



**Cincinnati Metropolitan Housing Authority's
City of Cincinnati Housing Committee**

January 19, 2022

Agenda

- History of Public Housing
- Historically Under-Funded Capital Needs
- HUD's Repositioning Tools
- Transformation of Public Housing
- CMHA – The Developer
 - New Development
 - Portfolio Preservation
 - Choice Neighborhood Grant
 - Economic Impact
- CMHA/City of Cincinnati - Partners

**COMING TOGETHER
IS A BEGINNING;
KEEPING TOGETHER
IS PROGRESS;
WORKING TOGETHER IS
SUCCESS.**

HENRY FORD

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History of Public Housing

Public Housing History

The Housing Act of 1937 was a keystone piece of legislation during the New Deal era as the United States government grappled with the economic impact of the Great Depression.

- First intended to be a jobs program and slums-clearing effort
- The key feature of the 1937 act was positioning the federal government as a provider of funds to local authorities.
 - Originally built for World War II Veterans
 - Dislodged Low-Income families living in slums
- An important goal of this subsidy system was making the program self-sustainable through collection of rent, which was paid by tenants, the Federal government, and the local governments.
- Federal funds for housing authorities have declined substantially since the heyday of Lyndon Johnson's Great Society in the 1960s



Historically Under-Funded Capital Needs

Historically Under-Funded Capital Needs

- **Public Housing Capital Needs Across the Country as of 2010**
 - \$26B backlog of capital needs
 - \$3.5B annual portfolio – wide need
 - \$2B annual congressional funding
 - \$1.5B annual increase in backlog

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HUD's Repositioning Tools

Repositioning Public Housing

Repositioning Tools Include:

- RAD (Rental Assistance Demonstration)
- Section 18
- Declaration of Trust Release (DOT)
- Voluntary Conversation (Project Based)

Source of Capital:

- Mixed Finance Deals (LIHTC)
- Capital Fund
- **Choice Neighborhoods**
- CF Finance Program
- Energy Performance Contracts
- Consolidation, Consortium, Transfer

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Transformation of Public Housing

Transformation of Public Housing

Rental Assistance Demonstration (RAD)

- A Voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing public housing agencies with access to more stable funding to make needed improvements to properties.
- RAD was created in order to give public housing authorities a powerful tool to address over \$26B backlog in capital improvements



CMHA – The Developer

New Development

Portfolio Preservation

Choice Neighborhood Grant

Economic Impact



BOLD Transformation

Portfolio Preservation

Baldwin Grove

Baldwin Grove is an oasis within the greater Cincinnati area.

The 100-unit development is located in the City of Springdale, approximately one mile from I-275. It provides residents with easy access to the rest of the region as well as a wide range of on-site amenities aimed at fostering community among residents, their friends and loved ones.

The property is surrounded by scenic landscaping and outdoor amenities, such as communal gathering spaces and grills. Notably, the property is Energy Star Rated for its many energy-efficient installations and design features.

Baldwin Grove features 84 one-bedroom units and 16 two-bedroom units. The development was the Cincinnati Metropolitan Housing Authority's first independent LIHTC project and first Rental Assistance Demonstration (RAD) conversion.



The Reserve on South Martin

The Reserve on South Martin is located in Mt. Healthy, Ohio.

It features 48 one-bedroom and 12 two-bedroom units for seniors. It is managed by the Cincinnati Metropolitan Housing Authority's wholly owned subsidiary, Touchstone Property Services.

The Reserve's 60 units represent the CMHA's Gold Standard for Affordable Housing.

Each unit features a large bathroom, a front-loading washer and dryer, spacious closets, a private patio or balcony and walk-in showers. Residents enjoy The Reserve's gardening area, walking trails, inviting lobby, fitness center, library, computer stations, picnic areas, day lounges and community room with modern amenities.

In addition to its quality of life features, The Reserve demonstrates CMHA's commitment to energy efficiency. The building is certified LEED Platinum and was named Cincinnati's Greenest Building in 2014 by the Cincinnati Business Courier.



Cary Crossing

Individuals and families with disabilities in Hamilton County call Cary Crossing home.

The Cincinnati Metropolitan Housing Authority completed the Mt. Healthy property in 2017 with 36 units of affordable one- and two-bedroom units, a community room and plenty of outdoor space. All units meet the Uniform Federal Accessibility Standards for mobility, sight and sound accessibility. They feature private kitchens, bathrooms, bedrooms, storage, laundry hookups and patios. The development addresses a previously unmet need for housing that is accessible to those with disabilities. It was financed primarily with tax credits and required \$3,653,317 in hard construction expenses.

Cary Crossing provides easy access to medical institutions that provide low-cost medical and dental services to local residents. Future development will include a social enterprise to provide training and employment opportunities to the development's residents and their peers.

The development site was selected for its proximity to public transportation and community services as well as its small town feel.



Cincinnati Metropolitan Housing Authority

West Union Square

Completed in 2018, The Cincinnati Metropolitan Housing Authority's 70-unit West Union Square provides amenity-rich housing for Hamilton County seniors.

The property was financed primarily with tax credits and provides 58 one-bedroom units, 12 two-bedroom units, a community room, theater, fitness area and ample outdoor gathering space. Its rear courtyard and spacious lobby will recall a traditional American Main Street, making the building a natural gathering point for residents, their families and friends.

West Union Square will also anchor the ongoing revitalization of Colerain Township's Jonrose Avenue. The property will replace a series of blighted multifamily developments that for years were marked by high vacancy rates, substandard living conditions and rampant crime.

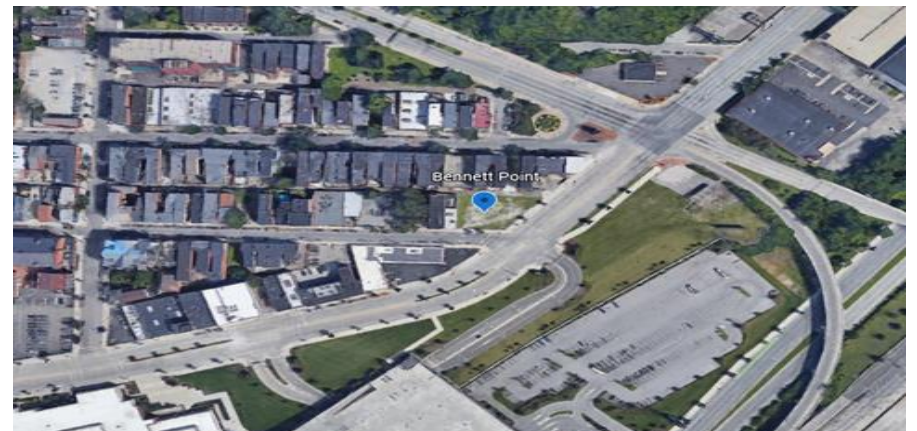
West Union Square's revitalizing effects are already paying dividends, with community leaders having canceled plans to close a nearby school. CMHA is proud to have worked with local school and county officials to reroute through traffic and cultivate a more human-scaled neighborhood to meet the needs of all generations.

West Union Square was completed with a total construction budget of \$13,993,423.



Bennett Point (upcoming)

- 56 units / 2 buildings
- Pendleton neighborhood
- 9% LIHTC/Debt
- Combination debt/equity new construction/HOME Funds/County CARES/Greater Cincinnati Foundation
- Estimated development cost: \$20.0M
- Property description: New construction mixed income building with commercial laundry space.
- Estimated financial closing: March 2022
- Construction completion: Spring 2023 (projected)



Logan Commons (upcoming)

- 42 units / 1 building
- 1712 Logan Street (Over the Rhine)
- 9% LIHTC (FHAct50)
- Combination debt/equity new construction
- Estimated development cost: \$13.4M
- Preliminary scope of work: New construction senior housing with first floor senior center that will be managed by Meals on Wheels.
- Projected financial closing: Summer 2022
- Construction completion: Early Spring 2024 (Projected)



LOCATION



Sutter View (completed)

- 114 units / 22 buildings
- English Woods neighborhood
- Combination debt/equity RAD conversion
- Total development cost: \$33.5M
- Scope of work: Extensive interior and exterior upgrades, including new kitchens, door/window replacement, lighting upgrades, plumbing upgrades, new appliances, installation of new siding/roofs, landscaping and more.
- Construction completed: January 2021



The Evanston (completed)

- 100 units / 1 building
- 1820 Rutland Ave. (Evanston neighborhood)
- Debt-only RAD conversion
- Total development cost: \$3.0M
- Scope of work: New unit bathrooms, new unit flooring, new unit paint, electrical system upgrades, common area upgrades, selective cabinet/countertop replacements
- Construction completed: January 2021



Pinecrest (completed)

- 190 units / 1 building
- 3951 W. Eighth Street (Price Hill neighborhood)
- 4% LIHTC
- Combination debt/equity RAD conversion
- Total development cost: \$38.5M
- **Scope of work:** New unit kitchen cabinets, doors, lighting, plumbing fixtures, lighting, appliances and flooring. Existing mechanical systems to be replaced with energy efficient systems. Drywall to cover CMU in common corridors. Elevators to be upgraded. Minor exterior upgrades.
- **Construction completion:** November 2021



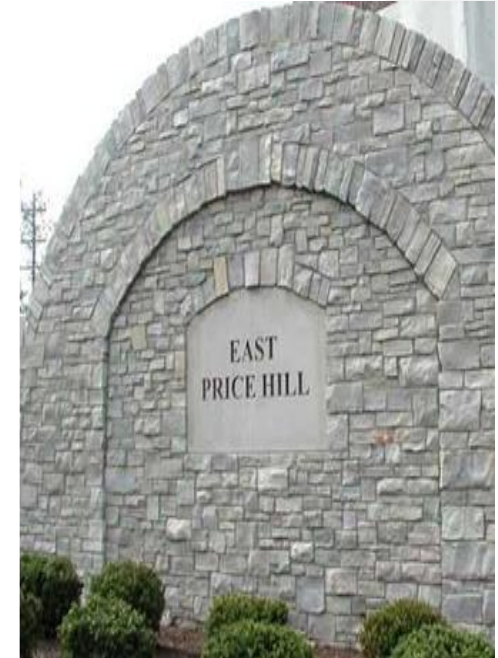
Park Eden (in progress)

- 176 units / 1 building
- 2610 Park Avenue (Walnut Hills)
- 4% LIHTC/Debt
- Combination debt/equity RAD conversion
- Total development cost: \$35.9M
- **Scope of work:** New unit kitchens, bathrooms, flooring, appliances. Units to be reconfigured. Common and management spaces to be upgraded. Vertical sanitary stack replacement.
- **Estimated construction completion:** May 2022



Horizon Hills (in progress)

- 32 units / 3 buildings
- East Price Hill
- No-debt RAD conversion
- Estimated development cost: \$3.3M
- Preliminary scope of work: Moderate rehab with replacement of HVAC system, potential playground, new unit and common area doors, landscaping
- Construction Completion: October 2022 (projected)



Marianna Terrace (upcoming)

- 74 units / 16 buildings
- Lincoln Heights
- 4% LIHTC/Debt
- Combination debt/equity RAD conversion
- Estimated development cost: \$18.3M
- Preliminary scope of work: Moderate rehab with extensive aesthetic upgrades to all units. The property management office will also be reconfigured to serve as a true community space and common outdoor areas will be outfitted with communal furniture.
- Projected financial closing: February 2022
- Construction Completion: April 2023 (projected)



Riverview San Marco (upcoming)

- 131 units / 2 buildings
- East Walnut Hills neighborhood
- 4% LIHTC/Debt
- Combination debt/equity RAD conversion/Historic Tax Credits
- Estimated development cost: \$38.4M
- Preliminary scope of work: Substantial rehab of all units. Likely to include new kitchens, bathrooms, flooring, paint and upgrades to common areas. Building systems will be replaced and upgraded as needed.
- Projected financial closing: October 2022
- Construction Completion: June 2024 (projected)



Maple Tower (upcoming)

- 120 units / 1 building
- 601 Maple Ave. (Avondale neighborhood)
- 4% LIHTC/Debt
- Combination debt/equity RAD conversion
- Estimated development cost: \$27.1M
- Preliminary scope of work: Partial unit kitchen upgrades, flooring installation, new bathrooms, unit paint, unit electrical upgrades. Laundry room upgrades. Replace heating and domestic boilers. Provide central chillers. Installation of new elevator controls and motors. Misc. additional upgrades.
- Projected financial closing: Summer 2022
- Construction Completion: January 2024 (projected)



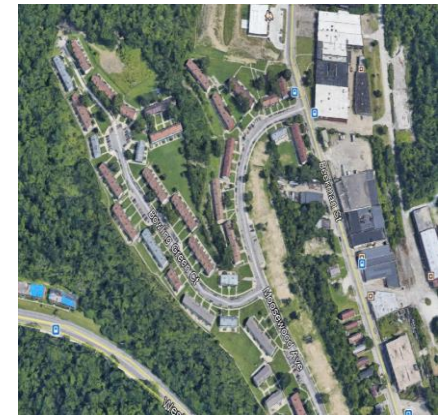
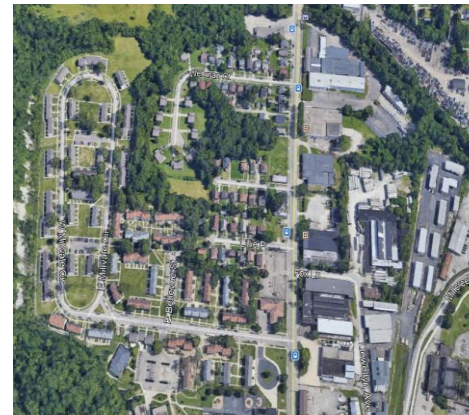
The Beechwood (upcoming)

- 146 units / 1 building
- 330 Forest Ave. (Avondale neighborhood)
- 4% LIHTC/Debt
- Combination debt/equity RAD Conversion
- Estimated development cost: \$36.4M
- Preliminary scope of work: Substantial rehab of all units to include new drywall, paint, insulation installation, new unit kitchens, new unit bathrooms new unit flooring and new appliances. Hot water boilers to be replaced. Central chiller to be installed. Additional system upgrades and aesthetic improvements.
- Projected financial closing: Fall 2022
- Construction Completion: December 2023 (projected)



Millvale (upcoming)

- 468 townhouse-style units in two adjacent communities (Millvale North and Millvale South)
- Bordered by English Woods and South Cumminsville, among other neighborhoods
- Anticipate both 4% and 9% LIHTC
- Co-developer: The Michaels Organization
- Community planning process begins: November 2022 (Projected)
- Estimated Total Development Cost \$164,884,000
- Estimated Completion Date - 2028



Winton Terrace / Findlater Gardens (upcoming)

- 653 units at Findlater Gardens and 608 at Winton Terrace
- Winton Hills Neighborhood
- Anticipate both 4% LIHTC and Historic TC
- Co-developer: Gorman & Company
- Estimated Total Development Costs (W) \$214,208,000
- Estimated Completed Date - 2028
- Estimated Total Development Costs (F) \$230,062,000
- Estimated Completed Date - 2029



Redding/President/Marquette Manor

- 327 Units
- Various Neighborhoods
- Anticipate both 4% and 9% LIHTC Historic
- Estimated Total Development Costs
\$117,320,500
- Estimated Completed Date - 2025

City West

- 600 Units
- West End
- Anticipate both 4% and 9% LIHTC (City Debt Relief)
- Co-developer: Penrose
- Estimated Total Development Costs \$212,290,074
- Estimated Completed Date - 2025



WEST END CHOICE NEIGHBORHOODS



Choice Neighborhoods

- **Choice Neighborhoods** is a competitive grant program that provides flexible resources for PHA's/Local Leaders to help transform high poverty and distress neighborhoods. The goal is to transform these neighborhoods into mixed income communities with affordable housing, safe streets, and good schools every family needs.

Social Equity and Economic Mobility



Preservation of Low-Income Housing with a Mix of Incomes: One for one replacement of low-income units, including mixed-income and potentially mixed-use communities providing onsite services, particularly for seniors.



Investment in People: Individualized personal development plans for each household to improve early education, school, out of school performance, job training, employment, income and health . The project has support from over 50 local community-based organizations.



Economic Impact: Choice Neighborhoods stimulates public and private investment an estimated \$550M in economic impact on the local economy in this City targeted revitalization area is anticipated. The site is located in a Community Development Block Grant Neighborhood Revitalization Strategy Area and partially in an Opportunity Zone.



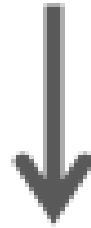
Excellence in Design: Master planned community, connected sidewalks, green open space, high quality building materials, energy efficient systems built in accordance with 2020 Enterprise Green Communities.



Bridging Digital Divide: The West End Transformation Team is planning a 21st century broadband connected neighborhood. Ensure access to services, education, training and job opportunities.

12/16/21 Draft Transformation Plan Framework

Provide preliminary Plan outline and preliminary housing and phasing options



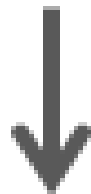
HUD provides input/share with Residents and West End Partners and Neighborhood Stakeholders and incorporate into Draft Transformation Plan

CMHA

04/18/22 Draft Transformation Plan

Defined action items and timeline

1. Impact Statement/Expected Outcomes – quantitative
2. Needs Assessment Baseline
3. Strategy
4. Residents Served
5. Service Providers



HUD provides input/share with Residents and West End Partners and Neighborhood Stakeholders and incorporate into Final Transformation Plan

08/15/22 Final Transformation Plan-For final HUD approval



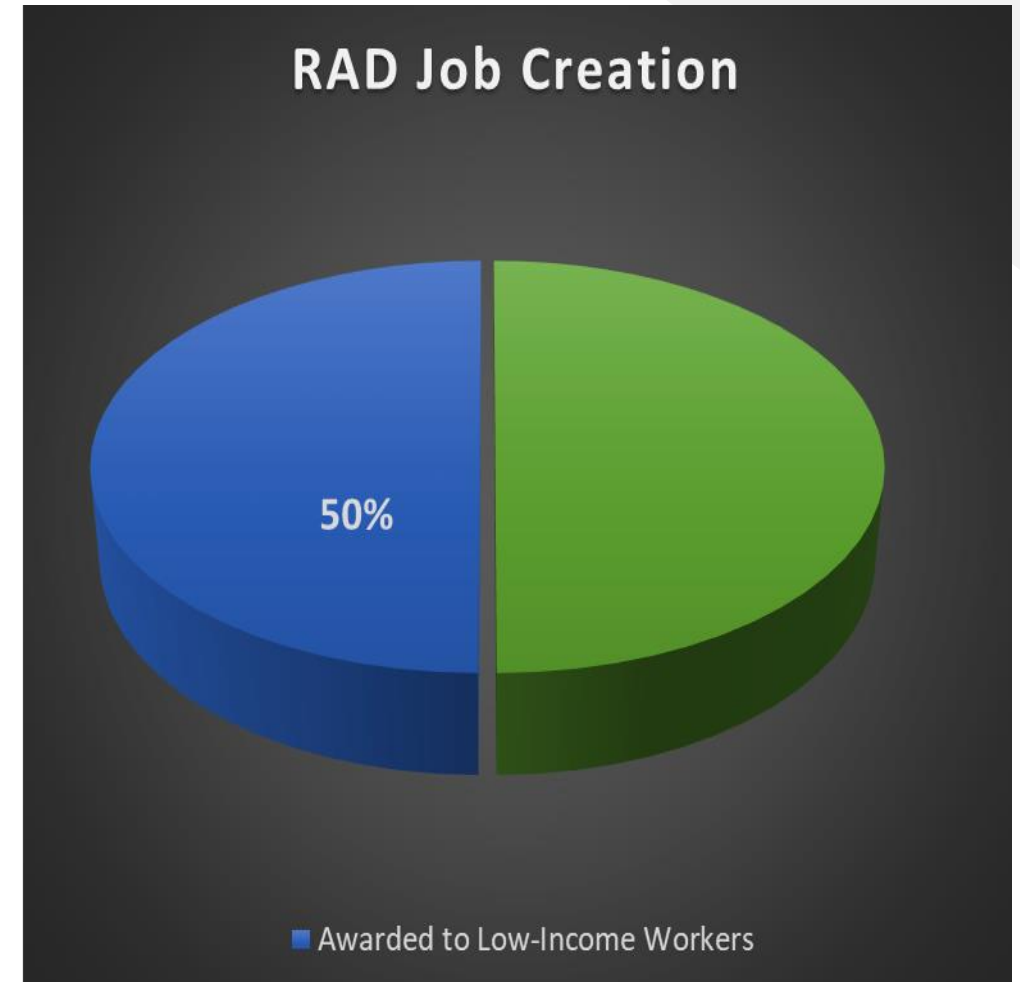
Economic Impact

Job Creation from RAD Projects

Job creation is one of the many direct impact and community benefits of the RAD transformation.

Creating economic opportunities for low-income individuals is paramount to CMHA. These jobs pay a living wage in high demand fields, leading the way to self-sufficiency.

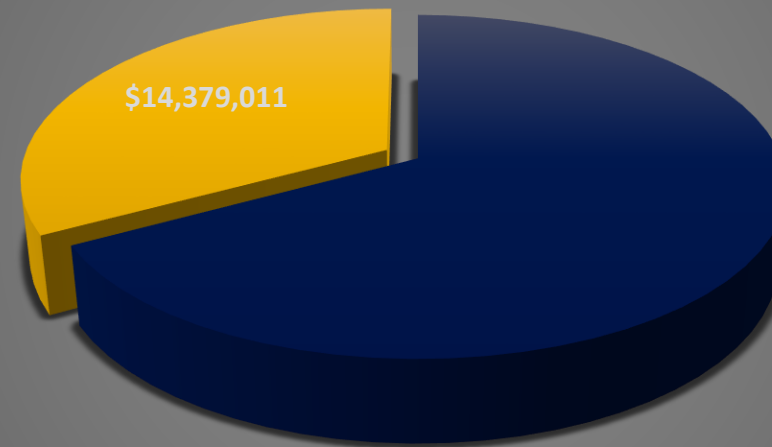
The RAD projects has created 66 new jobs. Of that, 33 of the jobs went to Section 3 individuals.



RAD Spending

CMHA has spent over \$43.6 million on construction on the RAD projects. 33% of that spending went to Section 3 businesses for a total of over \$14 million

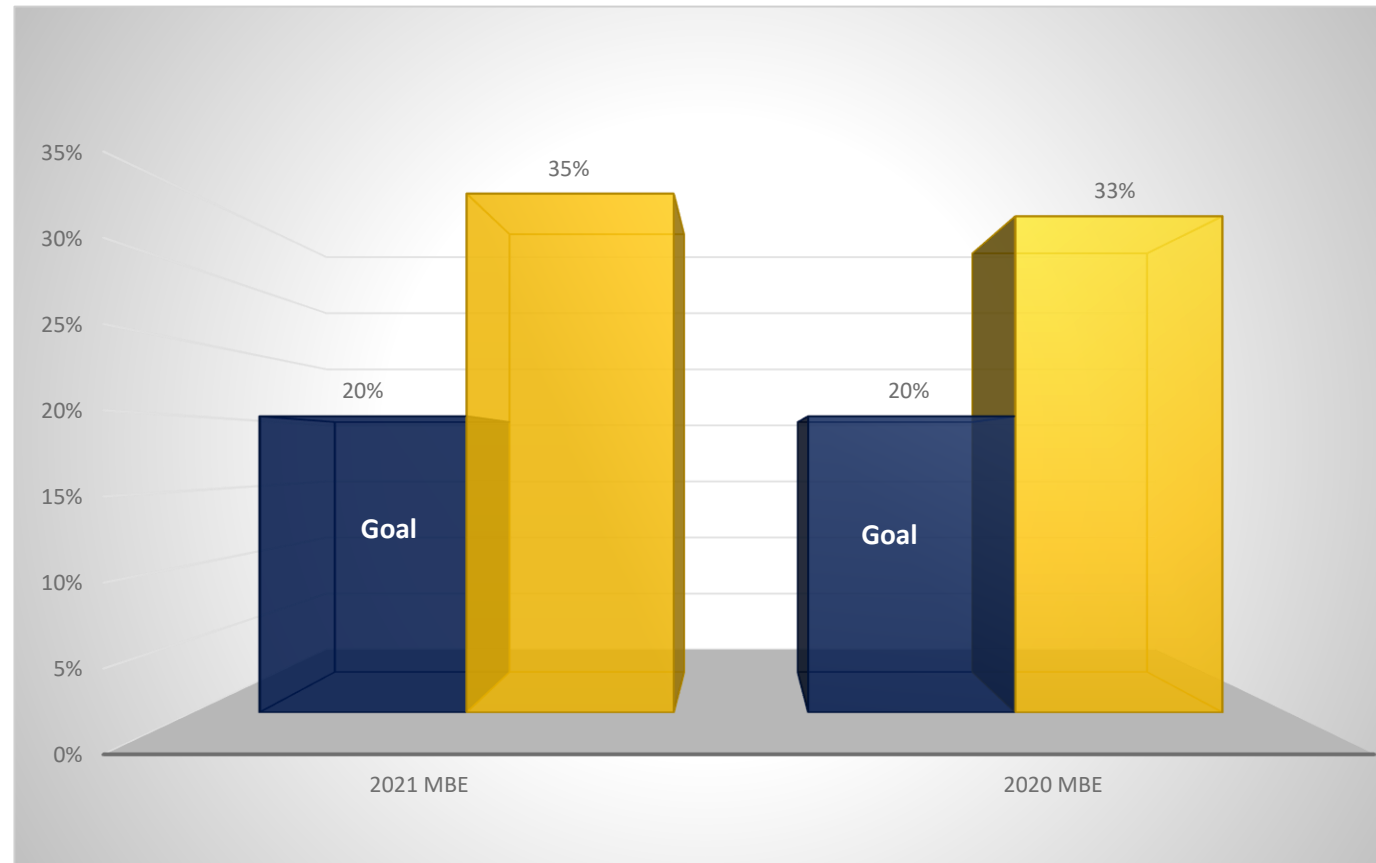
FY 20 & 21 RAD Section 3 Contracts



■ Total awarded to Section 3 businesses (33%)

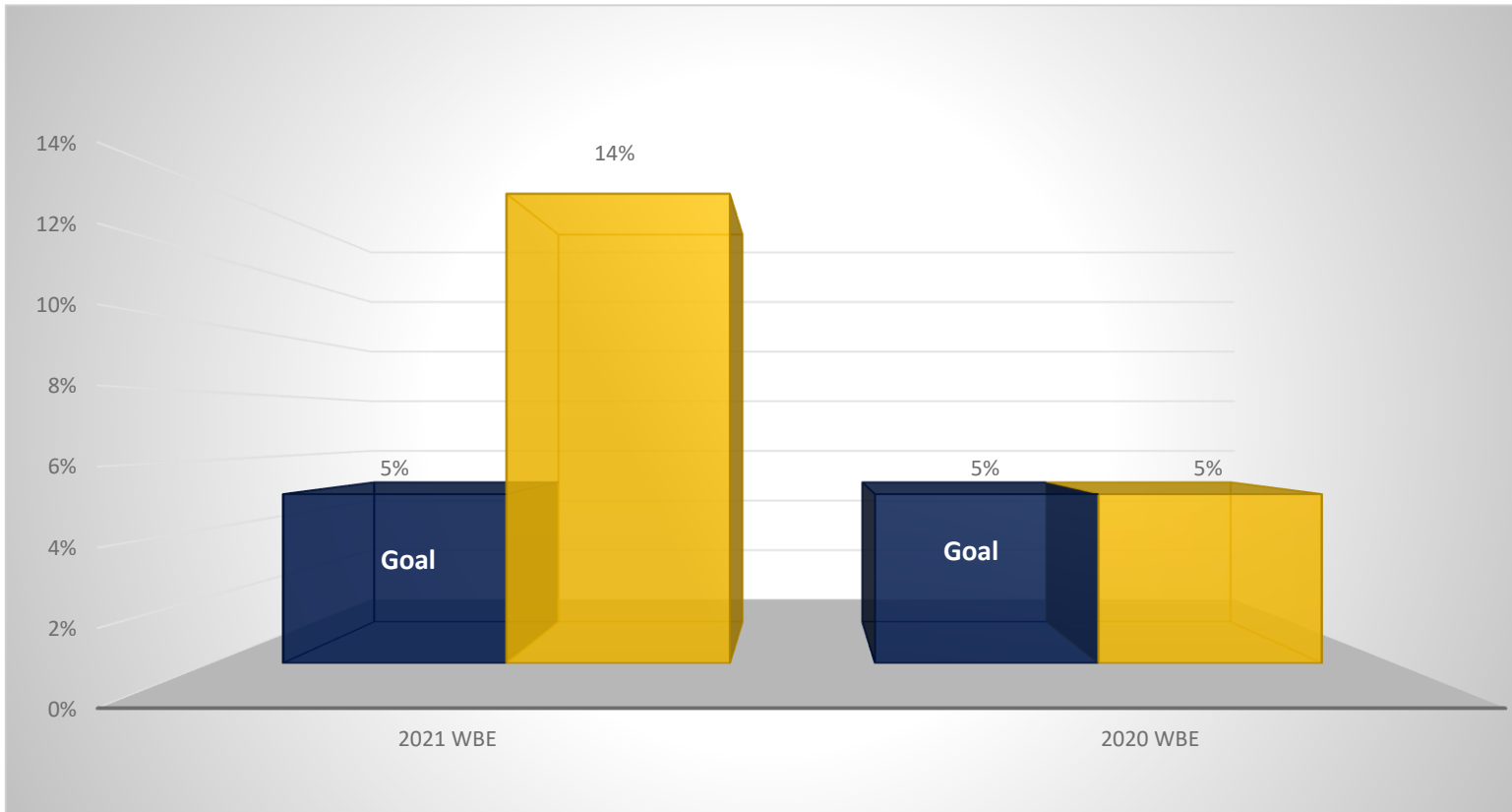
Minority Owned Businesses (MBE)

- CMHA has surpassed the goal of awarding 20% of its contracts to Minority Businesses each year



Women Owned Businesses (WBE)

- CMHA has worked diligently to ensure that contracts are awarded to Women owned businesses.



Community Impact

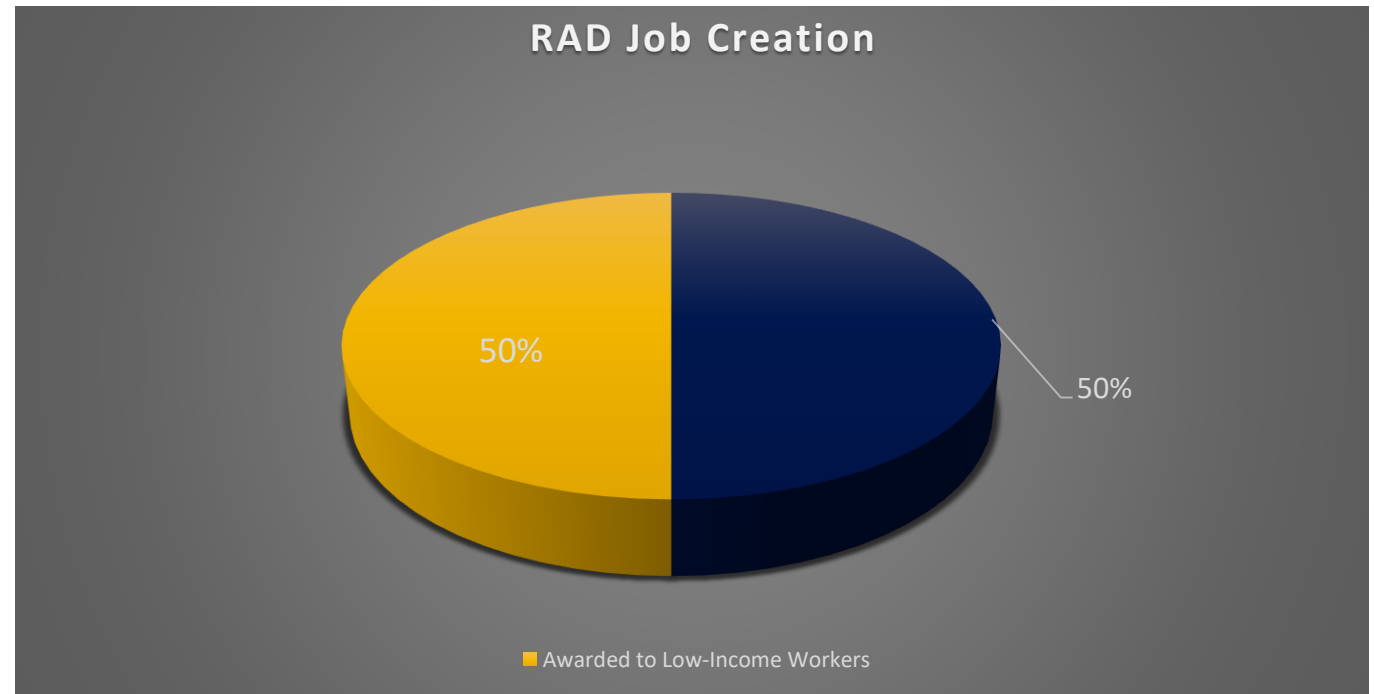
It is paramount that we all strive to move individuals and families toward self-sufficiency as it pertains to their financial well being.



Job Creation

- The RAD jobs created by CMHA pay anywhere from \$24 to \$40 to start out with the potential for training for higher skilled jobs with a greater earning potential.

The RAD projects have created 74 new jobs, 34 (50%) of those jobs went to CMHA residents or other low-income (Section 3) individuals.



Economic Impact

According to the Center for Housing Policy:

- Every dollar of public housing operating expenditures generates an additional **\$0.93** of economic activity in the local market.
- For every dollar of direct Federal spending on capital and maintenance, an additional **\$1.12** of indirect and induced expenditures is generated by suppliers, vendors and wage-earners.

Economic Impact

Total CMHA Development Impact that does not include 25% of our portfolio preservation and does not include the economic impact of Choice Grant

\$1,286,424,258



CMHA/City of Cincinnati - Partners

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- Commit to being a Co-Applicant – Choice Neighborhood Grant
- Commit \$1.5M over six (6) year period (\$1.5M City leverage, \$50M HUD Grant with a potential of \$550M neighborhood impact (estimated))
- Relieve CMHA of City West Debt (to allow for the redevelopment of City West & construction of 66 newly constructed single-family homes)
- Remove Liens on West End Properties to allow for redevelopment (construction of 37 new single-family homes)
- Relieve CMHA of approximately of 300 feet of road responsibility located on Western Northern Blvd (Millvale Redevelopment)
- Allocate \$1M a year for five (5) years to assist with RAD Transformation and new development projects
- City of Cincinnati would leverage \$5M for a total development impact of **\$1,286,424,258**

Questions

