

Special Meeting of the Board of  
Commissioners  
Thursday, March 28, 2024 8:30 AM  
First Floor Boardroom  
1823 Harney Street  
Omaha, NE 68102

1. ANNOUNCEMENT OF OPEN MEETINGS ACT
2. ROLL CALL
3. PUBLIC COMMENTS
4. ACTION ITEMS
  - 4.1. Resolution 2024-26 Authorization of General Counsel to Execute Contracts

# Memorandum

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To: OHA Board of Commissioners  
From: Brian Hansen, General Counsel  
Date: March 28, 2024  
Re: Authorized Signers

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## **RECOMMENDED ACTION:**

Section 7 of OHA's Bylaws provides:

The Executive Director shall sign, on behalf of OHA, all contracts and other documents approved by the Board unless federal or state regulations require otherwise; appoint, remove, discipline, and supervise as necessary or as may be requested by the Board; authorize and certify payrolls, requisitions, and other documents relating to the financial affairs of the Board and perform such other duties as may from time to time be prescribed for the Executive Director by the Board.

This Section also provides that the Executive Director may delegate such administrative duties as are consistent with these Bylaws and such other rules and regulations as may from time to time be approved by the Board.

This resolution would authorize OHA's General Counsel, Brian Hansen, as alternate signer in the Executive Director's absence.

**RECOMMENDED BY:** Joanie Poore, CEO

**RESOLUTION NO. 2024 – 26**  
**AUTHORIZATION OF GENERAL COUNSEL AS ALTERNATE SIGNER**

**WHEREAS**, Section 7 of OHA’s Bylaws provides that the Executive Director shall sign, on behalf of OHA, all contracts and other documents approved by the Board unless federal or state regulations require otherwise; appoint, remove, discipline, and supervise as necessary or as may be requested by the Board; authorize and certify payrolls, requisitions, and other documents relating to the financial affairs of the Board and perform such other duties as may from time to time be prescribed for the Executive Director by the Board;

**WHEREAS**, Section 7 of OHA’s Bylaws also provides that the Executive Director may delegate such administrative duties as are consistent with these Bylaws and such other rules and regulations as may from time to time be approved by the Board; and

**WHEREAS**, OHA staff recommends that the Board authorize OHA’s General Counsel, Brian Hansen, as alternate signer for occasions when the CEO is not available;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Omaha hereby authorize OHA’s General Counsel, Brian Hansen, as alternate signer on behalf of OHA for all contracts and other documents approved by the Board unless federal or state regulations require otherwise; appoint, remove, discipline, and supervise as necessary or as may be requested by the Board; authorize and certify payrolls, requisitions, and other documents relating to the financial affairs of the Board.

\_\_\_\_\_  
Joel Dougherty, Vice Chair  
OHA Board of Commissioners

ATTEST

I, Joanie Poore, Secretary of the Housing Authority of the City of Omaha, do hereby certify that this resolution was properly adopted at the meeting of the Board of Commissioners of the Housing Authority of the City of Omaha held March 28, 2024.

\_\_\_\_\_  
Joanie Poore, Secretary  
Housing Authority of the City of Omaha

## 4.2. Resolution 2024-27 Authorization to Execute Closing of Kennedy Square West

# **HOUSING AUTHORITY OF THE CITY OF OMAHA REGULAR MEETING OF THE BOARD OF COMMISSIONERS**

Resolution authorizing the Chief Executive Officer to execute and deliver all closing documents pertaining to the Kennedy Square West development, which is a Choice Neighborhoods Initiative transaction, and authorizing the Chief Executive Officer or her designee to take such other actions as the Chief Executive Officer deems necessary to carry out this resolution and closing.

## **RESOLUTION NO. 2024-\_\_**

**WHEREAS**, on June 27, 2019, the United States Department of Housing and Urban Development (“**HUD**”) selected the Housing Authority of the City of Omaha (“**OHA**”) and the City of Omaha to receive a Fiscal Year (FY) 2019 Choice Neighborhoods Initiative (“**CNI**”) Implementation Grant to support the CNI Transformation Plan to redevelop and replace the public housing site known as Spencer Homes in the Omaha neighborhood (“**Spencer Homes**”);

**WHEREAS**, OHA, the City, and Brinshore Development, L.L.C., a Nebraska limited liability company (the “**Developer**”) entered into that certain Master Development Agreement dated as of April 28, 2021 (collectively, the “**Agreement**”);

**WHEREAS**, pursuant to the Agreement, Developer, the City, and OHA are developing Spencer Homes in multiple phases, including this final phase, which entails the development of an approximately thirty-nine (39) unit rental housing project, commonly known as “Kennedy Square West” (the “**Project**”) to be owned by Kennedy West, LLC (the “**Owner**”);

**WHEREAS**, OHA is the fee interest owner of the underlying real property of the Project (the “**Property**”),

**WHEREAS**, of the thirty-nine (39) units, sixteen (16) will receive Section 8 Project Based Voucher (“**PBV**”) assistance and twelve (12) will be unrestricted market rate units;

**WHEREAS**, OHA will ground lease the Property to the Owner pursuant to a ground lease agreement (the “**Ground Lease**”);

**WHEREAS**, OHA will provide construction to permanent loans to the Owners with a portion of the CNI grant funds and Capital Funds for the development of the Project (the “**OHA Loans**”);

**WHEREAS**, the Owner has secured additional financing for the development of the Project, including, but not limited to, equity from the sale of low income housing tax credits, and construction/permanent financing from private lenders, the City, and the Nebraska Department of Economic Development (collectively with the OHA Loans, the “**Project Financing**”);

**WHEREAS**, pursuant to the requirements of the CNI grant, OHA and the Owner will enter into a Declaration of Restrictive Covenants for the Choice Neighborhoods Initiative Program ensuring the long-term affordability of the Project and such other documents as required by HUD

under the CNI program (collectively, the “**CNI Documents**”);

**WHEREAS**, OHA will provide approximately sixteen (16) PBVs to the Owner pursuant to the Agreement to Enter into a Housing Assistance Payment Contract (“**AHAP**”);

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Omaha have determined that it is in the best interest of OHA to undertake the Project and the transactions provided herein.

**NOW, THEREFORE, BE IT RESOLVED THAT:** The Board of Commissioners of the Housing Authority of the City of Omaha hereby authorizes and approves:

1. That Joanie Poore, the Chief Executive Officer of OHA, is hereby authorized, empowered and directed to enter the (i) Ground Lease, (ii) documents evidencing the OHA Loans, (iii) CNI Documents, (iv) AHAP, and any additional or ancillary documents, instruments, certifications, guarantees, and agreements required thereunder and to take such further actions to carry out the forgoing transactions and as may be necessary in connection with the closing of the Project or related thereto;
2. That Joanie Poore, the Chief Executive Officer of the Authority, is authorized, empowered, and directed to negotiate and execute any and all necessary documents, agreements, and/or certifications necessary to complete and close with all financing partners with respect to the Project; and
3. That to the extent any of the actions authorized by this Resolution have already been taken, such actions are hereby ratified and confirmed as the valid actions of the OHA, effective as of the date such actions were taken.

***MOVED/SECONDED:***

**Resolution moved by Commissioner** \_\_\_\_\_

**Resolution seconded by Commissioner** \_\_\_\_\_

***VOTE:***

Member	Yes	No	Abstain	Absent

Executed this \_\_<sup>th</sup> day of \_\_\_\_\_, 2024.

ASSENT:

APPROVAL:

\_\_\_\_\_

\_\_\_\_\_

**CERTIFICATION OF RESOLUTION**

I, [\_\_\_\_\_], do hereby certify that this Resolution No. \_\_\_\_\_ was approved by the Board of Commissioners at a duly held and authorized meeting of the Board, that I am the person authorized to sign this certification, consistent with the State law and By-laws of the Board of Commissioners, and that the statements contained herein are a true and accurate account of the Board's action.

\_\_\_\_\_

Date

HUD, OHA, and other federal, state, and local laws, rules and regulations.

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Date

**MIXED-FINANCE  
DEVELOPMENT PROPOSAL**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0275  
(exp. 07/31/2026)

*The public reporting burden for this collection of information is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, Paperwork Reduction Project, Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, DC 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.*

*This collection of information is required for developing a Mixed-Finance rental project pursuant to HUD regulations 24 CFR 905. The information will be used to provide HUD with sufficient information to enable a determination that the proposed housing project is demographically and financially feasible and that HUD statutory and regulatory requirements have been met. No assurances of confidentiality are provided for this information collection.*

Public Housing Authorities (PHAs) must obtain HUD's approval before developing new public housing or undertaking the major modernization of an existing public housing development. Under 24 CFR 905.606, PHAs must submit this Development Proposal to HUD for all types of housing development that will utilize public housing funds, including capital or operating funds, so that HUD can assess the viability and financial feasibility of a proposed development and assure its compliance with public housing regulations. This Development Proposal must also be submitted for development of any public housing or non-public housing units funded through a Choice Neighborhoods grant. If a PHA does not submit a Development Proposal and secure HUD approval, the PHA may have to repay any public housing funds used in conjunction with the project.

The purpose of this document is to provide a template for the Development Proposal's preparation. Information may be typed directly into this form. This template may be used for all types of public housing development. However, it is required to be used for mixed-finance public housing development and for development funded through a Choice Neighborhoods grant. This document may also be used for projects involving the refinancing of existing projects, projects require a Section 30 approval, and other initiatives as needed

This document, along with its attachments, generally includes all information required to be included in a Development Proposal, though HUD reserves the right to request additional information, or to require less information, to carry out its review. In addition, for mixed-finance and Choice Neighborhoods projects, this document identifies additional documentation needed for HUD to complete a Subsidy Layering Analysis for the project, as required under section 102(d) of the HUD Reform Act of 1989.

For non-mixed-finance public housing development, the Development Proposal and all attachments must be submitted to the appropriate HUD Field Office.

For mixed-finance projects, Choice Neighborhoods projects, or other types of projects, the Development Proposal and all attachments must be submitted to the Office of Public Housing Investments at HUD Headquarters. PHAs should work with their assigned HUD Project Manager to prepare the Development Proposal. Submissions must be made well in advance of closing to allow adequate time for review and approval.

**Section 1: Project Information**

PHA: Omaha Housing Authority

Project Name: Kennedy Square West

Not Applicable (Old Name, if applicable)

PIC Project Number (if applicable): Not Applicable

PHA Contact Person: Brian Hansen

Phone Number: 402-444-6900 Ext. 2238

Email: bhansen@ohauthority.org

MTW Agency? \_\_\_\_\_ Yes  No

Choice Neighborhoods Grant Name: Omaha, NE / FY 2019 North 30th, and FY 2022 Supplemental

Choice Neighborhoods Grant Number: NE7D531CNG118 and NE7D531CNG122

HOPE VI Grant Name: N/A

HOPE VI Grant Number: N/A

Project Type (check all that apply):

- Choice Neighborhoods
- Conventional Public Housing Development
- HOPE VI
- Main Street
- Mixed-Finance
- Mixed-Finance (Operating Subsidy Only)
- Refinancing
- Section 30
- Other: Please describe: \_\_\_\_\_

## **Section 2: Project Description\***

**\*For mixed-finance projects, information in this Section 2 must also be included in Exhibit B of the project's Mixed-Finance Amendment to the ACC.**

- Provide a project overview, including the following information:
  - Development method (e.g. new construction, rehab, or acquisition)
  - For acquisition and/or rehab projects, a description of the building's age, current ownership, current use (e.g. multifamily, commercial, or institutional) and physical condition
  - Type of housing to be developed (e.g. elevator, walk-up, row house, and/or detached/semi-detached)
  - The number of units to be developed by bedroom-count and unit type (e.g. public housing, LIHTC, PBV or unrestricted) using HUD's Development Proposal Calculator (HUD Form 50156)
  - Non-dwelling space type & size (e.g. community center, maintenance shed)
  - Phasing plan (if this project is part of a larger, multi-phase development)
- Overview of project participants
  - Identification and description of the project's developer
  - Brief discussion of procurement process for the developer (see 24 CFR 905.316)
  - Description of the PHA's role in the project
- Proposed residents to be served (e.g. families, elderly, and/or disabled)
  - Identification of any work requirement or work preference for public housing residents living in the development
- Proposed energy rating for units (e.g. energy star, LEED, another regional or national green building certification or local code)
- Description of unit-based internet connectivity
- Description of anticipated RAD conversion, if applicable
- Other pertinent information

### **Project Overview & Status**

Kennedy Square West is the fifth and final phase of the Omaha North 30<sup>th</sup> HUD Choice Neighborhoods Implementation (CNI) Grant. This phase will complete redevelopment of the Kennedy Square node of the North 30<sup>th</sup> Street Transformation Plan. This site is west of Kennedy Square East, another CNI funded development phase, which is the location of the former Spencer Homes public housing site. A rendering of the Kennedy Square West development is shown at right.



Consisting of 39 units, Kennedy Square West will serve families across a mix of incomes, featuring 16 Project-Based Voucher (PBV) units, 11 units for households at or below 60% AMI, and 12 unrestricted market-rate units.

The development will be designed to market rate standards and will have a unique contemporary look. Project amenities are designed to serve households of a variety of sizes and include a community room, management office, fitness area, community garden and patio, and in-unit washers and dryers. In addition, the development will include 3,670 square feet of ground-floor micro-retail spaces for neighborhood businesses and non-profits.

Kennedy Square West received competitive 9% federal and state Low-Income Housing Tax Credits from the Nebraska Investment and Finance Authority (NIFA). Permanent financing comes from First National Bank of Omaha and Front Porch Investments, HOME funds from the City of Omaha, and CDBG-DR funding from the Nebraska Department of Economic Development (NDED).

The site is currently held by the Omaha Housing Authority. All zoning and environmental review approvals have been received and the building permit was approved by the City of Omaha.

Total Development Cost: \$17.74 million

Total Units: 39 units

Development Method: New Construction

Housing Type: Elevator, 4-Story

Rents: 1-bedrooms range from \$750 - \$875  
2-bedrooms range from \$850 - \$1,050  
3-bedrooms range from \$1,400

**Unit Type & Bedroom Mix:**

	1-Bedroom	2-Bedroom	3-Bedroom	Unit Total
CNI Replacement (PBV)	2	11	3	16
LIHTC-Only	3	8	--	11
Market-Rate	4	8	--	12
<b>Total</b>	<b>9</b>	<b>27</b>	<b>3</b>	<b>39</b>

Income Mix: 31% Market-Rate  
41% Replacement Housing/Affordable (PBV)  
28% Affordable (LIHTC-only)

Proposed Energy Rating: Energy Star (Certified Homes or Multifamily High-Rise) green building standard, National Green Building Standard-Bronze

Internet Access: Buildings and units will be wired with high-speed internet.

Parking: 56 spaces; 5 accessible

<b>Amenities:</b>	675 ft <sup>2</sup> Community room On-site leasing office In-unit washer/dryers Off-street parking Community gardening
<b>Phasing Plan:</b>	Kennedy Square West is the fifth and final housing phase of the North 30 <sup>th</sup> HUD Choice Neighborhoods Implementation Grant
<b>Proposed Residents to be Served:</b>	Families

#### Role of PHA

The Omaha Housing Authority is a co-developer, owns the property to be developed which will be leased to the development, and will provide 16 project-based vouchers to the development. An affiliate, River City Housing Connections, will own 35% interest in the managing member of the ownership entity (Kennedy West Manager, LLC).

#### Development Team

Brinshore Development, LLC (55%), the Omaha Housing Authority (35%), and Seventy-Five North Revitalization Corporation (10%) are co-developers as explained in the CNI Grant Application. Consultants to the development team include the following:

Architect: El Dorado Architects  
General Contractor: Sampson Construction  
Civil Engineer: Ehrhart Griffin & Associates  
Property Manager: Seldin Company

The OHA issued a Request for Proposals for Co-Developer Services on August 17, 2015 (RFP #150817). Brinshore responded on September 11, 2015 and was selected by action of the OHA Board of Commissioners on May 5, 2016.

#### Ownership Structure

Kennedy West, LLC is the Owner entity of which Midwest Housing Equity Group, Inc. Fund 58 ("MHEG Fund 58") will have 98.99% limited partner interest in exchange for its investment of equity raised through the sale of the federal Low-Income Housing Tax Credits (LIHTC). Sugar Creek Capital will own 1.00% interest in exchange for its investment of equity raised through the sale of the State LIHTC. The Managing Member, Kennedy West Manager, LLC – comprised of Brinshore TL, LLC (55%), River City Housing Connections (35%), and a single purpose entity wholly owned by Seventy-Five North Revitalization Corporation (10%), will own the remaining 0.01%.

### **Section 3: Site Information**

Provide information on the development site, including the following:

- A physical description of the site
  - Identify any known environmental issues
  - Describe any unusual features that might affect development
- Description of the neighborhood
- Description of the site's proximity to retail, education, social services, transportation, jobs and other amenities
- Site map
- Map of the surrounding neighborhood and city
- Other pertinent information, such as:
  - Any plans to enhance climate resiliency

#### Physical Description of the Site

Address: 3005 and 3006 Emmet Street

Kennedy Square West is located on two parcels on the east side of North 30<sup>th</sup> Street. The proposed building will be located at 3005 Emmet Street and will be situated on approximately 0.91 acres of land that is currently the site of the Martin Luther King, Jr. Center. This vacant building will be demolished to make way for new construction.

A parking lot serving the former and proposed buildings is located across the street to the north at 3006 Emmet Street. The parking lot is approximately 0.29 acres. An attractive vinyl fence will be placed around the parking lot and the new building due to its adjacency to residential properties as required by City code and requested by neighbors.

Both parcels are in Census Tract 59.02 and located in a Community Redevelopment Area that will support Tax Increment Financing. Both are also located in the North Omaha Neighborhood Revitalization Strategy Area, and included in the North 30<sup>th</sup> Street Transformation Plan.



Immediately to the south of the site are commercial properties, but prominent among those is the Buffet Early Learning Center. Further to the south is Howard Kennedy Elementary School. To the east and west are single-family residences, and to the north is a mix of commercial and residential uses. The former Spencer Homes public housing site is located approximately one block to the southeast of Kennedy Square West.

#### Environmental Issues

A Phase I ESA was conducted in December 2022, which identified two Recognized Environmental Conditions (RECs) related to the Omaha Lead Superfund Site (one each for 3005 and 3006 Emmet Street) and one related to historic gas station operations between 1956 to 1970 at 3006 Emmet Street.

In February 2023, a Phase II ESA was conducted at 3006 Emmet to address the historic gas station operations. No Chemicals of Concern (CoC) were identified in site soils. One COC, naphthalene, exceeded residential groundwater standards.

The information collected in the Phase II ESA was submitted to the Nebraska Department of Energy and the Environment (NDEE) for review. After reviewing the information, the NDEE determined No Further Action was required for this site. A No Further Action letter was issued by the NDEE in June 2023.

Regarding the Omaha Lead Superfund Site RECs, only residential-type properties, and other special properties such as schools and day cares, are eligible for superfund status. 3005 Emmet is a vacant building, and 3006 Emmet is a parking lot, and so neither is currently eligible for inclusion. However, once 3005 Emmet is redeveloped it will be eligible for testing and clean-up, if necessary. Once development is completed, the City of Omaha, through a partnership with the U.S. EPA, will test the soil at 3005 Emmet Street. If lead in soil concentrations exceed 400 ppm, the City will remove contaminated soil and replace it with new soil at no cost to the property owner.

Lead based paint and asbestos testing will take place prior to the demolition of 3005 Emmet Street to determine if any special materials handling is necessary.

#### Description of the Neighborhood

Kennedy Square West is part of the Kennedy Square node of the North 30<sup>th</sup> Street Transformation Plan area, along with Kennedy Square East, which is located on the former Spencer Homes target public housing property of the CNI grant. Kennedy Square West is located on the footprint of the former Martin Luther King, Jr. community center. The community center has sat vacant for many years.

The surrounding neighborhood is mostly single-family residential, of which a high percentage is rental, mixed in with small commercial properties. Two prominent neighborhood features are the Buffett Early Learning Center and Howard Kennedy Elementary School, which are located south along North 30<sup>th</sup> Street. The Highlander Development, the other node in the North 30<sup>th</sup> Street Transformation Plan, is located a mile further to the south.

#### Proximity of Site to Retail, Education, Social Services, Transportation, Jobs, etc.

Located just over one mile from downtown, one mile from the largest medical cluster in the region, under a mile from the Highlander campus, under 1,500 feet from a commercial hub on Ames Avenue, and within two blocks of Highway 75, the Kennedy Square West site is well located both locally and regionally for access to major employers, amenities, and services throughout the city of Omaha. Both the Highlander campus and the commercial hub on Ames Avenue can be accessed by North 30<sup>th</sup> Street, a north/south two-lane primary commuter street which was recently reduced from 5 lanes. A bus stop and electric bicycle rental stand will be located at Kennedy Square West for individuals without automobiles. To the east, Highway 75 is a major highway that traverses north/south through Omaha and provides access to Interstate 80 and further connection to other major freeways and highways such as Interstates 680 and 480.

Housed in the Highlander Accelerator building are a community college satellite, Creighton University satellite, and a non-profit technology center called The Connect. With the Nebraska Early Childhood

Collaborative located directly across Bedford Avenue and Howard Kennedy Elementary School located two blocks to the south, Kennedy Square West will offer families unparalleled proximity to educational opportunities.

Within the Highlander neighborhood to the south, the Highlander Accelerator also offers several restaurants, a coffee shop and bakery, and an adjacent, soon-to-be completed greenhouse. To address the shortage of healthy food options, the greenhouse at the Accelerator is being completed by No More Empty Pots (NMEP) – a grassroots non-profit organization connecting individuals and groups to improve self-sufficiency, regional food security, and economic resilience of urban and rural communities through advocacy and action.

The Charles Drew Health Center, a federally qualified health center, is located to the north, adjacent to and on the Highlander campus. Walgreens is located a block south of the Highlander Campus. The University of Nebraska Community Wellness Collaborative (CWC) is located on the Highlander campus. The overall mission of the CWC is to connect the people who live in the area with health resources. The CWC's mission is to achieve the highest levels of health equity and community wellness through quality relationships and built capacity.

#### Site Map

Please see map(s) included in [Attachment 1 – Site Map](#).

#### Map of the Surrounding Neighborhood and City

Please see map(s) included in [Attachment 2 – Neighborhood, City Map](#).

#### Other Pertinent Information

The new housing will meet and exceed Energy Star (Certified Homes or Multifamily High-Rise) green building requirements and attain National Green Building Standards - Bronze not only to support overall energy efficiency and sustainability, but also creating long term affordability for residents. The design team is exploring ways to incorporate solar energy into the replacement housing that will further reduce resident energy costs as well as the building's overall energy consumption and carbon footprint. A significant number of trees will be planted along the perimeter of the site to help reduce neighborhood heat.

**Section 4: Key Development Partners and Participating Parties\***

**\*For mixed-finance projects, Section 4 must also be included in Exhibit A to the project's Mixed-Finance Amendment to the ACC.**

Provide the following information for each major partner in the Project:

ROLE	ENTITY NAME & CONTACT INFORMATION (person, phone number & email)	PERCENTAGE INTEREST IN THE PROJECT'S OWNER ENTITY (%)	RELATIONSHIP TO PHA (if any)
Developer	Brinshore Development, LLC Todd Lieberman (224) 927-5061 toddl@brinshore.com	0%	None
	Omaha Housing Authority Brian Hansen 402-444-6900 ext. 2238 bhansen@ohauthority.org	0%	PHA
	Seventy-Five North Revitalization Corporation Sharlon Rogers (402) 502-3385 sharlon@seventyfivenorth.org	0%	None
Ownership Entity	Kennedy West, LLC Todd Lieberman (224) 927-5061 toddl@brinshore.com	100%	None
General Partner or Managing Member of the Owner	Kennedy West Manager, LLC (see owners below)	0.01%	None
	Brinshore TL, LLC Todd Lieberman (224) 927-5061 toddl@brinshore.com	55%	None
	River City Housing Connections Brian Hansen (402) 444-6900 Ext. 2238 bhansen@ohauthority.org	35%	PHA Affiliate
	Seventy-Five North Revitalization Corporation (via a single-purpose entity wholly owned by Seventy-Five North) Sharlon Rogers (402) 502-3385	10%	None

	sharlon@seventyfivenorth.org		
Limited Partner or Investor/Limited Member of the Owner	Midwest Housing Equity Group Fund 58 Ryan Harris 402-440-1278 rharris@mheginc.com  Dallas Anderson 417-440-1278 danderson@mheginc.com	98.99%	None
State Limited Partner	Sugar Creek Capital Scott Nixon 314-229-2860 snixon@sugarcreekcapital.com  Ann Robertson arobertson@sugarcreekcapital.com	1%	None
Public Housing Agency, Instrumentality or Affiliate	Omaha Housing Authority (OHA) Brian Hansen (402) 444-6900 Ext. 2238 bhansen@ohauthority.org	0%	PHA
Property Manager	Seldin Company Alicia Stoermer Clark (402) 952-4561 Alicia.clark@seldin.com	0%	None
Construction Lender	First National Bank of Omaha Sara Going 402-602-5115 sgoing@fnni.com	0%	None
Permanent Lender	First National Bank of Omaha Sara Going 402-602-5115 sgoing@fnni.com	0%	None
Permanent Lender (CNI Loan)	Omaha Housing Authority Brian Hansen (402) 444-6900 ext. 2238	0%	PHA
Permanent Lender (CDBG-DR)	Nebraska Department of Economic Development Christina Zink (402) 326-4091 Christina.Zink@nebraska.gov	0%	None
Permanent Lender (HOME, TIF)	City of Omaha Kellie Johnston-Dorsey (402) 444-5150 ext. 2008 kjohnstondorsey@cityofomaha.org	0%	None
General Contractor	Sampson Construction Kent Hazzard (402) 827-5600	0%	None

	kent.hazzard@sampson-construction.com		
Legal Counsel (Managing Member)	Applegate & Thorne-Thomsen Daniel Kraft (312) 491-4428 dkraft@att-law.com	0%	None
Legal Counsel (PHA)	Reno & Cavanaugh Nydia Pouyes (202) 804-6938	0%	None
Architect	El Dorado Ted Arendes (816) 474-3838 ted@eldo.com	0%	None

If a PHA instrumentality or affiliate is involved in the project, provide a description of the relationship between the PHA and the instrumentality/affiliate as it relates to the project (see 24 CFR 905.604(b)):

The Omaha Housing Authority (OHA) is a developer partner in the project. In addition, OHA's affiliate, River City Housing Connections, LLC, will own 35% of the managing member entity throughout the compliance period.

**Section 5: Project Schedule\***

**\*For mixed-finance projects, Section 5 must also be included in Exhibit D to the project's Mixed-Finance Amendment to the ACC.**

Provide dates (mm/dd/yyyy) for each activity identified below. If a task has not yet been completed, please include a date in the "Anticipated Completion Date" column. If a task is complete, enter a date in the "Actual Completion Date" column.

ACTIVITY	ANTICIPATED COMPLETION DATE	ACTUAL COMPLETION DATE
Demolition Approval from HUD	N/A	N/A
Disposition Approval from HUD	N/A	N/A
LIHTC Award	N/A	10/14/2022
Environment Review Completed (HUD-7015.16 approved)	1/8/2020	1/8/2020
HUD Site and Neighborhoods Standards Review Completed	N/A	N/A
Relocation Completed	N/A	N/A
Financial Closing	3/1/2024	
Abatement/Demolition Start	3/1/2024	
Abatement/Demolition Completed	3/31/2024	

Construction Start	4/1/2024	
Construction Completed	10/1/2025	
Target Date of Full Availability (DOFA) for Public Housing Units	N/A	
LIHTC Placed-in-Service Date	10/1/2025	
Lease Up Complete	2/1/2026	
Submission of Final Cost Certification	1/1/2026	
Other: Stabilization / Perm Loan Conversion	1/1/2026	
Other: 8609	4/1/2026	

### **Section 6: Compliance with Multifamily Design and Accessibility Requirements**

The project's design, including the lay-out of its units, must comply with accessibility requirements specified at 24 CFR 905.312 and 905.604(g) and any other requirements which apply to the specific project. This includes the Uniform Federal Accessibility Standards (UFAS) (through HUD regulations under Part 8) and the Fair Housing Act Design Manual (both the 1996 and 1998 revisions).

PHAs must submit the following architectural plans to HUD:

- Site, Grading and Landscape Plans
- Building Plans, using the scale 1/8" = 1'-0"
- Typical Cross Sections and Exterior Elevations, using the scale 1/4" = 1'-0"
- Unit Plans that show minimum furnishings, using the scale 1/4" = 1'-0"
- Technical Specifications, per Construction Specifications Institute (CSI) format

PHAs and their architects should ensure the following best practices are also reflected on the plans or provided separately:

- Site Plans: Show exterior private<sup>1</sup> spaces adjacent to the unit, including play areas for children of different ages (2-5, 5-12, and teenagers). Play areas for small children should include adequate space for adult supervision and show the location of trees to shade walks. Parking areas and exterior lighting should also be shown.
- Building Plans: Show the location, type, and mix of accessible and visitable units.
- Exterior and Interior Elevations and Building Sections: Identify materials on walls and roof areas.
- Unit Plans: Show livability and furniture layouts reflecting the minimum furnishings needed in the living and dining rooms for the units' expected family sizes. Furnishings should accommodate residents and guests. The design of the bedrooms should show space for a queen or double bed for two residents, an 18"x 60" dresser, and two

<sup>1</sup> Spaces that are considered private are typically located at the rear of townhouse or apartment units at the first floor or grade level. Balconies and decks are considered private spaces above the first floor. Semi-private spaces are typically located at grade or on the second floor and are accessed by stairs or ramps.

nightstands. Spaces within the dwelling unit must provide adequate floor area for furniture and circulation spaces. Accessible units should be able to accommodate wheelchair clearances in kitchens, bathrooms, bedrooms, and living/dining spaces. Provide an accessible route of 36" and a 60" diameter space in the bathroom and bedroom spaces (UFAS 4.3.3 Width. Fig. 3 and 4.34 Dwelling Units, chapter 15c). Townhouses should have a visitable half-bath on the first floor.

- Energy efficiency/green design: Identify the project's energy efficient and green design features.
- High-rise structures: Pursuant to 42 U.S.C. 1437d(a), a PHA proposing to develop a high-rise elevator structure that will house families with children must demonstrate to HUD that there is no practical alternative to developing a high-rise building.
- Provide as much storage space as possible: At a minimum, provide an amount of bulk storage commensurate with the size of the unit and the number and ages of its residents. Examples of bulk storage areas include coat closets in entry areas, linen closets, a utility closet, pantry spaces, and exterior storage on balconies and at grade at the rear of units.
- Technical Specifications: Include all applicable divisions, per CSI format.

Plans for mixed-finance projects will be reviewed by a HUD architect. Before submitting plans (including a half size set of construction drawings and specifications), the PHA should consult with the HUD Project Manager to determine where the plans should be sent and in what format.

Plans were submitted to Mr. Ron Bedford at HUD by the architect (El Dorado), with comments received on May 22, 2023. The architect provided responses to those comments on July 26, 2023, with that correspondence included as Attachment 3a – Plan Correspondence.

A digital file of the permit set of plans is also included separately as Attachment 3 – Architectural Plans.

## **Section 7: Project Costs**

Provide the following information regarding project costs and financing by filling out HUD's Development Proposal Calculator (HUD Form 50156):

### **A. Project Budget\***

**\*\*For mixed-finance projects, the construction and permanent project budgets must be included in Exhibit F of the project's Mixed-Finance Amendment to the ACC.**

- Provide a construction period project budget reflecting all sources and uses of funds used during project construction using the Construction Budget Tab of the Development Proposal Calculator.

Please see the CNI Development Proposal Calculator accompanying the submission.

- Provide a permanent project budget reflecting all sources and uses of funds following construction completion using the Permanent Budget Tab of the Development Proposal Calculator.

Response: Please see the CNI Development Proposal Calculator accompanying the submission.

- Provide a construction draw schedule that shows the projected sources and uses of funds on a monthly basis throughout the construction period using the Draw Schedule Tab of the Development Proposal Calculator.

Response: A draw schedule is included separately as Attachment 4 – Draw Schedule.

### **B. Compliance with Total Development Cost (TDC) and Housing Construction Cost (HCC) Limits**

- Projects must comply with HUD TDC and HCC limits for the development of public housing units, pursuant to 24 CFR 905.314. Provide a calculation of TDC and HCC limits for the project using the TDC and HCC Tab of the Development Proposal Calculator. For projects in which Choice Neighborhoods are being used to build non-public housing units, the project's HUD TDC and HCC limits will be based on the number of units that will be subject to a HUD use restriction.

Response: The project complies with Pro-rata, TDC and HCC limits. Please see CNI Development Proposal Calculator accompanying the submission.

### **C. Pro Rata Test**

- The proportion of public housing funds to total project funds may not exceed the proportion of public housing units to the total number of units. For example: if there are 100 units and 40 are public housing, the amount of public housing funds committed to the project cannot exceed 40% of the total project budget.
- NOTE: the pro rata test applies only to those project costs shown in "Part A" of permanent project budget in the Development Proposal Calculator. "Part B" costs, which are generally costs incurred by the PHA, are not included.
- Provide the following information:

<b>Type</b>	<b>Number/Amount</b>	<b>Percent of Total</b>
Public Housing Units/ Replacement Housing Units	16	41
Non-Public Housing Units	23	59
<b>Total Housing Units</b>	<b>39</b>	<b>100%</b>
Public Housing Funds	\$3,785,000	21%
Non-Public Housing Funds	\$13,913,405	79%
<b>Total Funds</b>	<b>\$17,768,405</b>	<b>100%</b>

### **D. Construction Cost Estimate**

- Submit an independent construction cost estimate (with a cover letter and summary page showing costs broken down by major trades) or the actual construction contract which supports the permanent and construction budgets provided above.

Response: The project's construction cost estimate in October 2023 was \$13,113,557 including contractor general requirements, overhead, and profit (excluding contingency carried by Owner). Please see Attachment 5 – Independent Construction Cost Estimate from Sampson Construction for a breakout by trade.

The development team spent several weeks conducting Value Engineering exercises to identify all possible savings while still delivering a market-standard quality product.

The General Contractor is currently out for hard bids which are due on January 16, 2024.

#### **E. Limitation on the Cost of New Construction**

- Pursuant to 24 CFR 905.602(b)(2), a PHA may not construct new public housing unless the cost of construction is less than the cost of acquiring existing units (with or without rehab.)
- For projects involving new construction, provide the following:
  - 1) Documentation which shows the construction cost of the new project is less than the cost to acquire (and rehab as necessary) similar units in the same neighborhood that would serve the same purpose as the new housing; or,
  - 2) Documentation which shows there is insufficient housing to acquire in the neighborhood that would serve the same purpose as the new housing.

Response: A review of the area's real estate property listings in December 2023 indicated there are no comparable or suitable properties for acquisition available in the vicinity of Kennedy Square West or in the North 30<sup>th</sup> Street Transformation Plan area. Comparable buildings are all new construction which were, or are being, developed as part of the North 30<sup>th</sup> Street Transformation plan. There are a number of single-family residences available in the area, but this strategy does not conform with the CNI implementation plan.

Please see Attachment 6 – Documentation on Limitation on Cost of New Construction.

#### **F. Predevelopment Costs**

- Pursuant to 24 CFR 905.612(a)(2), use of public housing funds for predevelopment expenses related to mixed-finance projects must be approved by HUD prior to expenditure. PHAs should submit requests to HUD prior to expenditure of funds for predevelopment activities.

- The percentage of predevelopment costs borne by the PHA should be in compliance with HUD's "Cost Control and Safe Harbor Standards for Mixed-Finance Development (April 2003) (Safe Harbor Standards)." Provide the following Information:

Total Predevelopment Costs: \$149,350\_

Amount paid by the PHA: \$112,013 75 %

Amount paid by the Developer: \$37,337 25 %

- Provide a justification if the Safe Harbor Standard was exceeded: N/A

**Section 8: Project Financing**

**A. Project Financing**

- Please fill out the chart below with information for each source of construction and permanent financing (including public housing funds, other public funds, and private funds) included in the project's budgets:

Name of Provider	Amount	Use of Funds	Grant Type and Number (if HUD PH funds)	Type of financing (i.e. construction loan, permanent loan, equity, grant)	Financing Terms (including term and interest rate) and other relevant information
MHEG Fund 58	\$5,949,405	Development Costs	N/A	LIHTC Equity (Federal)	Installment schedule shown below in 8.B.
Sugar Creek Capital	\$2,520,000	Development Costs	N/A	LIHTC Equity (State)	Installment schedule shown below in 8.B.
Front Porch Investments	\$1,475,000	Development Costs	N/A	Construction Loan to Permanent Loan	2% interest, 25-year term, 25-year amortization
First National Bank of Omaha	\$1,040,000	Development Costs	N/A	Permanent Loan	7.25% fixed interest, 40-year amortization, 17 year term, will include the TIF loan,

					up to \$1,158,000
First National Bank of Omaha	\$8,000,000	Development Costs	N/A	Construction Loan	8% for 24 months, 2.55% origination fee, up to \$8,000,000
Nebraska Department of Economic Development	\$2,000,000	Development Costs	N/A	Construction to Permanent Loan	3% interest, deferred payments for 20 years, principal and interest due at maturity.
HUD Choice Neighborhoods	\$875,000	Development Costs	NE7D531CNG118	Permanent Loan	0% interest, 40-year term, balloon at maturity
HUD Choice Neighborhoods	\$2,910,000	Development Costs	NE7D531CNG122	Permanent Loan	0% interest, 40-year term, balloon at maturity
City of Omaha	\$615,000	Development Costs	N/A	Permanent Loan	0% interest, 40-year term, balloon at maturity
Omaha Housing Authority	\$175,000	Development Costs	N/A	Permanent Loan	0% interest, 40-year term, balloon at maturity
Kenndy West Manager, LLC	\$139,000	Development Costs	N/A	Deferred Developer Fee	Obligation repaid out of cash flow

**B. Federal Low Income Housing Tax Credits (LIHTC)**

- For projects that include LIHTC, provide the following information:

	Federal LIHTC
Total Tax Credit Allocation Over 10 Years	\$7,000,000
Total Equity Commitment	\$0.85
Equity Per Dollar of Allocation (Equity divided by Allocation)	\$5,949,405
Type of Tax Credits	9% <input checked="" type="checkbox"/> or 4%

Pay in Schedule for Investor Equity		
Milestone	Projected Date (MM/DD/YYYY)	Amount
Closing	3/1/2024	\$594,941 Federal
Permanent CO/100% Completion	10/1/2025	\$4,759,524 Federal
Conversion/Stabilized Occupancy	1/1/2026	\$416,458 Federal
Issuance of 8609	4/1/2026	\$178,482 Federal
<b>TOTAL AMOUNT OF EQUITY</b>		<b>\$5,949,405 Federal</b>

- Describe the proposed exit strategy for the Investor at the end of the 15-year LIHTC compliance period, including the PHA's anticipated role, the continued preservation of affordable units, and how any exit taxes will be paid.

As put forth in the Master Developer Agreement, the Omaha Housing Authority will be granted the Right of First Refusal (ROFR) and option to acquire the Owner Entity's fee or leasehold estate, improvements, and associated reserves, including the replacement reserve and any reserves associated with an Owner Entity's funding commitments at the end of the initial 15-year compliance period.

At the end of the 15-year tax credit compliance period, the purchase price shall be equal to (a) principal amount of the debt plus any accrued interest (b) taxes payable as a result of the sale, subject to the ROFR.

If the ROFR is not exercised, the Partnership will continue to own and operate the property (i) subject to the terms of the recorded EURA for an additional 15 years after the expiration of the initial compliance period and (ii) thereafter without LIHTC restrictions in accordance with the terms of the ground lease.

Any additional land use restrictions pursuant to Choice regulations shall also be in full force and effect.

### C. Other Tax Credits

- For projects that include other types of tax credits (such as state LIHTC, federal and state historic preservation or new market tax credits), provide the following:

Type of Tax Credit	Amount of Equity
State LIHTC	\$2,520,000

### D. Existing Financing

Identify any existing financing on the project, such as funds provided through a Capital Fund Financing Program (CFFP) transaction or an Energy Performance Contract (EPC).

- Identify the amount of funding
- Describe how the debt will be addressed as part of the new project
- Provide evidence of approval

**Response:** N/A

**E. Reserve Accounts**

**For mixed-finance projects, Section 8 must also be included in Exhibit B to the project’s Mixed-Finance Amendment to the ACC.**

Public housing funds may be contributed towards reserve accounts, subject to the following limitations:

- Public housing funds may not be used to initially fund reserve accounts, with the exception of the establishment of an Initial Operating Subsidy Reserve for public housing units only.
- Public Housing Operating Subsidy and public housing tenant rents may be used to replenish reserve accounts **only if** they are replacing funds which have been disbursed for allowable public housing expenses.
- Public Housing Operating Subsidy and public housing tenant rents may be used to fund the Replacement Reserve, but only in an amount proportionate to the number of public housing units.
- No public housing funds can be used to fund an Exit Tax Reserve. This includes Public Housing Operating Subsidy and public housing tenant rents.
- Public housing funds in all reserve accounts must be tracked separately.
- Public housing funds in all reserve accounts must remain with the project if it is sold or transferred or they must be returned to the PHA.
- Reserve accounts must be described in detail in the Regulatory and Operating Agreement between the PHA and the Owner Entity.

Submit the following information for each Reserve Account included in the project:

1) Initial Operating Period/Lease-Up Reserve (public housing only): \$ N/A

Identify source of funds to establish reserve account	
Identify source of funds to replenish reserve account	
Briefly describe when funds may be drawn down	
Identify which entity owns the reserve account	

2) Operating Subsidy Reserve (public housing only): \$\_N/A\_\_\_\_\_

Identify source of funds to establish reserve account	
Identify source of funds to replenish reserve account	
Briefly describe when funds may be drawn down	
Identify which entity owns the reserve account	

3) Operating Deficit Reserve: \$288,870

What type of units does this cover (all, only PH, or only non-PH)?	All units
Identify source of funds to establish the reserve account	LIHTC equity and permanent loan
Identify source of funds to replenish reserve account	Net operating income
Briefly describe when funds can be drawn down	With approval of the equity investor and lender, not to be unreasonably delayed or denied, to cover operating deficits of the project.
Identify which entity owns the reserve account	Kennedy West, LLC

4) Replacement Reserve: \$350 per unit per year

What type of units does this cover (all, only-PH, or only non-PH)?	All units
Identify source of funds to establish reserve account	LIHTC equity and permanent loan
Identify source of funds to replenish reserve account	Net operating income
Briefly describe when funds can be drawn down	As permitted by the LLC and first mortgage loan for purposes set forth in the Operating Agreement and Loan Agreement, as approved by the equity investor and first mortgage lender
Identify which entity owns the reserve account	Kennedy West, LLC

5) Other: Insurance Escrow \$52,500

What type of units does this cover (all, only-PH or only non-PH)?	All units
Identify source of funds to establish reserve account	LIHTC equity and permanent loan
Identify source of funds to replenish reserve account	Net operating income
Briefly describe when funds can be drawn down	As permitted by the LLC and first mortgage loan for purposes set forth in the Operating Agreement and Loan Agreement, as approved by the equity investor and first mortgage lender
Identify which entity owns the reserve account	Kennedy West, LLC

**Section 9: Project Fees**

HUD's Cost Control and Safe Harbor Standards provide guidance for certain fees and costs related to development. Projects must comply with these Safe Harbor Standards or provide justification for non-compliance. Projects that include Project-Based Vouchers must also comply with HUD's "Administrative Guidelines: Subsidy Layering Review for Project-Based Vouchers," a notice issued on February 28, 2020.

**A. Calculation and Pay Out of Developer Fee**

- The amount of the Developer Fee must be in accordance with the Safe Harbor Standards. Complete the Fees & Pro Rata Tab of the Development Proposal Calculator to accurately calculate the Developer Fee.
- Total Amount of Developer Fee: \$1,270,000 = 7.2 % of project costs
- Amount of Fee Paid to Developer: \$825,500 = 4.7 % of project costs
- Amount of Fee Paid to PHA: \$444,500 = 2.5 % of project costs
- If the Developer Fee exceeds the Safe Harbor Standards, provide a justification, based on the criteria in the Safe Harbor Standards.

Justification: N/A, the Total Developer fee of 7.2% does not exceed Safe Harbor Standards .

- What is the pay-out schedule for the Developer Fee? Identify the milestone, such as closing or 50% construction completion, and the percent of the fee to be paid at each milestone.

Milestone	% of Developer Fee Paid
Closing	25%
Perm CO / Construction Completion	25%

Conversion / Stabilized Occupancy	25%
Issuance of 8609	25%

- If the Developer Fee pay-out schedule exceeds the Safe Harbor Standards, provide a justification.

Justification: The Developer Fee pay-out schedule does not exceed Safe Harbor Standards.

- If the PHA is providing a loan to the developer to cover developer overhead prior to financial closing, provide a description and justification. HUD approval is required prior to payment of any part of the developer fee.

Description and Justification: N/A

- Is the developer receiving any compensation separate from the Developer Fee, i.e., for activities including master planning, relocation and/or demolition? If so, identify below:

TASK	COMPENSATION
N/A	N/A

## B. Contractor Fees

- The fee paid to the construction contractor must be in accordance with the Safe Harbor Standards. Complete the form in Fees & Pro Rata Tab of the Development Proposal Calculator to accurately calculate the Contractor Fee.

Contractor Fee	Amount	% of Hard Construction Costs
Profit	\$412,775	3.5%
Overhead	*	
General Conditions + Performance Bond	\$859,608	7.3%
<b>TOTAL</b>	<b>\$1,272,383</b>	<b>10.7%</b>

\*GC contract will be cost plus fee. Overhead costs will be paid from GC profit.

- If the total amount of the Contractor Fee exceeds the Safe Harbor Standards, provide a justification.

Justification: The contractor fees do not exceed Safe Harbor Standards, which are 2% for Overhead, 6% for Profit, 6% for General Conditions, and 14% combined.

- Provide a written explanation of how construction savings (if any) will be allocated among the development parties. NOTE: per the Safe Harbor Standards, developers can only receive an amount equal to an additional 1% of the developer fee.

**Explanation:** Though none are anticipated, any savings would be split 75% to Owner and 25% to Contractor. If calculated savings to Owner exceeds an additional 1% of the developer fee amount as calculated in the Form HUD-50156, then any amount above that 1% shall be deposited into an operating reserve account.

### C. Identity of Interest

- If there is an identity of interest between the Developer and the contractor or builder, i.e., a financial relationship between the two parties, the Developer may award the construction contract to the related contractor or builder only if it has met one of the following requirements prior to HUD approval of the Development Proposal. Check the appropriate box and attach the required information:

24 CFR 905.604(i)(1): There has been a bidding procedure and the related contractor's bid was the lowest bid received. Provide documentation on the bidding process and bids received.

24 CFR 905.604(i)(2): There is an independent third-party cost estimate that shows the related contractor's price to be at or below the cost estimate. Provide a copy of the cost estimate and the related contractor's cost or construction contract.

Response: There is no identity of interest between the Developer and the Contractor. The general contractor conducted subcontractor bidding at selection after the Design Development phase. The contractor has included the lowest responsive bids in their current estimate. A final Guaranteed Maximum Price (GMP) with subcontractor list will be provided with the construction contract which will be executed at closing.

### D. Property Management Fees

- The fee paid to the Property Manager must be in accordance with Safe Harbor Standards and must be described fully in the Management Agreement, which will be reviewed by HUD as part of its review of evidentiary materials.

• Identify the Property Manager: Seldin Company

- Is the Property Manager a:
  - PHA
  - PHA Instrumentality/Affiliate
  - Private Company
  - Private Company but affiliated with the Developer/Owner
  - PHA/Private Joint Venture
  - Other (explain) \_\_\_\_\_

- Describe how the Property Management Fee will be calculated:

Description: 5% of net revenue

- If the Property Management Fee exceeds the Safe Harbor Standards, provide a justification.

Justification: N/A, it is within Safe Harbor Standards

- Identify any additional fees paid to the Property Manager (such as an incentive management fee or lease-up fee). Indicate the amount or the fee and/or how the fee is calculated or earned.

Fee Description	Fee Amount/Calculation
N/A	N/A

**E. Fees or Income Paid to the PHA\***

**\*For mixed-finance projects, information included in Paragraph D of Section 9 should also be included in Exhibit H of the project’s Mixed-Finance Amendment to the ACC.**

- Payments received by the PHA, such as developer fees or loan repayments, are generally referred to as program income. The PHA’s use of program income is often restricted, depending upon the source of public housing funds contributed to the project.
- NOTE: Disposition proceeds that a PHA receives at closing are not program income and should not be listed below. Instead, these disposition proceeds must be used in accordance with the HUD Special Applications Center’s approval letter and applicable notices and regulations.
- Identify any fees or income to be paid to the PHA or its instrumentality/affiliate and the proposed use of the funds:

Source of Income	Amount	Use
Developer Fee	\$444,500	Uses related to the creation, rehabilitation, and preservation of affordable housing within the target neighborhood.
Loan Repayment (if fixed)	None	
Bridge Loan Interest	None	
Potential Loan Repayments from Cash Flow	None	

**Section 10: Operating Pro Forma**

To allow HUD to review the financial feasibility of the project, provide the following:

- A. Provide a 15-year operating pro forma, including assumptions, using the pro forma included in the Development Proposal Calculator (HUD Form 50156).

- Show all income and expenses, debt service, and distribution of cash flow (cash flow waterfall) on the pro forma.

Please see CNI Development Proposal Calculator accompanying the submission.

- For the public housing units, show below how the amount of public housing operating subsidy shown on the pro forma was calculated. Identify the projected PEL, UEL, add-ons, tenant rents, pro-ration, etc. Include assumptions made. Discuss what information was used to inform your numbers and assumptions.

**Methodology Discussion:** N/A. The Public Housing Replacement will be Project-Based Voucher units subject to a Housing Assistance (HAP) contract.

- Will all the Operating Subsidy received by the PHA from HUD be transferred to the Owner Entity? If not, describe how the amount transferred to the Owner Entity will be determined, e.g., a percent of the subsidy, the actual gap between income and expenses, a negotiated amount, etc.

**Description:** The Operating Subsidy, the Project-Based Vouchers, will be provided to the owner pursuant to a HAP contract.

- **NOTE:** For mixed-finance projects, detailed information regarding payment of Operating Subsidy should be contained in the Regulatory and Operating Agreement and will be reviewed by HUD as part of its review of evidentiary documents.

B. Indicate, below, the waterfall or order of distribution of Net Operating Income, identifying all payments for debt service, fees, reserves, loans, and excess cash flow.

Distribution:

<b>Order of Distribution</b>	<b>Amounts – Year 1</b>
Combined Debt Service	\$154,853
Asset Management Fee	\$5,850
Deferred Developer Fee	\$17,563
Operating Deficit Loans	Will vary. The funding of this loan will be dependent on property conditions.
Investor Fee (10% of residual cash flow)	\$0
Managing Member Partnership Management Fee (90% of residual cash flow)	\$0

### **Section 11: Local Cooperation Agreement**

Attach the following to the Development Proposal:

- A copy of the Cooperation Agreement with the local jurisdiction covering the public housing units; or,

Response: Please see Attachment 8a – Consistency with Consolidated Plan and Attachment 8b – Cooperation Agreement with Local Jurisdiction.

- For mixed-finance projects only, if public housing units are to be subjected to local real estate taxes, provide documentation/certification from an authorized official of the local jurisdiction that the project is consistent with the jurisdiction's Comprehensive Plan.

### **Section 12: Environmental Review Process and Documentation**

This project is subject to the environmental regulations found at 24 CFR part 58 or, if approved by HUD, 24 CFR part 50. The PHA must comply with all environmental review requirements, as required, including 24 CFR 905.602(f), prior to approval of the Development Proposal.

- Provide a brief narrative on the status of the environmental review process:

**Status:** A Tier I Environmental Assessment was completed for the Choice Neighborhood Implementation grant on 12/9/19 and a Request for Release of Funds was submitted to HUD on this date. The Authorization to Use Grant Funds was provided by HUD on 1/8/2020. A Tier II EA was completed for Kennedy Square West on 7/12/2022. According to the Tier II EA, lead based paint and asbestos must be properly removed from the existing building prior to demolition and the site must be tested for high lead concentrations after development is complete to comply with the Omaha Lead Superfund Site regulations.

- Provide a brief narrative on the status of the "Section 106" (historic preservation) review process.

**Status:** A Section 106 review was conducted by the City of Omaha as part of the Tier II EA for Kennedy Square West. The existing building was deemed to be "not historic," and no further action is necessary.

Upon completion of the environmental review process, provide the following documentation:

- Evidence from the HUD Field Office that the project has been approved in HEROS (part 50)
- Form HUD-7015.15, Request for Release of Funds and Certification (part 58 only)
- Form HUD-7015.16, Authority to Use Grant Funds (part 58 only)

NOTE: HUD environmental approvals are only valid for five years. If a project is part of a multi-phase housing development, the PHA must ensure that the project described in this development proposal is covered by a valid environmental review.

Response: Please see Attachment 9 – Environmental Compliance Documentation.

### **Section 13: Market Analysis**

For projects that include the development of non-public housing units, provide the following, which should support the proposed development of non-public housing units:

- Attach the Executive Summary of the market analysis for the project.

Response: Please see Attachment 10 – Market Study Executive Summary completed by Kinetic Valuation Group, Inc.

**Section 14: Other Requirements**

As applicable, provide the following information:

**A. PHA Annual Plan/MTW Plan & Capital Fund Action Plan or MTW Plan:** The project must be included in the PHA’s Annual Plan or MTW Plan and the Capital Fund Program 5-Year Action Plan. Discuss the status of the plan approval processes.

NOTE: For RAD, the conversion must be included as a significant amendment to the Annual Plan/MTW Plan and approved by the HUD, unless included in the original Plan. A copy of the HUD approval letter must be submitted prior to closing. In addition, for Initial MTW PHAs, an approved RAD amendment to Attachment A of the MTW Agreement may also be required.

Status: The North 30th Street Transformation Plan, including the Kennedy Square West development, is included in OHA’s Annual Plan for 2024, which was approved by HUD on November 17, 2023. OHA’s Five-Year CFP Action Plan was approved by HUD most recently on September 28, 2023.

**B. Faircloth Limits:** Development of the project cannot result in an increase in the number of public housing units owned, assisted or operated by the PHA on October 1, 1999, as required by 24 CFR 905.602(b). Provide the following:

# public housing units Oct 1, 1999	2,714
# public housing units (in PIC) today	2,501
# net new public housing units created by project	0
TOTAL public housing units after project completion	2,501

**C. Site and Neighborhood Standards:** The project must be reviewed and approved by the HUD Field Office for compliance with Site and Neighborhood Standards, including those contained in 24 CFR 905.602(d), prior to approval of the Development Proposal. Provide a brief update on the status of this approval process. Please note that when a development is part of a multi-phase redevelopment, each phase must be reviewed by the HUD Field Office.

NOTE: Site and Neighborhood Standards do not apply to HOPE VI and Choice Neighborhoods projects. Projects must comply with provisions of the Grant Agreement.

Status: N/A. The project site is within and part of the CNI target neighborhood.

**D) Relocation:** Relocation activities, if any, must meet the requirements of 24 CFR 905.308(b)(9) or as provided in a HOPE VI or Choice Neighborhoods Grant Agreement. Provide a brief status on relocation activities, including information on when residents were relocated and a description of the relocation counseling provided.

Status: N/A. Relocation was not required. No housing units were located at the project site.

**E) Resident Consultation:** The PHA must consult with affected public housing residents prior to submission of the Development Proposal to solicit resident input into the development of the project, as required by 905.600(c)(2) or as provided in a HOPE VI or Choice Neighborhoods Grant Agreement. Provide a brief description of how residents were consulted.

**Description:** The planning process for the Spencer Homes transformation effort was initiated in 2018 to spread the impact of the Highlander Development already underway and revitalize the functionally, structurally and economically obsolete Spencer Homes. Through public meetings, resident surveys, and input sessions in 2018, a transformation plan was established that was a part of the North 30<sup>th</sup> Implementation Grant application.

Resident meetings and community input has continued since CNI award in May of 2019 as the master plan continues to be refined and individual phases move from conceptual design to approval through the City's development review process.

Specific to this development phase, consultation with former Spencer Homes residents took place in October 2020 and November 2021.

**F) Acquisition of New Units:** If the project involves acquisition of units that are less than 2 years old, the project must not have been constructed with the intention of selling it to the PHA unless all applicable Federal requirements were met, as required by 24 CFR 905.600(b)(3). If applicable, provide a brief discussion of compliance with this provision.

Discussion: N/A

**G) Vouchers:** If the project includes Project-Based Housing Choice Vouchers (PBVs), HUD's Office of Public Housing Investments will conduct a subsidy layering review, in accordance with HUD's "Administrative Guidelines: Subsidy Layering Review for Project-Based Vouchers," a notice issued on February 28, 2020. To facilitate this review, submit the PHA's PBV award letter and its rent reasonableness letter to its OPHI project manager.

**Status:** The project has been awarded PBVs contingent on fulfilling HUD requirements including subsidy layering review. Upon HUD approval of the mixed-finance development proposal OHA will proceed with an AHAP.

**H) Designated Housing:** If the project includes Designated Housing, the PHA must include the project in its Designated Housing Plan, which must have been approved by HUD prior to approval of the Development Proposal. If applicable, provide a brief update on the status of the Designated Housing Plan's approval.

Status: N/A

**I) Demolition/Disposition:** If the project includes demolition of existing public housing units and/or disposition (sale or lease) of public housing property, a separate approval must be received from the HUD Special Applications Center. If applicable, provide a brief status on the receipt of these approvals.

NOTE: Choice Neighborhoods projects follow program specific guidance related to demolition approval.

Status: N/A. Although the site is owned by the Omaha Housing Authority, the building is not a public housing site and there are no housing units.

**Section 15: Submission and Approval of Draft Evidentiary Documents for Mixed-Finance Projects**

For mixed-finance projects and Choice Neighborhoods projects only, the following documents must be submitted in draft form to HUD for review and approval prior to HUD approval of the Development Proposal and prior to execution of the evidentiary documents, unless otherwise approved by HUD.

NOTE: Submission of these documents may be made separately after submission of the other elements of the Development Proposal.

A. Mixed-Finance Amendment to the ACC (HUD Model Document)

NOTE: For Choice Neighborhoods projects, this document is only required for projects that include development of public housing units.

B. HUD Declaration of Restrictive Covenants and Partial Release of the existing Declaration of Trust, if applicable (HUD Model Documents).

NOTE: Choice Neighborhoods uses a program specific DORC which can be found on the Choice Neighborhoods website.

C. Regulatory and Operating Agreement between the PHA and the owner entity

NOTE: For Choice Neighborhoods projects, this document is only required for projects that include development of public housing units.

D. Ground Lease and Memorandum of Ground Lease between the PHA and the owner entity

E. Legal Opinion from PHA counsel (HUD Model Document)

F. Updated Development Proposal and Development Proposal Calculator, reflecting any changes in the project since the original submission

G. HUD Certifications and Assurances (form HUD-50161)

NOTE: Choice Neighborhoods projects must submit the model Choice Neighborhoods Certifications and Assurances.

H. Title Policy (pro forma submitted prior to closing and final policy submitted after closing showing HUD Declaration of Restrictive Covenant recorded in the order approved by HUD (reviewed by the HUD Field Office))

I. ALTA Survey (reviewed by the HUD Field Office)

J. Management Plan, Management Agreement, and sample Tenant Lease (reviewed by the HUD Field Office)

NOTE: For Choice Neighborhoods projects, this document is only required for projects that include development of public housing units.

K. Other documents as may be required by HUD

Upon completion of HUD's review of the Development Proposal and the draft evidentiary documents listed above, HUD will issue a letter to the PHA which will approve the Development Proposal and the draft evidentiary documents and authorize the PHA to proceed with financial closing. However, no public housing funds may be expended by the PHA until the final, executed evidentiary documents have been submitted to and approved by HUD.

**Section 16: Submission and Approval of Final Evidentiary Documents for Mixed-Finance Projects**

For mixed-finance projects, after financial closing the PHA must submit the following information to HUD for approval:

A. Copies of all executed and recorded evidentiary documents previously submitted and approved by HUD in draft form. These documents may be submitted electronically or via zip drive. Each document should be transmitted as a discrete file, and all documents must be indexed to allow for uncomplicated retrieval.

B. HUD opinion of counsel (HUD Model Document)

C. Certification from PHA counsel attesting that no significant changes have been made to the evidentiary documents previously submitted to and approved by HUD in draft form, or if changes have been made, a list of all changes

D. The final title insurance policy that reflects the recordation of all liens, mortgages, and encumbrances against the property in the order approved by HUD.

HUD will issue a final letter to the PHA which approves the executed evidentiary documents and authorizes expenditure of the public housing funds committed to the project.

**Section 17: Cost Certification**

Within one year of project completion, the PHA must submit to the Field Office the Actual Development Cost Certificate (Form HUD-52427) or Development Cost Budget/Cost Statement (HUD -52484) or another form or format as specified by the Field Office.

**Section 18: Attachments & Additional Submissions to the Development Proposal**

- Attachment 1: Site Map
- Attachment 2: Neighborhood/City Map
- Attachment 3: Architectural Plans
- Attachment 4: Construction Draw Schedule
- Attachment 5: Independent Construction Cost Estimate
- Attachment 6: Documentation on Limitation on Cost of New Construction
- Attachment 7: Documentation on Identify of Interest (if applicable)
- Attachment 8: Cooperation Agreement or Documentation of Consistency with Comprehensive Plan
- Attachment 9: Environmental Compliance Documentation
- Attachment 10: Market Analysis Executive Summary
- Attachment 11: Draft Evidentiary Documents (may be submitted after other elements of the Development Proposal, but prior to HUD approval)
- Attachment 12: Final Evidentiary Documents (submitted after financial closing)

## 5. ADJOURNMENT