

# Housing Trust Fund Project Recommendations

February 1, 2023

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.
- For this RFP, up to **\$11,380,000.00** 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, with 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.).

# What is the Housing Trust Fund?

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## **FUNDING MINIMUMS:**

- At least 20% for Affordable Rental Creation
- At least 20% for Affordable Rental Preservation
- At least 10% for Transitional Housing and Permanent Supportive Housing
- At least 10% for Homeownership support and/or retention programs

# What is the Housing Trust Fund?

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## MAXIMUM ALLOCATIONS PER PROJECT:

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

The maximum loan award to for-profit developers is 20% of costs (30% of costs for nonprofits).

# RFP Process

- |               |  |
|---------------|--|
| October 2022  | RFP is open<br>Housing Department hosts two workshops for interested applicants                        |
| November 2022 | RFP closes, and Housing Department begins review and scoring of applications                           |
| Dec-Jan 2022  | Housing Trust Fund Advisory Board met three times to review applications and determine recommendations |

# 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 Neighborhood Initiative
- Geoff Jolley, LISC Greater Kansas City
- DaJanae Moreland, KC Tenants
- Rosemary Salerno, realtor and owner of Vintage Market Days of Kansas City
- 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.*

- Unanimous vote
- Many strong applications submitted
- Appreciation for the \$50 million bond, which will allow the work to continue
- Clear demand for additional resources
- Seeking feedback from applicants and community members



# Overview of applications received

34 applications were received, requesting a total of \$63.7 million across the four categories specified in the HTF ordinance.

## Applications by Council District:

- 61% of applications received were in the 3<sup>rd</sup> District (compared to 77% in RFP 1).
- 6 applications were for projects in the 4<sup>th</sup> District, 4 applications were for projects in the 5<sup>th</sup> District, and 2 applications were for projects in the 6<sup>th</sup> District.

19 of the applicants were non-profits, and 15 of the applicants were for-profit entities.

11 of the applicants sought loans, and 23 sought grants.

# Considerations that guided evaluation

## Satisfying ordinance requirements

- Maximum percent of total development costs that may be awarded per project.
- Meeting priorities, funding requirements, and minimum affordability period.
- Compliance with set-aside requirements.

## Project readiness

- Do they have site control?
- How far along are they in fundraising? Have they secured other non-City funds?  
If they applied for LIHTC, were they successful?

## Creativity/innovation

Number of affordable units produced per dollar and level of affordability

# Recommended projects

<b>Total HTF funding allocated</b>	<b>\$11,262,170.00</b>
<b>Number of projects</b>	<b>12</b>
<b>Number of affordable units created/preserved</b>	<b>542</b>
<b>Average HTF investment per unit</b>	<b>\$33,534.51</b>

# Recommended projects by category

	<b>Affordable rental creation</b>	<b>Affordable rental preservation</b>	<b>Transitional &amp; supportive housing</b>	<b>Home-ownership</b>
<b>Funds allocated</b>	\$2,300,000	\$2,525,362	\$4,638,378	\$1,798,430
<b>Projects supported</b>	2	3	4	3
<b>Affordable units created or preserved</b>	65	262	177	37

# Crescendo

## AFFORDABLE RENTAL CREATION

*39 townhome units sized for families, near 18<sup>th</sup> & Vine; part of UNI's Purpose Built Communities effort to revitalize Wendell Phillips.*

Applicant Organization	<b>UNI &amp; Brinshore (dba UNI Crescendo, LLC)</b>
Location	<b>2401 Highland Avenue / 3<sup>rd</sup> District</b>
Total units	<b>39</b>
Total affordable units	<b>30</b>
Length of affordability	<b>30 years</b>
Total budget	<b>\$15,206,864</b>
Recommended allocation	<b>\$2,000,000 (Loan)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
6	11	13	9

# Oak Park Townhomes

## AFFORDABLE RENTAL CREATION

*28 3-bedroom, townhouse apartments and 7 one-bedroom units, serving families and veterans.*

Applicant Organization	<b>Oak Park Neighborhood Association</b>
Location	<b>38<sup>th</sup> Street and Prospect Avenue / 3<sup>rd</sup> District</b>
Total units	<b>35</b>
Total affordable units	<b>35</b>
Length of affordability	<b>30 years</b>
Total budget	<b>\$15,072,092</b>
Recommended allocation	<b>\$300,000 (Loan)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
23	0	12	0

# Allenwood Properties

## AFFORDABLE RENTAL PRESERVATION

*Rehabilitation and historic preservation of 9 apartments, across the street from Hope Leadership Academy.*

Applicant Organization	<b>Allenwood Properties, LLC</b>
Location	<b>2811 &amp; 2815 E Linwood Blvd / 3<sup>rd</sup> District</b>
Total units	<b>9</b>
Total affordable units	<b>9</b>
Length of affordability	<b>99+ years</b>
Total budget	<b>\$2,253,623</b>
Recommended allocation	<b>\$225,362 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
6	3	0	0

# Bridgeport Apartments

## AFFORDABLE RENTAL PRESERVATION

*Rehabilitation of a 232-unit affordable housing community in Southeast Kansas City, originally built in 1987.*

Applicant Organization	<b>Overland Property Group</b>
Location	<b>8426 E 108<sup>th</sup> Street / 6<sup>th</sup> District</b>
Total units	<b>232</b>
Total affordable units	<b>232</b>
Length of affordability	<b>31-50 years</b>
Total budget	<b>\$26,848,853</b>
Recommended allocation	<b>\$2,000,000 (Loan)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
0	72	160	0



# Lykins Neighborhood Trust

## AFFORDABLE RENTAL PRESERVATION

*Community-led acquisition of 33 units to preserve affordability in perpetuity.*

Applicant Organization	<b>Lykins Neighborhood Association &amp; Trust Neighborhoods (dba Lykins Neighborhood Trust)</b>				
Location	<b>5701, 5703, 5705 St. John Ave / 3<sup>rd</sup> District</b>				
Total units	<b>33</b>				
Total affordable units	<b>22</b>				
Length of affordability	<b>99+ years</b>				
Total budget	<b>\$3,000,000</b>	<b>Affordability Breakdown</b>			
Recommended allocation	<b>\$300,000 (Grant)</b>				
		<b>Units at &lt;30% AMI</b>	<b>Units at 31-50% AMI</b>	<b>Units at 51-60% AMI</b>	<b>Units &gt;60% AMI</b>
		0	0	22	0

# St. Michael's Housing Phase III

## TRANSITIONAL & SUPPORTIVE HOUSING

*Affordable housing with services for veterans, leveraging federal and state tax credits and Housing Authority voucher programs.*

Applicant Organization	<b>St. Michael's Veterans Center Inc.</b>
Location	<b>3835 Chelsea Drive / 3<sup>rd</sup> District</b>
Total units	<b>62</b>
Total affordable units	<b>55</b>
Length of affordability	<b>30 years</b>
Total budget	<b>\$16,472,956</b>
Recommended allocation	<b>\$1,500,000 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
17	0	38	0

# Amethyst Place Expansion

## TRANSITIONAL & SUPPORTIVE HOUSING

*Supportive housing for women and children in recovery from substance use, poverty, and trauma.*

Applicant Organization	<b>Amethyst Place</b>
Location	<b>2770 Tracy / 3<sup>rd</sup> District</b>
Total units	<b>37</b>
Total affordable units	<b>37</b>
Length of affordability	<b>99+ years</b>
Total budget	<b>\$15,400,000</b>
Recommended allocation	<b>\$500,000 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
37	0	0	0

# Bodhi Kansas City

## TRANSITIONAL & SUPPORTIVE HOUSING

*53 new units of mixed-income housing with comprehensive support services for persons experiencing homelessness and mental illness.*

Applicant Organization	<b>Vecino Group, LLC &amp; SAVE, Inc.</b>
Location	<b>4100 E 39<sup>th</sup> Street / 3<sup>rd</sup> District</b>
Total units	<b>53</b>
Total affordable units	<b>47</b>
Length of affordability	<b>30 years</b>
Total budget	<b>\$15,556,962</b>
Recommended allocation	<b>\$2,000,000 (Loan)</b>

### Affordability Breakdown

<b>Units at &lt;30% AMI</b>	<b>Units at 31-50% AMI</b>	<b>Units at 51-60% AMI</b>	<b>Units &gt;60% AMI</b>
15	0	32	0

# Lion House

## TRANSITIONAL & SUPPORTIVE HOUSING

*38-unit cottage community with navigation center for LGBTQ+ individuals and families.*

Applicant Organization	<b>Our Spot KC</b>
Location	<b>E 61<sup>st</sup> Street and Swope Pkwy / 5<sup>th</sup> District</b>
Total units	<b>38</b>
Total affordable units	<b>38</b>
Length of affordability	<b>31-50 years</b>
Total budget	<b>\$4,255,851</b>
Recommended allocation	<b>\$638,377 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
38	0	0	0

# 29<sup>TH</sup> Belleview Townhomes

## HOMEBUYER ASSISTANCE AND RETENTION

*Turning a vacant property into intergenerational townhomes, with full ADA accessibility and energy efficient features.*

Applicant Organization	<b>Hispanic Economic Development Corporation</b>
Location	<b>913 W 29<sup>th</sup> Street / 4<sup>th</sup> District</b>
Total units	<b>9</b>
Total affordable units	<b>9</b>
Length of affordability	<b>99+ years</b>
Total budget	<b>\$2,600,000</b>
Recommended allocation	<b>\$360,000 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
9	0	0	0

# Northeast Community Land Trust

## HOMEBUYER ASSISTANCE AND RETENTION

*Expanding Community Land Trust activity in the Northeast to create long-term affordable homeownership options.*

Applicant Organization	<b>Jerusalem Farms</b>
Location	<b>Kansas City’s Historic Northeast / 3<sup>rd</sup> District</b>
Total units	<b>9</b>
Total affordable units	<b>8</b>
Length of affordability	<b>99+ years</b>
Total budget	<b>\$1,504,750</b>
Recommended allocation	<b>\$225,000 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
4	1	3	0

# Scaling Attainable Homes – Phase 1

## HOMEBUYER ASSISTANCE AND RETENTION

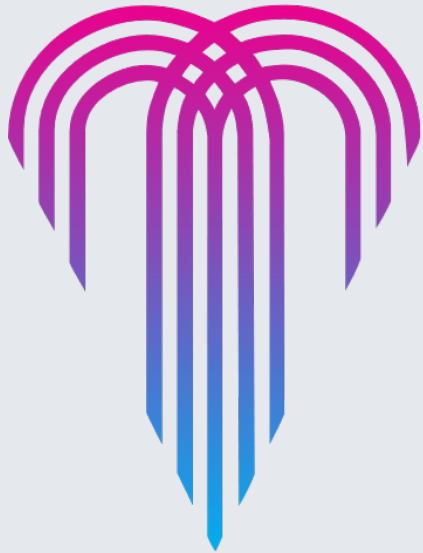
*Creating 20 certified “passive houses” and providing homeownership programming and services to help renters transition into ownership.*

Applicant Organization	<b>Community LINC</b>
Location	<b>Ivanhoe and Oak Park / 3<sup>rd</sup> District</b>
Total units	<b>20</b>
Total affordable units	<b>20</b>
Length of affordability	<b>30 years</b>
Total budget	<b>\$8,089,536</b>
Recommended allocation	<b>\$1,213,430 (Grant)</b>

### Affordability Breakdown

Units at <30% AMI	Units at 31-50% AMI	Units at 51-60% AMI	Units >60% AMI
0	15	5	0





# KANSAS CITY MISSOURI