



Commission Meeting

May 16, 2023

HCD_ Watson Pointe: Affordable Mixed Used Rental Housing Project Approval Request

Department: HCD

Presenter: Hawthorne Welcher, Jr. and/or HCD Staff

Caption: Motion to **approve** HCD's request to loan HOME Funds, in the amount of \$520k, for construction of Watson Pointe partnership with Woda Cooper Development and Parallel Housing, Inc. for the sole purpose of a GA Department of Community Affairs (DCAs) Low Income Housing Tax Credit Project only. (**Approved by Administrative Services Committee May 9, 2023**)

Background: **Project Overview Information**

- This development would be a mixed used (housing + commercial) affordable apartment development.
- This development would not be a public housing project.
- This development's total development costs (TDC) is \$16.0M.
- HCDs potential commitment (contingent upon DCA application approval) would be a loan of **\$520,000 (HOME Funds) @ 1% AFR, 20 years (w/ 30-year amort.).**
- HCDs commitment would be 3% of Total Development Costs
- If tax credits are awarded, construction would start approximately Quarter1 2024 with an Quarter2 2025 Placed in Service Date.
- HOME funds would not be needed until 2024 and spread out evenly over 2024 and 2025 respectively.
- HOME funds would be used for all construction hard costs related to the 52-unit development.

- Property Location:(tax map/parcel #'s: 036-3-003-00-0; 036-2-041-00-0, 1.33 acres).

Project Specific Information

- Woda Cooper Development, Inc. and Parallel Housing Inc. are proposing to develop 1427 & 1437 Broad St. with 52 units for Elderly (62+) (general occupancy) in Augusta, Richmond County, Georgia.
- The development is being named Watson Pointe. Watson Pointe is ideal for this senior development as it is close to proximity to downtown and within a quarter of a mile of a bus stop that services 4 bus routes. That stop is located on the corner of Broad St and Fourteenth St. Watson Pointe will provide 63 off-street parking spaces in total (1.2 parking spaces per unit). Also, the site is a 3-minute, 0.7 mile drive to and from the Piedmont Augusta Hospital.
- Woda Cooper Development, Inc., a top ranked national affordable housing developer from Columbus, Ohio, with its development office for the Southeast in Savannah, Georgia and Parallel Housing Inc., a non-profit sustainable affordable housing developer from Athens, Georgia, have successfully partnered together in several developments in Georgia.
- Watson Pointe will be a new construction 4-story building with an elevator. The unit split will be 34 one-bedroom units, and 18 two-bedroom units; with a total of 52 units, with 16 units having rental assistance vouchers provided by the Augusta Housing Authority. 16 units will be reserved for the residents earning up to 30% of the Area Median Income (AMI), 12 units for residents earning up to 60% AMI, and 24 units up to 80% AMI.
- The development will have 2,862 square feet of commercial space that will be divided into 3 units. \
- The commercial space will be located at the corner of Broad St and St. Sebastian Way.
- Watson Pointe will have a covered picnic area with grills, a community room, art & crafts center, and an equipped computer room.
- The residential units will offer quality amenities such as high efficiency HVAC, range, refrigerator, dishwasher, microwave oven, washer/dryer hookups, LVT flooring, window blinds, and ceiling fans.
- The site location is perfect for such development and the recent market study disclosed a strong demand for affordable housing in Augusta. The development is within the boundaries of the Downtown Redevelopment Plan and within a QCT.

- The Watson Pointe Site has a full range of amenities nearby, along the vibrant Broad Street corridor. Close to Augusta's historical downtown, including restaurants, churches, medical facilities, and other retail stores all within a mile from this location.
- The development team is experienced in building sustainable developments and all their developments in Georgia have obtained LEED for Homes Gold or Platinum certifications. This development will comply with the LEED for Homes program.
- The property would have recorded covenants restricting the use of this property for affordable housing (LIHTC development) for 30 years.

Developer Information

Woda Cooper Companies, Inc.:

- Formed in 1990
- Privately owned by Jeff Woda and David Cooper
- Headquarters: Columbus, Ohio. Regional office in Savannah Office (Denis Blackburne, Senior VP)
- Develop multifamily housing in 15 states
- Developed 350+ properties
- Focus on affordable/workforce housing
- Industry leader, consistently among top 15 developers nationally, currently ranked 10th
- Manage over 13,500 units
- Long-term owners (only ever sold one property)

Parallel Housing, Inc.

- Non-profit 501 (c) 3 organization based out of Athens, Georgia
- 19 years' experience in the Georgia affordable housing market
 - Gregg Bayard, Executive Director
- Mission is to provide energy efficient, sustainable affordable housing to communities in need
- First LEED Certified affordable housing development in the southeast (Sustainable Fellwood in Savannah)
- Also partnered with Woda Cooper in developments in Kentucky, and currently working on possibilities in South Carolina and Iowa

Year Credits Awarded by DCA	Development Name	Location	Construction Type	Tenant Base	Number of Units
2016	Adair Court	Atlanta	New Constr.	Senior	91
2015	Mallalieu Pointe	East Point	New Constr.	Multifamily	67
2014	Silver Lakes	Madison	New Constr.	Senior	44
2003	Stanton Oaks	Atlanta	Rehab	Multifamily	43
2010	Harmony Greene	Pooler	New Constr.	Multifamily	50
2003	Montgomery Landing	Savannah	New Constr.	Multifamily	110
2007	Sustainable Fellwood I	Savannah	New Constr.	Multifamily	140
2009	Sustainable Fellwood III	Savannah	New Constr.	Senior	100
2009	Sustainable Fellwood II	Savannah	New Constr.	Multifamily	110

**Together Woda Cooper and Parallel Housing have developed the following properties in Georgia
2 other properties are currently under construction: Canaan Crossing in Madison (60 townhome units) and Stanton Park in Atlanta (56 Multifamily units)**

Analysis:

Motion to approve HCD's request to develop Senior affordable housing units and commercial space (for small business access) on Broad Street, located at 1427 & 1437 Broad Street.

Financial Impact: HCD is committed to providing The Watson Pointe development loan funding in the amount of Five Hundred Twenty Thousand and 00/100 Dollars (\$520,000.00) via our HOME Investment Partnerships Program (50% in 2024 & 50% in 2025). Additionally, please be advised that, 100% of this funding is being committed to Watson Pointe, as a loan for 20 years at one percent (1%) interest per annum (loan will be amortized over the 30 years) and will take second position to bank debt. This commitment is contingent upon DCA’s application approval.

Alternatives: Deny HCDs Approval Request

Recommendation: Motion to approve HCDs request to loan HOME Funds, in the amount of \$520k, for construction of Watson Pointe in partnership with Woda Cooper Development, Inc. and Parallel Housing, Inc. for the sole purpose of a GA Department of Community Affairs (DCAs) Low Income Housing Tax Credit Project only.

Funds are available in the following accounts: Home Project Funds:
GL Code: 221073212-5225110

REVIEWED Procurement
AND Finance
APPROVED Law
BY: Administrator
Clerk of Commission