To: Albuquerque Housing Authority Board of Housing Commissioners

From: Shawn Watson, Housing Development Associate

Date: September 18, 2024

Re: Executive Communication 2024-03 Project Based Voucher (PBV) Contract Award

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Background: The United States Department of Housing and Urban Development (HUD) allows Public Housing Authorities (PHAs) that already administer a tenant-based Section 8 Housing Choice Voucher (HCV) rental assistance program under an Annual Contributions Contract (ACC) to Project-Base up to 20 percent of the PHAs authorized HCV units, rather than using it for tenant-based vouchers. PHAs may only operate a Project Based Voucher (PBV) program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities. AHA has included this PBV option in its Annual Plan and the policies that govern the PBV program are included in the AHA Section 8 HCV Administrative Plan.

PBV rental assistance may be attached to existing rental housing or newly constructed or rehabilitated housing units. Projects can be selected by a PHA using two methods: 1) through a Request for Proposals (RFP) competition, or 2) proposals accepted on an ongoing basis from owners that were competitively selected under another federal, state or local housing assistance program (walk up to apply method). Additionally, a PHA may select a PHA owned or controlled project for PBV rental assistance without using one of the two previously mentioned processes. The HUD field office or a HUD-approved independent entity must review the selection process and determine that the PHA-owned units were selected in accordance with the PHA administrative plan.

The AHA Board has previously approved the following projects for PBV rental assistance.

1) Proposals selected through a RFP process

Project Name	Owner	# PBV Units	Initial Contract Term	Estimated Contract Value Initial Term
Kentucky Manor, 437 Kentucky St SE	New Life Homes	9	5 years	$369,900
Luna Lodge, 9119 Central Av NE	New Life Homes	7	5 years	$282,660
NLH4, 6600 Delia Rd SW	New Life Homes	15	5 years	$641,220
Sundowner, 6101 Central Av NE	New Life Homes	18	5 years	$634,920

2) Proposals selected through the walk-up method (had been competitively selected under other federal, state or local housing assistance programs)

Project Name	Owner	# PBV Units	Initial Contract Term	Estimated Contract Value Initial Term
Generations at West Mesa, 5715 Avalon Rd NW	Gorman & Co., Catholic Charities	11	20 years	$2,031,360
Nuevo Atrisco, 8081 Central Ave NW	YES Housing	20	20 years	$4,031,520
Luminaria Senior Community, 10600 Central Ave SE	Greater Albuquerque Housing Partnership	23	20 years	$3,909,600
Hiland Plaza, 5000 Central Ave SE	Greater Albuquerque Housing Partnership	23	20 years	$4,368,960
Felician Villa I, 4210 Meadowlark Lane SE, Rio Rancho	CC Housing Inc. / Chelsea Investment Corporation	16	20 years	$2,871,600
Calle Cuarta, 3525 4th Street NW	YES Housing	15	20 years	$2,807,280
Route 66 Flats, 7600 Central Ave SW	High Desert Housing, Inc. and BlueLine Development, Inc.	25	20 years	$5,520,000
Felician Villa II, 4210 Meadowlark Lane SE, Rio Rancho	CC Housing Inc. / Chelsea Investment Corporation	25	20 years	$6,608,880
Farolito Senior Community, 10501 Central Ave NE	Greater Albuquerque Housing Partnership	25	20 years	$5,984,400
Somos Apartments, 7200 Central Ave SE	Greater Albuquerque Housing Partnership	25	20 years	$6,216,000

3) AHA Owned or Controlled Property

Project Name	Owner	# PBV Units	Initial Contract Term	Estimated Contract Value Initial Term
Broadway/McKnight, 1840-1878 Broadway Place NE	Albuquerque Housing Authority	13	20 years	$2,539,200
The Commons at Martineztown, 320 Roma Avenue NE	The Commons at Martineztown, LLLP	24	20 years	$6,495,600
60th Street/Knotts Landing 112-114, 116-118, 120-122, 200-202, 204, 205, 207, 208, 212, 213, 215-217, 220, 221, 224, 228, 232 60th Street NW, Albuquerque, NM 87105 and Knotts Landing Court	Albuquerque Housing Authority	25	20 years	$7,233,360

Discussion:

AHA has selected one additional proposal for PBV rental assistance through the walk-up method (had been competitively selected under other federal, state or local housing assistance programs). A project summary is attached.

Project Name	Owner	# PBV Units	Initial Contract Term	Estimated Contract Value Initial Term
West Mesa Ridge A, 701 Coors Blvd NW	YES Housing / Chelsea Investment Corporation	30	20 years	$9,631,200

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.

Pending AHA Board approval and compliance with all HUD requirements, AHA will execute an Agreement to Enter into Housing Assistance Payment Contract (AHAP) Contract with the project. Once construction is complete and the project meets all HUD requirements, AHA would enter into a Housing Assistance Payment (HAP) contract with the project.

Staff Recommendation:

Request board approval of the AHAP and HAP contracts for the West Mesa Ridge A project.

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 an AHAP Contract and HAP Contract for West Mesa Ridge A, subject to compliance with all applicable HUD requirements.
2. Authorize the Executive Director, or a designee appointed by the Executive Director, to execute the AHAP and HAP contracts.

PASSED this 18th day of September 2024

BY A VOTE OF 5 FOR, AND 0 AGAINST.

Members Absent: _____

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS

By: /s/ Rayellen Smith
Rayellen Smith, Chairperson of the Board

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