To: Albuquerque Housing Authority Board of Housing Commissioners

From: Linda Bridge, Executive Director

Date: September 15, 2021

Re: Executive Communication 2021-04 Rental Assistance Demonstration (RAD) Project Based Voucher (PBV) Contract Awards

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Background:

The Rental Assistance Demonstration (RAD) Program allows projects funded under the public housing program to convert their assistance to long-term, project-based Section 8 rental assistance contracts. Under this component of RAD, public housing agencies (PHAs) may choose between two forms of Section 8 Housing Assistance Payment (HAP) Contracts: project based vouchers (PBVs) or project-based rental assistance (PBRA).

AHA has selected for the public housing projects that have converted under RAD to utilize PBV Contracts. These RAD PBV units are not counted against our agency PBV cap (which is 20 % of Annual Contributions Contract (ACC) authorized Section 8 units citywide). These projects include The Commons at Martineztown, Broadway McKnight, and 6100 Harper. The HAP PBV contracts for The Commons at Martineztown were approved by the Board in November 2020.

The Board has passed previous resolutions for Broadway McKnight and 6100 Harper that among other things, authorized: the submission of RAD applications; the Executive Director to seek and obtaining financing and enter into such agreements and make other necessary and proper decisions in furtherance of the redevelopment of these properties; the formation of general partner and partnership entities; and granted the Executive Director the authority to negotiate, execute, agree to such documents and agreements as needed to affect the transactions, including borrowing, necessary to develop these properties.

In addition, for the Broadway McKnight project, the Board approved an award of 13 non-RAD PBV units in January 2020.

Discussion: Consistent with the approvals from the Board, both Broadway McKnight and 6100 Harper closed on the financing in August 2021. RAD-PBV Housing Assistance Payment (HAP) Contracts were executed with both partnerships effective September 1, 2021. In addition, a non-RAD PBV Agreement to Enter into a HAP Contract was executed for the additional 13 units at Broadway McKnight. While the prior Board approvals allowed for the closing of the financing and execution of contracts, in an abundance of caution and to be compliant with AHA Procurement Policy, requesting Board action to ratify the execution of the RAD PBV HAP contracts as summarized below.

Project Name	Owner	# RAD PBV units	Initial Contract Term	Estimated Contract Value Initial Term
6100 Harper	6100 Harper, LLLP	59	15 years	$8,980,740
Broadway McKnight	Broadway McKnight, LLLP	30	15 years	$5,206,140

The contract value was conservatively estimated based on the amount of initial rents, the number of units and the term of the initial contract. Any contracts estimated at a value over $500,000 require AHA Board approval under the terms of the AHA Procurement Policy.

Staff Recommendation:
Request board approval of the RAD PBV HAP contracts for 6100 Harper and Broadway McKnight.

By voting to formally approve receipt of this Executive Communication, the **AHA BOARD OF HOUSING COMMISSIONERS**, the governing body of the AHA does:

1. Approve the RAD PBV HAP Contracts for 6100 Harper and Broadway McKnight.
2. Authorize the Executive Director, or a designee appointed by the Executive Director, to execute the HAP contracts and ratify the actions taken by the Executive Director to finalize the contracts to facilitate the closing of the project financing.

PASSED and ADOPTED this 15th day of September 2021.
BY A VOTE OF 5 FOR, AND 0 AGAINST.

Members Absent: _____
Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS

By: /s Rebecca Robinson
Rebecca Robinson, Chairperson of the Board

ATTEST:

/s Linda Bridge
Linda Bridge, Secretary to the Board and Executive Director