

HOUSING AUTHORITY of the BIRMINGHAM DISTRICT

METROPOLITAN GARDENS
HOPE VI GRANT PROGRAM

PROGRESS REPORT
August 2006

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September 1, 2006

PARK PLACE OFF-SITE DEVELOPMENT

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SECTION 1 STATUS REPORTS

I. HOME OWNERSHIP PROGRAM

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In Mason City, additional property appraisals have been clarified and the HABD, has been continuing to make offers to homeowners, and identifying additional properties for acquisition. To date seven properties have been acquired, and the HABD has proceeded with the preparation of construction documents for houses on these parcels. The construction bid opening is forecast to occur in October.

In Southhampton, the contractor has been grading to prepare for the driveways and sidewalks, the front porch columns have been installed, partial installations of vinyl siding and priming of the interior walls are also in progress. The anticipated project completion is October 17, 2006.

The HABD Home Ownership program is continuing. The staff is working to solicit for additional persons for the program.

II. PARK PLACE - PROJECT PROGRESS OVERVIEW

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A Demolition Project

- i. **Phase 1 Demolition and Phase 2A Demolition**, Blocks B, C, D, E, F work is complete and Close-out and final payments have been processed.
- ii. **Demolition of Block 'A'** is complete. Close-out and final payments have been processed.

B Project Construction Progress

- i. **Infrastructure-Street Improvements Project-Sanitary Sewer Project:**
The first phase of the Infrastructure improvements has been completed. Close-out and final payments have been processed.
- ii. **Infrastructure-Street Improvements Project-Sanitary Sewer Project (Phase II):**
Dunn Construction Company was procured to provide services and a Notice to Proceed was issued, effective June 31, 2005.

The contractor has been working to install the electrical infrastructure service as well as some excavation and grading services.

1. **Payment Applications:**
None Submitted.

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iii. **Phase I - New Rental Units Construction;**

1. **Construction** - 100% complete. Close-out and HABD final payments have been processed.

Block 'B' - South

- 100% Complete

Block 'C' - North

- 100% Complete

Block 'C' - South

- 100% Complete

Block 'F' - West

- 100% Complete

2. **Payment Applications:**

None Submitted

iv. **Phase II - New Rental Units Construction;**

1. **Construction Progress** – Approximately 92% complete, based on the total construction contract value;

Contractual Date of Substantial Completion – October 5, 2006

Block 'D'

Building 10 (Type 3C)

- Roofing – 95%
- Appliances – 18%
- Painting & Decorating – 60%

Building 11 (Type 04)

- Roofing – 95%
- Painting & Decorating – 75%
- Appliances – 10%

Building 12 (Type 3C)

- Roofing – 95%
- Drywall – 100%
- Painting & Decorating – 60%
- Appliances – 18%

Building 13 (Type 3C)

- Roofing - 95%
- Doors – 90%
- Painting & Decorating – 60%
- Cabinets – 95%

- Plumbing & Hot Water – 95%
- Air Conditioning – 85%
- Electrical – 95%

- Plumbing & Hot Water – 95%
- Air Conditioning – 80%
- Electrical - 95%

- Plumbing & Hot Water - 85%
- Air Conditioning – 80%
- Electrical – 80%

- Appliances – 18%
- Plumbing & Hot Water – 85%
- Air Conditioning – 80%
- Electrical – 75%

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Building 14 (Type 3C)

- Roofing - 95%
- Doors – 90%
- Painting & Decorating – 60%
- Cabinets – 95%

Building 15 (Type 08)

- Roofing – 98%
- Doors – 95%
- Painting & Decorating – 75%
- Appliances – 5%

Building 16 (Type 04)

- Roofing – 95%
- Doors – 90%
- Painting & Decorating – 75%
- Cabinets – 95%

Block 'E'

Building 04 (Type 03)

- Painting & Decorating – 90%
- Plumbing & Hot Water – 95%

Building 05 (Type 06)

- Painting & Decorating – 90%
- Appliances – 100%

Building 06 (Type 3A)

- Cabinets – 100%
- Painting & Decorating – 80%
- Appliances – 100%

Building 07 (Type 3A)

- Finish Carpentry – 95%
- Painting & Decorating – 80%
- Appliances – 100%

- Appliances – 18%
- Plumbing & Hot Water – 80%
- Air Conditioning – 80%
- Electrical – 75%

- Plumbing & Hot Water - 98%
- Air Conditioning – 95%
- Electrical – 95%

- Appliances – 10%
- Plumbing & Hot Water - 85%
- Air Conditioning – 75%
- Electrical – 85%

- Air Conditioning – 95%
- Electrical – 95%

- Plumbing & Hot Water – 95%
- Air Conditioning – 95%
- Electrical – 95%

- Plumbing & Hot Water – 95%
- Air Conditioning – 95%
- Electrical – 95%

- Plumbing & Hot Water – 95%
- Air Conditioning – 95%
- Electrical – 95%

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Building 08 (Type 04)

- Painting & Decorating – 98%
- Plumbing & Hot Water – 98%

Building 09 (Type 04)

- Finish Carpentry – 95%
- Painting & Decorating – 90%
- Appliances – 100%

Block 'F' - East

Building 1 (Type 3C)

- Painting & Decorating – 98%
- Carpet – 100%

Building 2 (Type 3)

- Carpet – 98%
- Plumbing & Hot Water – 100%

Building 3 (Type 3C)

- Carpet – 100%
- Painting & Decorating – 98%

- Air Conditioning – 98%
- Electrical – 98%

- Plumbing & Hot Water – 95%
- Air Conditioning – 95%
- Electrical – 95%

- Plumbing & Hot Water – 100%
- Air Conditioning – 100%
- Electrical – 100%

- Air Conditioning – 100%
- Electrical – 100%

- Plumbing & Hot Water – 100%
- Air Conditioning – 100%
- Electrical – 100%

2. Payment Applications:

Phase II, Building Construction Pay Application No. 17.

v. Phase 1 Site Remediation Project Blocks B south, C, F west

Funds for the Site Preparation Project are included within the HABD Capital Funds commitment for Demolition - Site Preparation pursuant to the Master Developer Agreement, Exhibit D. The project contract is a GMP construction contract in the amount of \$680,000.00 for construction plus MGD construction management fees. Construction services have been completed.

vi. Phase 2 Site Remediation Project Blocks D, E, F east

Site Remediation services related to the Phase 2 development has been completed. The project contract was a GMP construction contract in the amount of \$ 1,084,000.00 for construction plus MGD construction management fees. Construction services have been completed.

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STATUS REPORTS

vii. MBE/DBE and Section 3 Participation

The following is a breakdown of MBE/DBE/Section 3 company's participation in the various active project segments. The contractor will be updating this information to the HABD on a quarterly basis. This update is current as of July 2006.

	<u>Participating Companies</u>	<u>% of Total Contract Value</u>
Housing Construction Services – Phase II		
MBE Entities	11%	14.0 %
Section 3 Entities	9%	9.0 %
Local Companies	N/A%	N/A%

C Property Management Recap

The Property Manager reports that speculative traffic/activity continues to be strong. In excess of one hundred persons continue to either call or visit the property each month. Upon issuance of the PTO (Permission To Occupy) certification from the HUD inspector, the keys to the units are released to the property manager from the contractor. All of the phase I, one hundred ninety-seven units have been released to the property manager.

Buildings acquired from the contractor;

 Phase I: Buildings 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 & Leasing Center

 Phase II: First building/units availability is October 2006.

Occupied Units:

 Phase I: One hundred eighty-four, of the one hundred ninety-seven units are currently occupied (94% occupied).

Key Management Initiatives

 Sustain occupancy of 95% or better.

 Secure monthly HABD subsidy payments on a timely basis and continue to increase Net Operating Income.

 Reduce delinquency to 1%.

D Phase 3 Design Development and Construction Documents

The development of financial and design strategies towards implementation of the Block 'A' and Block 'B' North revitalization's are currently being modified by the Development team. The Development team has procured an Architect to assist in their planning process and a pre-development budget from the developer is expected to be submitted.

E Developer Work in Progress

MGD is currently focused on the following activities:

- i. Phase I, Final Endorsement coordination with FHA.
- ii. Phase II, Infrastructure Project Construction services.
- iii. Phase II, Building Construction Project.
- iv. Phase III Block 'A' & Block 'B' North Development.
- v. Phase III Building Permit Approval & Closing.

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SECTION 1 STATUS REPORTS

- vi. Coordination with City of Birmingham Parks and Recreation Department, and vicinity entities regarding Marconi Park.
- vii. Property Management services, including marketing, maintenance and coordination/interaction with residents.

F Approvals Status

None submitted or pending.

G Project Related Meetings

August 09

HABD Progress Review Meeting: HABD Executive / HABD Specialists / MGD / PMT

August 14

Owner Architect Contractor (OAC) Update Meeting: HABD / MGD / Contractor / Architect / PMT

Progress Review Meeting: MGD / PMT

August 16

Phase III – Closing Coordination Conference Call: MGD / PMT

August 21

HABD Board of Commissioners Meeting: HABD / PMT

Phase II Housing Pay Application Review Meeting: HUD / HABD / Design Team / MGD / PMT

August 23

Phase III – Closing Coordination Conference Call: MGD / PMT

HABD Progress Review Meeting: HABD Executive / HABD Specialists / MGD / PMT

August 28

Owner Architect Contractor (OAC) Update Meeting: HABD / MGD / Contractor / Architect / PMT

Progress Review Meeting: MGD / PMT

August 29

Phase II Housing Pay Application Review Meeting: HUD / HABD / Design Team / MGD / PMT

August 30

Phase III – Closing Coordination Conference Call: MGD / PMT

H Document Submissions and Notices

- o July Progress Report submitted to HABD by PMT.
- o Park Place Pay Applications
 - Phase II – Housing Pay Application No. 17

I Key Project Issues

- i. Phase 2 Infrastructure Project –Construction Services Phase.
- ii. Phase 2 Housing Units Project –Construction Services Phase.
- iii. Home Ownership Program
- iv. Block 'A' & Block 'B' North conceptual design coordination.

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SECTION 2
STATUS REPORTS

III. OFF-SITE DEVELOPMENT - PROJECT PROGRESS OVERVIEW

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I. Off-Site Development - Project Progress Overview

The RFP was released and forwarded to potential proposers, September 8, 2004, with the Pre-proposal Conference, held on September 23rd. Ten proposer entities were represented at this meeting. One proposal was received on September 30, 2004, from Pennrose Properties, LLC/Formation Methods, LLC (P/FM). The Master Development Agreement was executed on September 13, 2005.

The Developer is currently refining the project master plan and project budget, based upon negotiations with the entity owner of the south metro Birmingham parcel. The two sides have a tentative land purchase agreement and they are currently working on the potential closing timing, per consideration of the approval process involving the HABD Board and HUD.

A Project Related Meetings

August 09

HABD Progress Review Meeting: HABD Executive / HABD Specialists / MGD / PMT

August 21

HABD Board of Commissioners Meeting: HABD / PMT

August 31

Project Status Coordination Conference Call: P/Fm / PMT

B Document Submissions and Notices

- o None Submitted

C Key Project Issues

- i. Project Budget
- ii. Acquisition Plan / Land Acquisitions
- iii. Development Plan
- iv. Amended Revitalization Plan

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SECTION 3
STATUS REPORTS

IV. GRANT PROGRAM FINANCIAL STATUS

The PMT, Project Accountant, Dennis Mobley, continues to monitor the overall project financial status through HABD Finance Department. To date expenditures are in compliance with Approved Predevelopment Budget expectations for Relocation, HABD Administration, Program Management fees and MGD costs including: Demolition, Infrastructure, MGD project management, Pre-Development Loan Agreement pertaining to Third Party Costs and Advance against Developer Fees.

- Phase II, Building Construction Pay Application No. 17.

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SECTION 4
APPENDIX

- SITE UPDATE PHOTOS.

- KEY PROJECT ACTIVITIES SCHEDULE, 11 September 2006.

- 60-DAY WORK IN PROGRESS SCHEDULE, updated to 11 September 2006.

- PARK PLACE: PHASE 2 PROJECT IMPLEMENTATION SCHEDULE, updated to 11 September 2006.