

Housing Trust Fund Project Recommendations

August 3, 2022

Neighborhood Planning and Development Committee



What is the Housing Trust Fund?

- Established in 2018 by Ord. 180719 to implement neighborhood revitalization, housing development, and preservation projects in accordance with the City's housing policy.
- In 2021, Ord. 210873 established the process by which funds would be allocated from the Housing Trust Fund.
 - Created the Housing Trust Fund Board to review applications and recommend projects to Council through a bi-annual RFP process.
 - Named priorities and requirements to guide the review and evaluation of projects.
- \$12,500,000 was allocated to the Housing Trust Fund from the first tranche of American Rescue Plan (ARP) funds. Another \$12,500,000 was allocated from the second tranche.
- For this RFP, up to \$8,300,000 was available to award to projects.

What is the Housing Trust Fund?

GUIDANCE PROVIDED BY ORDINANCE 210873

PRIORITIES:

- The longer the length of the affordability the higher the priority.
- Depth of affordability, higher priority for projects that serve very low (50% AMI) and extremely low (30% AMI) households.
- Number of affordable units created per HTF dollar invested.
- Projects which include a higher percentage of units suitable for families (2+ bedrooms).
- Social housing opportunities (co-ops, land trusts, etc.).

FUNDING REQUIREMENTS:

- 20% for Affordable Rental Preservation (at or below 60% AMI).
- 20% for Affordable Rental Preservation (at or below 60% AMI).
- 10% for Transitional Housing and Permanent Supportive Housing for the Homeless.
- 10% for Homeownership support and/or retention programs (at or below 60% AMI).

The maximum grant awards given to for-profit developers is 10% of their total development costs (15% of total development costs for nonprofits).

First RFP Process

March 2022

An additional \$12.5 million in ARP allocated to the HTF
First RFP for Housing Trust Fund posted
Housing Trust Fund Advisory Board appointed
Developer information sessions hosted

April 2022

Housing Trust Fund board has first meeting
Applications received on April 28, 2022

May – July 2022

Housing Trust Fund board, Housing Department, and Mayor's Office staff meet four times to evaluate and rank applications, resulting in a unanimous recommendation of 14 projects.

Who is the Housing Trust Fund Board?

- Kavya Shankar, Trust Neighborhoods (Chair)
- Erik Dickinson, Urban Ranger Corps
- John Fierro, Mattie Rhodes Center
- Melissa Ferrer-Civil, KC Tenants
- A.J. Herrmann, Accelerator for America
- Shalaunda Holmes, Urban Neighborhoods Initiative
- Geoff Jolley, LISC of Greater Kansas City
- Rosemary Salerno, realtor and owner of Vintage Market Days of Kansas City
- Javon Swopes, KC Tenants
- The Board has been supported by City staff as well as two facilitators: Brent Never (UMKC Midwest Center for Nonprofit Leadership) and Triveece Penelton (Vireo).

General comments from the Board

- The Housing Trust Fund is a central piece of the City's efforts to address our shortage of affordable housing.
- The Board **voted unanimously** on every project included in this recommendation.
- The Board worked diligently and swiftly during this first RFP round due to the **time sensitive nature of ARP dollars**, setting the tone for the rest of their tenure on the Board.
- This round is a step in the right direction, but current funding is not enough; **long-term funding sources** for the Housing Trust Fund are critical to ensure it can operate effectively and at scale.

Overview of applications received

26 applications were received by the deadline (April 28, 2022), requesting a total of \$24.3 million across the four categories specified in the HTF ordinance.

77% of all applications received were located in the 3rd District.

- 2 applications were for projects in the 4th District, 1 application for a project in the 1st District, and 1 application for a project in the 5th District.
- 2 applications were for citywide programs.

16 of the applicants were non-profits, and 10 of the applicants were for-profit entities.

Considerations that guided evaluation

Satisfying ordinance requirements

- Maximum percent of total development costs that may be awarded as a grant to each project (10% if for-profit, 15% if non-profit).
- Meeting priorities and minimum funding requirements.

ARP spending restrictions

- Spend down deadline (12/31/2024).
- Inability to issue as a loan.

Project readiness

- Do they have site control?
- How far along are they in fundraising? Have they secured other non-City funds?

Creativity/innovation

Number of affordable units produced per dollar and level of affordability

Recommended projects

Total HTF funding allocated	\$7,953,360
Number of projects	14
Total number of units across projects	500
Number of affordable units across projects	456
Average HTF investment per unit	\$23,097



Recommended projects by category

	Affordable rental preservation	Affordable rental creation	Transitional & supportive housing	Home-ownership
Funds allocated	\$2,050,000.00	\$1,853,360.00	\$3,136,000.00	\$914,000.00
Projects supported	2	4	5	3
Affordable units created or preserved	178	108	113	57

Palestine Gardens North Rehabilitation

AFFORDABLE RENTAL PRESERVATION

Preserving two 25-year-old buildings, providing 118 units of affordable senior housing.

Applicant Organization	Palestine Economic Development Corporation
Location	33rd Street and Prospect
Council District	3rd
Total units	118
Total restricted units	118
Total budget	\$17,835,978.00
Recommended allocation	\$1,700,000
HTF investment per unit	\$14,407

Affordability Breakdown

Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
0	0	118	0

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AFFORDABLE RENTAL PRESERVATION

Beginning the first phase of remodeling a 60-year-old building, preserving 70 units.

Applicant Organization	Parade Park Homes			
Location	1903A East 15th Terrace			
Council District	3 rd			
Total units	70			
Total restricted units	60			
Total budget	\$15,041,190.00			
Recommended allocation	\$350,000			
HTF investment per unit	\$5,000			
	Affordability Breakdown			
	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
	10	30	0	20

Greenwood Senior Apartments

AFFORDABLE HOUSING CREATION

Developing 49 brand new mixed-income units for seniors.

Applicant Organization	Missouri Housing Partners, LLC				
Location	3711 E 27th Street, Kansas City, MO 64128				
Council District	3 rd				
Total units	49				
Total restricted units	44				
Total budget	\$14,120,917.00	Affordability Breakdown			
Recommended allocation	\$500,000				
HTF investment per unit	\$10,204	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		7	37	0	0

Blue Hills Townhomes

AFFORDABLE HOUSING CREATION

Developing 44 brand new mixed-income multi-generational units.

Applicant Organization	Missouri Housing Partners, LLC				
Location	5015 Garfield Ave				
Council District	3 rd				
Total units	45				
Total restricted units	29				
Total budget	\$12,383,963	Affordability Breakdown			
Recommended allocation	\$600,000				
HTF investment per unit	\$13,333	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		7	22	0	0

Garfield East Senior Cottages

AFFORDABLE HOUSING CREATION

Completing the development of 8 affordable senior and multi-family cottages.

Applicant Organization	Ivanhoe Neighborhood Council							
Location	3800 Block of Garfield in Kansas City, MO							
Council District	3 rd							
Total units	8							
Total restricted units	0							
Total budget	\$2,668,940	Affordability Breakdown						
Recommended allocation	\$370,360				Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
HTF investment per unit	\$46,295				0	7	1	0

Lykins Neighborhood Trust

AFFORDABLE HOUSING CREATION

Creating community-governed ownership over rental homes in Northeast Kansas City.

Applicant Organization	The Lykins Neighborhood Trust				
Location	Northeast Kansas City				
Council District	3rd				
Total units	40				
Total restricted units	27				
Total budget	\$3,830,000	Affordability Breakdown			
Recommended allocation	\$383,000				
HTF investment per unit	\$9,575				
		Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		0	27	0	0

Amethyst Place Expansion at 2770 Tracy

TRANSITIONAL AND SUPPORTIVE HOUSING

Creating 34 supportive, affordable units for extremely low-income families participating in the Amethyst Place program.

Applicant Organization	Amethyst Place				
Location	2770 Tracy, Kansas City, MO 64109				
Council District	3 rd				
Total units	34				
Total restricted units	34				
Total budget	\$14,100,000	Affordability Breakdown			
Recommended allocation	\$500,000				
HTF investment per unit	\$14,706	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		34	0	0	0

Heroes Home Gate Campus

TRANSITIONAL AND SUPPORTIVE HOUSING

Creating a new 24 bed facility to serve homeless veterans (men and women), and provide living support, ADA bedrooms, and social services.

Applicant Organization	Ivanhoe Neighborhood Council				
Location	2005 & 2011 E. 35 th Street				
Council District	3 rd				
Total units	24				
Total restricted units	24				
Total budget	\$5,023,338	Affordability Breakdown			
Recommended allocation	\$750,000				
HTF investment per unit	\$30,208	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		19	5	0	0

The Prospect at 35th

TRANSITIONAL AND SUPPORTIVE HOUSING

Providing 30 supportive units plus community space for individuals with disabilities, and their families.

Applicant Organization	The Whole Person, Inc.				
Location	3436 – 3454 Prospect Avenue				
Council District	3 rd				
Total units	30				
Total restricted units	30				
Total budget	\$7,444,763	Affordability Breakdown			
Recommended allocation	\$1,000,000				
HTF investment per unit	\$33,333	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		7	23	0	0

Synergy Services Domestic Violence Housing

TRANSITIONAL AND SUPPORTIVE HOUSING

Redeveloping 20 permanent housing units for survivors of domestic abuse.

Applicant Organization	KC MASS Services, LLC				
Location	3500 NE Prather Rd.				
Council District	1 st				
Total units	20				
Total restricted units	20				
Total budget	\$8,308,582	Affordability Breakdown			
Recommended allocation	\$750,000				
HTF investment per unit	\$37,500	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		0	20	0	0

Community LINC Housing Proof of Concept

TRANSITIONAL AND SUPPORTIVE HOUSING

Renovating 5 homes in the Ivanhoe Southeast neighborhood to provide rent-to-own opportunities for households transitioning out of homelessness.

Applicant Organization	Community LINC			
Location	39 th St. to Emmanuel Cleaver II Blvd., Bruce Watkins to Prospect Ave.			
Council District	3 rd			
Total units	5			
Total restricted units	5			
Total budget	\$1,076,500			
Recommended allocation	\$161,000			
HTF investment per unit	\$32,200			
Affordability Breakdown				
	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
	0	5	0	0

Health and Environmental Resiliency

HOMEOWNERSHIP – ASSISTANCE AND RETENTION

Supporting 35 households in need of home repairs in urban core neighborhoods.

Applicant Organization	Westside Housing Organization			
Location	Kansas City urban core neighborhoods			
Council District	4th			
Total units	35			
Total restricted units	35			
Total budget	\$350,000			
Recommended allocation	\$350,000			
HTF investment per unit	\$10,000			
Affordability Breakdown				
	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
	0	35	0	0

Revitalization Homeownership Project

HOMEOWNERSHIP – UNIT CREATION

Building 4 new homes for low-income families in the Wendell Phillips Neighborhood.

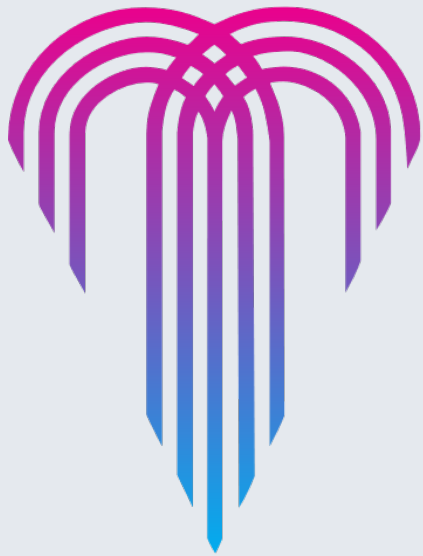
Applicant Organization	Habitat for Humanity Kansas City				
Location	Wendell Phillips Neighborhood				
Council District	3rd				
Total units	4				
Total restricted units	4				
Total budget	\$760,000	Affordability Breakdown			
Recommended allocation	\$114,000				
HTF investment per unit	\$28,500				
		Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		0	0	4	0

Marlborough Townhomes

HOMEOWNERSHIP – UNIT CREATION

Building 18 new two- and three- bedroom owner-occupied row homes for exclusively low-income families.

Applicant Organization	Marlborough Community Land Trust				
Location	1300 E 75 th St. (Marlborough Elementary School Site)				
Council District	5 th				
Total units	18				
Total restricted units	18				
Total budget	\$3,000,000	Affordability Breakdown			
Recommended allocation	\$450,000				
HTF investment per unit	\$25,000	Units at <30% AMI	Units at <60% AMI	Units at <80% AMI	Units at <100% AMI
		0	9	9	0



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