What brought you to the PHA?
What was your background and goals when arriving?

I have been the Executive Director for Rock Island Housing Authority (RIHA) since 2000. I have been instrumental in the establishment of Community Housing Services (CHS) in 2003 a not-for-profit corporation to reduce RIHA dependence on U.S. Department of Housing and Urban Development (HUD) subsidies. RIHA and CHS came together in 2019 to operate as Community Home Partners (CHP). I have more than 40 years of leadership experience throughout the Midwest in private and public housing management, project-based management, urban development, recovery strategies, and plan implementation. During my tenure, CHP will have invested over $70M in the city of Rock Island, has received more than 50 National Association of Housing and Redevelopment Officials (NAHRO) Merit Awards and has received more than 15 High Performer (public housing and housing choice voucher) designations from HUD among other unique and unparalleled accomplishments.
What were your goals for this particular property?
What were the long-standing issues with this property?
Physical, Occupancy Rates, and Financial?

Sunset Heights was built in 1968. It is an eleven-story building with 141 apartments consisting of studio, one-, and two-bedroom apartments. It was difficult for RIHA to secure the funding required to preserve the property as a high-quality affordable housing solution for residents long-term. RAD allowed RIHA to leverage public and private debt and equity to reinvest in Sunset Heights and retain it as a long-term viable property.

How did you hear about RAD? What convinced you it was time to move forward with RAD for this property?

RIHA has always evaluated the merits of new and innovative HUD programming including Asset Management, Moving to Work, Operating Fund Finance Program, Hope VI, and Choice Neighborhoods to mention a few. RIHA applied to HUD for the RAD program in 2014. The Agency received a Commitment to enter into a Housing Assistance Payment (CHAP) in 2015 for three of its properties plus a non-dwelling property and multiple vacant lots. Following an intensive financial feasibility study, only Sunset Heights was recommended for conversion to the RAD program.
You decided you wanted to reposition your property using RAD, what other elements were in your strategy to recapitalize your property?

We recapitalized our property with multiple funding partners for a total investment of $11.4 million, including PHA funds and utilizing programs with the state development authority.

Have you dealt with mixed finance multifamily transactions before this project? What were the steps taken to organize your funding sources (in addition to RAD)?

CHS is a nonprofit that was created 15 years ago when RIHA established its’ Asset Management Plan. Over that 15 years we have transitioned much of the HUD subsidized housing to brand new neighborhoods owned by CHS. Here are a few examples:

- We have demolished 167 units of obsolete public housing;
  - constructed 186 units of brand new homes, apartments, townhomes, duplexes; and
  - have substantially renovated 141 apartments.
- To date, we have invested $59 million into the City of Rock Island and its’ citizens and we are not done yet. We have plans to demolish and replace Lincoln homes, a scattered site multi-family project, which will raise the investment to $70 million dollars.
- We have transitioned to an organization that provides neighborhoods of choice.
We utilized a Request for Qualifications (RFQ) to identify our development team. First, we identified the project and detailed what we want to accomplish with that project as a general scope of work. That scope of work became the basis for the RFQ. The RFQ response(s) were evaluated on the expertise of the developer and the strength of the architect, and the legal team that they brought to the table. Once the team has been selected, they identified funding sources, further define the scope of work, and selected a general contractor, who in turn utilized their network of professionals to complete the project. The Community Home Partners Development Coordinator worked in concert with the development team ensuring that the project remained on time and within budget and accomplished the original goals of the project.

Who was part of your team to complete the conversion (consultants, local developers)? What steps did you take to form your team? Did you network to build your team?

We utilized a Request for Qualifications (RFQ) to identify our development team.
What challenges did you need to overcome to complete the property conversion?

The original scope of the project was much broader, more involved, and more costly than the final budget allowed. Originally, new trash rooms were to be constructed on each floor at the south end of the corridor. The covered front entrance was to be demolished and replaced with a new three-story covered entry area constructed to clearly identify the main entrance and help with the overall aesthetics of the structure. Laundry rooms were to be constructed on each floor and a resident library was to be added. In addition, the grounds were going to be completely re-landscaped.

However the project needed to be scaled back to fit within the final budget and some of the planned upgrades were not completed. Nonetheless staff teamed up and did the landscaping themselves by transplanting bushes from a soon-to-be demolished property and filling in smaller plants from a local garden shop. In the end, the project was completed on time and within budget and all involved had a special sense of ownership and pride in the property.

Please describe how the property is performing now. Physical, Occupancy rates, Financial?

The Debt Service Coverage Ratio for the building is: 2.21.

Currently, the buildings cash flow is $2,500 to $3,000 a month. Historically the agency averages 97% occupancy - Two Rivers Point is still in the first year of new occupancy and is currently 93% occupied. We anticipate that once we reach a stable 97% occupancy the cash flow will increase.

Reserve accounts are funded as required by the tax credit investor and are adequate to cover any property needs.
How is on-site staffing managed?

Property management of Two Rivers Point was transferred to Community Housing Services in 2018 and Community Home Partners in 2019. At that time, the building was rebranded as Two Rivers Point. Onsite staff includes a fulltime property manager and assistant, lead maintenance, maintenance technician, and a custodian. A Family Self-Sufficiency (FSS) resident services coordinator is also part of the team and is on site two -to three days per week.

What comments have you received from tenants before and after the conversion?

Before the conversion, there was some fear and trepidation about the change, but as communication continued and questions were answered, tenants became excited and emotionally involved in the conversion and renovation process.

Feedback from tenants that remained in the building during the renovation process (moving from an old apartment to a newly renovated apartment) as well as new residents love their apartment and the overall feel of the building. Some comments include:

- “I love the new layout in the kitchen – it has a more open floor plan and makes the whole unit look and feel larger.”
- “Handicapped units are far more spacious and easier to get around in.”
- “The colors used for the appliances, paint and floors are beautiful! It doesn’t look or feel institutional anymore! It feels like home.”
- “I love the wooden floors! They are so much easier to keep clean.”
- “Everything looks and feels so new and clean and fresh – I love it!”
- “I love the carpeted hallways and the new lighting. It’s brighter, cleaner, quieter, and feels much more welcoming.”
- “I love living here.”
What would you say to Executive Directors, other PHA senior staff, and Board members that are considering RAD? Do you have any particular advice you would like to share?

Our Agency is strong and has remained strong because we have a plan in place. We know what we want to and need to accomplish with each of our properties. We know what needs to be done to meet the needs of current and future residents and the communities we serve because we are in constant communication with our board of directors, our strategic partners, community leaders and clients. To that end, we evaluate projects, programs and funding opportunities based on those goals – we never look at funding or programs to satisfy a short-term challenge, rather, how does this funding opportunity or program help us further our mission and purpose; to meet the changing housing needs of the diverse population we serve.

What are current and future goals for your PHA? Do you expect to complete more public housing repositioning?

Neighborhood revitalization initiatives create an infrastructure for families that encourages housing success and supports economic development. An adequate supply of high-quality housing has a positive effect on business investment and growth within the City and the surrounding Quad Cities community. By developing new neighborhoods based on transition and hope, CHP is taking an active role in impacting the quality of life for the entire region. Neighborhood revitalization is based on the notion that cities can-and should-be renewed for the sake of their residents. It eliminates obsolete housing and blight, increases the tax-base, and creates housing options and opportunities for a broad-base market. Neighborhood revitalization is more than building housing – it’s about rebuilding communities and the lives of the people living there. Community Home Partners is committed to providing housing to a broad-based market offering more choices and more options for all income levels, age groups and household sizes and types.

The Community Home Partners Business Plan includes the future development of another $60 Million of real estate improvements.

Our future initiatives include:
- Another RAD Conversion
- Voluntary conversion of a 200 unit high rise and a 33 unit family site
- Development of new senior housing
- Creation of a homeownership plan and the development of for-sale homes
- Completion of a family LIHTC project currently in progress
- Expansion of a mixed income family project
- Recapture of a LIHTC loft warehouse apartment project at the end of its 15 year compliance period
- Expansion of our resident services program, THRIVE
As we celebrate the past 80 years of service to the people of Rock Island, we are re-committing this organization, under its new name- Community Home Partners- to:

- Develop neighborhoods that attract those who value diversity and vitality;
- We will continue helping individuals and families accomplish economic independence and housing self-sufficiency; And,
- We will be creating communities people are proud to call “home”
- We create beautiful homes and thriving neighborhoods positively impacting the entire Rock Island community.
- We believe putting the word “home” at the center of our name more clearly represents our goals.

The CHP goals and business plan portray the energy and excitement to creating exceptional homes for current and future residents. Whether you are a single person just starting out, a young family establishing roots, a military veteran, a person with a special need, or are an older adult wanting to downsize; this is Community Home Partners’ vision for the future, and we are ready to welcome you home.