive modest renovations. When these projects are complete, all 719 units of Public Housing will be fully renovated.

### **Fiscal Impact**

Short-Term Impact: There are no short-term fiscal impact to the City of Columbia.

Long-Term Impact: There are no long-term fiscal impact to the City of Columbia.

### **Vision, Strategic & Comprehensive Plan Impact**

Vision Impact: Community Character, Development, Downtown, and Health, Social Services & Affordable Housing

Strategic Plan Impact: Growth Management

Comprehensive Plan Impact: Land Use and Growth Management, Inter-Governmental Cooperation, Livable & Sustainable Communities

### **Suggested Council Action**

Should Council agree, adoption of the Resolution is recommended.

### **Legislative History**

There is no legislative history for this item.

  
\_\_\_\_\_  
Department Approved

  
\_\_\_\_\_  
City Manager Approved

## **A RESOLUTION**

authorizing support of the Columbia Housing Authority's Affordable Housing Initiative and the prioritization of tax credits towards renovations of public housing in the central Columbia area.

WHEREAS, the City of Columbia, Missouri desires affordable housing that is accessible, energy efficient, healthy, safe and well-maintained; and

WHEREAS, in 2012, the Columbia Housing Authority (hereinafter "CHA") started an affordable housing initiative to renovate all 719 public housing units in Columbia; and

WHEREAS, much of CHA's current housing stock was constructed between 1956 and 1978 and in need of renovations; and

WHEREAS, CHA has been approved to participate in the Housing of Urban Development Rental Assistance Demonstration program; however, to complete major renovations within the established deadline of this program, CHA is seeking additional state and local support for CHA's proposed five phase initiative through utilization of 9% Low-Income Housing Tax Credits; and

WHEREAS, CHA has requested that the Bryant Walkway, Providence Walkway and Park Avenue projects located in the heart of Columbia receive support as the highest priority for the 9% Low-Income Housing Tax Credits allocated by the Missouri Housing Development Commission from the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Council of the City of Columbia, Missouri hereby supports the Columbia Housing Authority Affordable Housing Initiative; including the prioritization of 9% Low-Income Housing Tax Credits over the next three years for the following three central city projects:

- Bryant Walkway Apartments
- Providence Walkway Apartments
- Park Avenue Apartments

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

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City Clerk

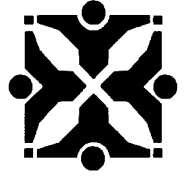
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Mayor and Presiding Officer

APPROVED AS TO FORM:

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City Counselor



## **SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:**

Affordable Housing Initiative letter from Columbia Housing Authority (includes letter, phase and funding tables, map and elected officials page)



# Affordable Housing Initiative

Housing Authority

Affordable ❖ Accessible ❖ Energy-Efficient ❖ Healthy ❖ Safe ❖ Well-Maintained

To: Mike Matthes, City Manager

From: Phil Steinhaus, CEO

A handwritten signature in black ink, appearing to read 'Phil Steinhaus'.

Date: October 14, 2014

RE: Strong City Support Needed for the Renovation of Public Housing

The Columbia Housing Authority (CHA) needs the strong support of the City of Columbia to secure 9% Low-Income Housing Tax Credit (LIHTC) funding to renovate our aging Public Housing stock. The Missouri Housing Development Commission (MHDC) allocates 9% Low-Income Housing Tax Credits on an annual basis and the allocation process is highly competitive.

Strong advocacy and support from the City of Columbia will have a significant impact on the MHDC's allocation of 9% tax credits to Columbia. The CHA needs the City of Columbia to advocate with the MHDC and local state elected official that renovating Public Housing in the Heart of Columbia is your highest priority over any other housing projects in Columbia. This approach worked for the City of St. Louis when it renovated its Public Housing stock. It is also a great investment in our community with a positive economic impact.

***Here is what we need the City of Columbia to convey to the MHDC and Local State Elected Officials:***

- The City of Columbia's priority for 9% LIHTC funding is rebuilding the Heart of Columbia.
- Renovating Columbia's aging Public Housing stock is a priority for 9% LIHTC funding over any other local projects.
- The CHA is among a limited number of housing authorities nationwide that were approved to participate in the HUD Rental Assistance Demonstration (RAD) program to aid in renovating Public Housing units.
- The 9% tax credits must be awarded for three projects over the next three years to complete Public Housing renovations within the RAD deadlines or the CHA will lose the benefit.
- The three (3) projects that need 9% LIHTC funding are the Bryant Walkway Apartments, Providence Walkway Apartments, & the Park Avenue Apartments. These units are located in the Heart of Columbia.

**Allocation of 9% Low-Income Housing Tax Credits**

The MHDC has a state-wide Qualified Allocation Plan (QAP) that awards 9% federal and state tax credits on a percentage basis to the following regions:

- St. Louis = 33%
- Kansas City = 19%
- Out-State Region = 48%

There were 50 projects that received 9% LIHTC in the Out-State Region over the past four (4) years. Columbia only received funding for two (2) projects in 2012. No 9% LIHTC were awarded to Columbia in the other three years. A chart of MHDC 9% LIHTC funding for the past four (4) years is attached.

The CHA did receive 4% LIHTC funding for two projects in 2014: the Stuart Parker Apartments with Paquin Tower and the Patriot Place – Apartments for Veterans. However these tax credits provide less funding for housing projects and are less competitive. The CHA needs 9% tax credits to complete major renovations to 210 Public Housing units located in our downtown family site: Bryant Walkway, Providence Walkway, & Park Avenue.

## **Making Contact with the Missouri Housing Development Commission & Local State Elected Officials**

The MHDC is composed of four elected officials (Governor, Lt. Governor, Treasurer, and Attorney General). The Commission also includes six appointees.

Local state elected officials can also provide significant support for funding Public Housing renovations. Your direct contact with Kurt Schaefer, Stephen Webber, Chris Kelly, Caleb Rowden, John Wright, and Caleb Jones is important in getting them to support the renovation of Public Housing and demonstrate broad community support for the required 9% LIHTC funding. A contact list for the MHDC and local state elected officials is attached.

## **Public Hearing on Proposed Projects (Wednesday, October 22 at 1:00 p.m. Stoney Creek Inn)**

The MHDC is also holding a series of public hearings across the state to gauge community support for proposed LIHTC housing projects. These public hearings are conducted by MHDC staff, but they also have an influence on the decision-making process as public comments are provided to the commission. The public hearing in Columbia is scheduled for Wednesday, October 22, 2014 at 1:00 p.m. at the Stoney Creek Inn.



## **CHA Plans for Renovating Public Housing**

In 2012, the CHA launched an Affordable Housing Initiative to renovate all 719 units of Public Housing in Columbia. As part of this process, the CHA applied for and was accepted into the HUD Rental Assistance Demonstration (RAD) program which will provide stable rent subsidies necessary for the CHA to compete for 9% Low-Income Housing Tax Credits (LIHTC) from the Missouri Housing Development Commission (MHDC). There were only 60,000 public housing units accepted into this demonstration program nationwide.

The renovation of our aging Public Housing stock is planned in a series of five phases over a period of six years. A chart of these phases is attached along with a map of our downtown properties.

### ***Stuart Parker Apartments with Paquin Tower (Phase 1) - Funded***

The first phase to renovate the 84 Stuart Parker Apartments combined with the 200 units of Paquin Tower received an award of 4% LIHTC funding from the MHDC in June 2014. The Stuart Parker Apartments are the oldest units in the CHA's stock and were constructed in 1956. These apartments will be completely gutted and renovated to today's modern standards. Paquin Tower will receive modest renovations as well. Renovations will be complete in 2016.

We were only able to make a 4% LIHTC deal work in this instance by combining the major renovation of the 84 Stuart Parker Apartments with the modest renovation of 200 Paquin Tower Apartments. This lowered the average unit renovation cost low enough to make a 4% LIHTC deal work.

### ***Bryant Walkway Apartments and Bear Creek Apartments (Phase 2) - Submitted***

The second phase of renovations will renovate the 70 Bryant Walkway Apartments and 76 Bear Creek Apartments. Bryant Walkway is located in our downtown housing site and was constructed in 1962. These apartments will also be completely gutted and renovated. The Bear Creek Apartments were constructed in 1978 and will receive modest renovations.

*The CHA submitted two LIHTC applications to the MHDC on September 5, 2014 to provide funding for these renovations. Awards are expected to be made in December. Your support is critical for these applications.*

### ***Providence Walkway Apartments, Park Avenue Apartments, & Oak Towers (Phases 3-5)***

Renovation of the Providence Walkway and Park Avenue Apartments will complete the renovation process for our downtown family sites. Both projects contain 70 units each and will also be completely gutted and renovated. Oak Towers will receive modest renovations. When these projects are complete, all 719 units of Public Housing will be fully renovated.

***Thank you for your support for our efforts to renovate and preserve our aging Public Housing stock and for your investment in rebuilding the Heart of Columbia.***



## CHA Public Housing Renovation Phases & Low-Income Housing Tax Credit Funding

Rental Assistance Demonstration (RAD) Program					
CHA Public Housing Renovation Phases					
Phase	Public Housing Sites	Type & # of Units	Rehab Level	LIHTC	Submission Date(s)
1	Stuart Parker	84 Townhomes	Major	4%	5-2014
	Paquin Tower	200 High Rise Units	Minor		
2	Bear Creek	76 Townhomes	Modest	4%	9-2014
	Bryant Walkway	70 Townhomes	Major	9%	
3	Oak Towers	147 High Rise Units	Modest	4%	3-2015
4	Providence Walkway	70 Townhomes	Major	9%	9-2015
5	Park Avenue	70 Townhomes	Major	9%	9-2016

1. Stuart Parker Apartments with Paquin Tower received 4% Low-Income Housing Tax Credits in June 2014.
2. Applications for Bear Creek and Bryant Walkway Apartments were submitted for LIHTC in September 2014.

## Missouri Housing Development Commission 9% Low-Income Housing Tax Credit Funding

9% LIHTC Funding & Number of Projects *			2011		2012		2013		2014	
Region & QAP Allocation	QAP	Credits	Funding	#	Funding	#	Funding	#	Funding	#
St. Louis	33%	Fed.	4,728,000	7	2,498,000	4	4,595,000	8	4,543,000	8
		State	2,001,000		2,498,000		4,595,000		4,543,000	
Kansas City	19%	Fed.	2,545,000	4	1,902,000	3	2,525,500	5	2,440,000	5
		State	1,440,000		1,882,000		2,525,500		2,440,000	
Out-State Region (Includes Columbia)	48%	Fed.	5,981,000	11	3,959,500	8	6,329,000	17	6,745,500	14
		State	4,100,000		3,959,500		6,329,000		6,745,500	
Columbia (Part of Out-State)	Fed. & State		0	0	947,000	2	0	0	0	0
Joplin (Tornado)	Fed. & State				4,988,000	9				

\* Federal & State tax credit funding for each year is good for ten (10) consecutive years (multiply by 10).

# = Number of Projects Receiving 9% LIHTC Funding.



## CHA Public Housing Properties in the "Heart of Columbia"

Stuart Parker Apartments  
Phase 1 - 84 Units \*  
Also includes 200 Units  
At Paquin Tower (not shown)

Bryant Walkway Apartments  
Phase 2 - 70 Units

Oak Towers  
Phase 3 - 147 Units

Providence Walkway Apartments  
Phase 4 - 70 Units

East Park Avenue Apartments  
Phase 5 - 70 Units



## Missouri State Elected Officials Representing Columbia, MO

**Governor:** Jeremiah (Jay) Nixon (D) 2012-2016  
Office of Governor Jay Nixon  
P.O. Box 720  
Jefferson City, MO 65102  
Phone: (573) 751-3222  
<http://governor.mo.gov/>

**Lt. Governor** Peter Kinder (R) 2012-2016  
Office of the Lieutenant Governor  
State Capitol Building, Room 224  
Jefferson City MO 65101  
Phone: 573.751.4727  
<http://www.ltgov.mo.gov/>

**Treasurer** Clint Zweifel (D) 2012-2016  
P.O. Box 210  
Jefferson City, MO 65102  
Main Phone: (573) 751-8533  
Capitol Phone: (573) 751-2411  
<http://www.treasurer.mo.gov/>

**Attorney General** Chris Koster (D) 2012-2016  
Missouri Attorney General's Office  
Supreme Court Building  
207 W. High St.  
P.O. Box 899  
Jefferson City, MO 65102  
Phone: 573-751-3321  
<http://www.ago.mo.gov/index.htm>

### MHDC Appointees

- Jeffrey S. Bay, Chairman
- Troy Nash, Vice Chairman
- Greg L. Roberts, Secretary/Treasurer

*Plus two vacant positions.*

Contact Appointees through the MHDC office at:

3435 Broadway Street  
Kansas City, MO 64111

**District 45**  
Chris Kelly (D)  
State Office: 106-B State Capitol  
Jefferson City, MO 65101  
(573) 751-4189  
[Chris.Kelly@house.mo.gov](mailto:Chris.Kelly@house.mo.gov)

**District 46**  
Stephen Webber (D)  
807 Frest Hills Court  
Columbia, MO 65203  
State Office: 106-A State Capitol  
Jefferson City, MO 65101  
(573) 751-9753  
[Stephen.Webber@house.mo.gov](mailto:Stephen.Webber@house.mo.gov)

**District 47**  
John Wright (D)  
State Office: 105(1) State Capitol  
Jefferson City, MO 65101  
(573) 751-1501  
[John.Wright@house.mo.gov](mailto:John.Wright@house.mo.gov)

**District 50**  
Caleb Jones (R)  
State Office: 233-A State Capitol  
Jefferson City, MO 65101  
(573) 751-2134  
[Caleb.Jones@house.mo.gov](mailto:Caleb.Jones@house.mo.gov)

**State Senate District 19**  
Kurt Schaefer (R) 2012-2016  
7525 S. Warren School Road  
Columbia, MO 65203  
(573) 817-3201  
Capitol Office: 221 State Capitol  
Jefferson City 65101  
(573)751-3931  
[kurt.schaefer@senate.mo.gov](mailto:kurt.schaefer@senate.mo.gov)

### Local Elected State Officials

**District 44**  
Caleb Rowden (R)  
State Office: 201-C State Capitol  
Jefferson City, MO 65101  
(573) 751-1169  
[Caleb.Rowden@house.mo.gov](mailto:Caleb.Rowden@house.mo.gov)

### Missouri Housing Development Commission



Jeremiah W. (Jay)  
Nixon  
Governor



Peter Kinder  
Lieutenant  
Governor



Clint Zweifel  
State Treasurer



Chris Koster  
Attorney General



Jeffrey S. Bay  
Chairman



Troy Nash  
Vice Chairman



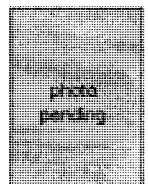
Greg L. Roberts  
Secretary,  
Treasurer



William Miller  
Commissioner



Vacant  
Commissioner



Vacant  
Commissioner