

HOUSING AUTHORITY of the BIRMINGHAM DISTRICT

METROPOLITAN GARDENS
HOPE VI GRANT PROGRAM

PROGRESS REPORT
September 2005

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October 7, 2005

PARK PLACE DOWNTOWN NORTHWEST

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I. HOME OWNERSHIP PROGRAM

The contract with the real estate entities, procured to locate and identify other potential properties for homeownership sites/acquisition, has been delayed, pending negotiations and processing of an amendment to their services.

In Mason City, additional property appraisals have been completed and the HABD, through ReMax, is preparing second offers at the selected properties.

The HABD Home Ownership program is continuing. The staff is working to solicit for additional persons for the program. The construction contract for the nine homes project has been executed and a notice to proceed issued to the contractor.

II. PARK PLACE - PROJECT PROGRESS OVERVIEW

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. The demolition contractor only needs to complete grassing at the northern portion of the property.
 1. **Payment Applications:**
MGD Invoice No. 18
MGD Invoice No. 19

B Project Construction Progress

- i. **Infrastructure-Street Improvements Project-Sanitary Sewer Project:**
The first phase of the Infrastructure improvements has been completed.
- ii. **Infrastructure-Street Improvements Project-Sanitary Sewer Project (Phase II):**
The procurement process for a contractor to provide services was held during May, with Dunn Construction Company, being issued a Notice to Proceed, effective May 31, 2005.

Dunn placed the asphalt seal coats on the green street roadways for blocks 'B' and 'C', otherwise minimal work was engaged in blocks D and E because Dunn is waiting for the building contractor to complete lateral tie in work. Projected work for next month includes the resumption of road work in block D (installation of curbs and gutters, driveways and landscaping work).

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- iii. **Phase I - New Rental Units Construction;**
1. **Construction Progress** – Approximately 99% complete, based on the total construction contract value;
- Block 'B' - South**
- 100% Complete
- Block 'C' - North**
- 100% Complete
- Block 'C' - South**
- 100% Complete
- Block 'F' - West**
- 100% Complete
2. **Payment Applications:**
Phase I – Housing Pay Application No. 19
- iv. **Phase II - New Rental Units Construction;**
1. **Construction Progress** – Approximately 5% complete, based on the total construction contract value;
- Block 'D'**
- Building 10 (Type 3C)**
- Concrete Work (footings) – 15% complete
 - Plumbing & Hot Water (underground work) – 20%
- Building 11 (Type 04)**
- Concrete Work (footings) – 15%
- Building 12 (Type 3C)**
- Concrete Work (footings) – 25% complete
 - Plumbing & Hot Water (underground work) – 20%
- Building 13 (Type 3C)**
- Concrete Work (footings) – 25% complete
 - Plumbing & Hot Water (underground work) – 20%
- Building 14 (Type 3C)**
- Concrete Work (footings) – 25% complete
 - Plumbing & Hot Water (underground work) – 20%
- Building 15 (Type 08)**
- Concrete Work (footings) – 15%
- Building 16 (Type 04)**
- Concrete Work (footings) – 15% complete
 - Plumbing & Hot Water (underground work) – 20%
- Block 'E'**
- Building 04 (Type 03)**
- Concrete Work (footings) – 40% complete
 - Plumbing & Hot Water (underground work) – 20%

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Building 05 (Type 06)

- Concrete Work (slab & footings) – 100%
- Plumbing & Hot Water (underground work) – 20%

Building 06 (Type 3A)

- Concrete Work (slab & footings) – 100%
- Plumbing & Hot Water (underground work) – 20%

Building 07 (Type 3A)

- Concrete Work (slab & footings) – 100%
- Plumbing & Hot Water (underground work) – 20%

Building 08 (Type 04)

- Concrete Work (footings) – 15% complete

Building 09 (Type 04)

- Concrete Work (footings) – 40% complete
- Plumbing & Hot Water (underground work) – 20%

Block 'F' - East

Building 1 (Type 3C)

- Concrete Work (slab & footings) – 100%
- Plumbing & Hot Water (underground work) – 20%

Building 2 (Type 3)

- Concrete Work (slab & footings) – 80%
- Plumbing & Hot Water (underground work) – 20%

Building 1 (Type 3C)

- Concrete Work (slab & footings) – 100%
- Plumbing & Hot Water (underground work) – 20%

2. Payment Applications:

Phase II – Housing Pay Application No. 6

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.

The total construction value earned to date is \$ 680,000.00 or 100% of the contract value.

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.

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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.

	<u>Participating Companies</u>	<u>% of Total Contract Value</u>
Remedial Sitework Services		
MBE Entities	50%	3%
Section 3 Entities	50%	3%
Local Companies	100%	100%
Block A Demolition Services		
MBE Entities	67%	27%
Section 3 Entities	0%	0%
Local Companies	100%	100%
Phase II Infrastructure Construction Services		
MBE Entities	67%	27%
Section 3 Entities	0%	0%
Local Companies	100%	100%
Housing Construction Services – Phase I		
MBE Entities	25%	35%
Section 3 Entities	30%	40%
Local Companies	70%	57%
Housing Construction Services – Phase II		
MBE Entities	13%	16%
Section 3 Entities	6%	11%
Local Companies	N/A%	N/A%

C Property Management Recap

The Property Manager reports that speculative traffic/activity continues to be strong. 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. To date 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: None

Occupied Units: One hundred sixty-eight w/ twenty-eight of the remaining units pre-leased

 Market Rate Units – Sixty (nine pre-leased)

 Affordable Units – Thirty-two (eight pre-leased)

 Authority Assisted Units – Seventy-six (eleven pre-leased)

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Applications Pending

Market Rate Units – Five

(w/ no additional applicants currently on Waiting List)

Affordable Units – None

(w/ an additional fifteen applicants on the Waiting List)

Authority Assisted Units – None

(w/ an additional one hundred ten applicants on the Site Based Waiting List)

The following are Marketing/Leasing Goals established by the Property Manager:

- o 99% occupied by October 10, 2005.
- o Increased marketing at various local businesses (UAB, AmSouth Bank, Regions Bank etc.) through flyers and hand-outs
- o Open House/Gala event scheduled for November 5, 2005 in order to improve community image and awareness.

D Phase 3 Design Development and Construction Documents

The development of financial and design strategies towards implementation of the Block 'A' revitalization 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. Close-out of Phase I, Building Construction Project.
- ii. Phase II, Infrastructure Project Construction services.
- iii. Phase II, Site Remediation Project construction services.
- iv. Phase II, Building Construction Project.
- v. Phase III Block 'A' & Block 'B' North Development.
- 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

- i. Certificate of Occupancy for Phase I, pending City approval.

G Project Related Meetings

September 7

HABD Board of Commissioners Tour of Park Place: HABD / IMS / PMT

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

September 12

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

September 13

MGD/FHA Project Status Meeting: HABD / MGD / PMT

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SECTION 1 STATUS REPORTS

- September 14
Demolition Services Update Meeting: HABD / MGD / Contractor / Architect / PMT
- September 11
Weekly Progress Review Meeting: MGD / PMT
HABD Board of Commissioners Meeting: HABD / PMT
- September 20
City of Birmingham/Ukraine Officials Delegation Tour of Park Place/Smithfield: HABD /
IMS / PMT
- September 21
HABD Progress Review Meeting: HABD Executive / HABD Specialists / MGD / PMT
Demolition Services Update Meeting: HABD / MGD / Contractor / Architect / PMT
Infrastructure Services Update Meeting: HABD / MGD / Contractor / Architect / PMT
- September 22
HABD HOPE VI Financial Reconciliation Meeting: HABD / PMT
- September 26
Owner Architect Contractor (OAC) Update Meeting: HABD / MGD / Contractor / Architect
/ PMT

H Document Submissions and Notices

- o August Progress Report submitted to HABD by PMT.
- o Park Place Pay Applications
 - Phase I – Housing Pay Application No. 19
 - Phase II – Housing Pay Application No. 6
 - Phase II – Infrastructure Pay Application No. 2
 - Phase II – Infrastructure Pay Application No. 3
 - Demolition Block 'A' – Pay Application No. 18
 - Demolition Block 'A' – Pay Application No. 19

I Schedule Review

- o Phase I – Parking Area Construction @ Block 'A'
- o Phase II – Infrastructure Improvements
- o Phase 2 – Housing Units Construction

J 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.
- v. Downtown Northwest – Project Budget
- vi. Downtown Northwest – Acquisition Plan
- vii. Downtown Northwest – Development Plan

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SECTION 2
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III. DOWNTOWN NORTHWEST - PROJECT PROGRESS OVERVIEW

I. Downtown Northwest - Project Progress Overview

The RFP was released and forwarded to potential proposers, September 8th 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, identifying parcels for acquisition; also prioritizing these parcels based on an implementation schedule and anticipated cost to acquire. P/FM is also preparing a project budget, schedule and phasing plan.

The Pre-development Budget is anticipated to be forwarded for review/approval in November.

A Project Related Meetings

September 7

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

September 13

Development Kick-Off Meeting: HABD / P-FM / PMT

September 11

HABD Board of Commissioners Meeting: HABD / PMT

September 22

HABD HOPE VI Financial Reconciliation Meeting: HABD / PMT

September 28

Project Planning Session: HABD / P-FM / PMT

B Document Submissions and Notices

- o August Progress Report submitted to HABD by PMT.
- o Execution of Master Development Agreement

C Key Project Issues

- i. Project Budget
- ii. Acquisition Plan
- iii. Development Plan

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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.

- o Park Place Phase I – Housing Pay Application No. 19
- o Park Place Phase II – Housing Pay Application No. 6
- o Park Place Phase II – Infrastructure Pay Application No. 2
- o Park Place Phase II – Infrastructure Pay Application No. 3
- o Park Place Demolition Block 'A' – Pay Application No. 18
- o Park Place Demolition Block 'A' – Pay Application No. 19

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SECTION 4
APPENDIX

- SITE UPDATE PHOTOS.

- PARK PLACE: KEY PROJECT ACTIVITIES SCHEDULE, 30September05.

- PARK PLACE: PHASE 2 PROJECT IMPLEMENTATION SCHEDULE, updated to 30September05.

- PARK PLACE: BLOCK 'A' DEMOLITION, updated to 30September05.

- PARK PLACE: 60-DAY WORK IN PROGRESS SCHEDULE, updated to 30September05.