



HOUSING AUTHORITY of COLUMBUS GEORGIA

**PEABODY APARTMENTS
HOPE VI REVITALIZATION**

**PROGRESS REPORT
March 2004**

Project Website – www.peabodyhopevi.org

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PROJECT IMPLEMENTATION

SECTION 1 STATUS REPORTS

Predevelopment – General Overview and Summary

For the month of March, project activities included: Administrative business and project planning, Financial actions, Community and Supportive Services, Resident Relocation, Demolition Bid-Opening.

Administration: the First Amendment to the Master Developer Agreement has been completed. An additional Amendment is required in order to clarify the Developer's Design Team previously named in the original Developer RFP Proposal. Signatures for the Phase 1 Pre-Development Loan Agreement are complete and Invoice #1 has been submitted to the PMT and HACG. The Agreement with CSU concerning Project Evaluation Consulting Services is complete and has been signed. The property transfer process for the Wynnton site is on hold pending satisfactory negotiations for Developer Fees relative to Wynnton Site Development. The Intergovernmental Agreement was revised and submitted to City for review. A meeting with City representatives was completed March 24 necessitating additional language revisions. The revised Agreement has been resubmitted to City for approval as of March 26.

Peabody Phase 1 Tax Credit Application: document preparation has started and all project teams are assembling information for enclosure in the Application. The document is due for submission to DCA as of May 04.

Resident Relocation Project: remains ongoing and is progressing extremely well. At month end there are 108 families remaining on site. Families currently residing in the Phase 3 Relocation Site Area are voluntarily applying for relocation. To date, there are 31 households remaining in the Phase 2 Relocation Area and 77 families remaining in the Phase 3 Area.

CSS Program: ongoing and is progressing extremely well. All Peabody Households have been interviewed. Total caseload as of end of quarter is 343 persons of which 232 persons have completed assessment. CSS information input for the HUD Quarterly Progress Report is complete.

HUD Approval CSS Plan: conditional approval received as of November 2003. HACG is currently awaiting final HUD approval of the CSS Plan.

Peabody Demolition: Demolition Bid-Out has been completed. Demolition Bid Opening was completed March 16, 2004. 8 submissions were received.

Wynnton Site Property transfer: City of Columbus has initiated formal transfer of the Wynnton properties to HACG. City of Columbus has attached additional conditions and property values on the transfer of the properties which are currently in process of further review and discussions amongst all teams.

Intergovernmental Agreement: this item remains a critical issue for the advancement of the HOPE VI Project, particularly the Wynnton Site Development which is scheduled to start construction in summer of 2004. A meeting with City of Columbus to review latest proposal was completed March 24.

Amended Revitalization Plan: project teams have reviewed this item during Progress Meetings. All teams concur that the Amended Revitalization, which redefines the unit and mix variation from the Grant Application, will be prepared starting in November 2004 in preparation for submission of Peabody Phase 1 Mixed Finance Proposal and Evidentiary Documents leading to Peabody Phase 1 Closing

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PROJECT PROGRESS OVERVIEW

SECTION 1 STATUS REPORTS

I ADMINISTRATION

Community Supportive Services Work Plan – status remains same as reported in December; the Work Plan has been submitted to HUD Headquarters as of September 18. HUD has provided Conditional Approval for the CSS. Copies of all Service Provider Sub-Grantee Agreements/Memoranda of Understanding have been executed and submitted to HUD Headquarters for Final Approval. Budget clarifications have submitted to HUD Headquarters as requested. HACG is awaiting receipt of final HUD approval for the CSS Work Plan.

Master Developer Agreement (MDA) – the First Amendment to the Agreement has been completed. The Amendment addresses revisions to the value of Developer Fees for the Predevelopment Loan Agreement and also revisions to the required HUD Milestone completion dates.

A Second Amendment to the Agreement is under discussion between the Developer, HACG and the PMT. This Amendment will clarify the Developer's intentions concerning the Project Design Team.

Pre-Development Loan Agreement –HACG Funds for these costs are derived from the HOPE VI Grant funds.

The Phase 1 Agreement has been concluded. The Developer has submitted Invoice #1.

Integral-CHI Builder Agreement – The Final Agreement has not been received from the Developer.

Wynnton Site Property Transfer from City of Columbus to HACG – the property transfer process has been initiated by City of Columbus. HACG has received initial documents which remain under review and discussion with HACG, the Developer Team and the PMT. Concerns include the property values assigned by the City, covenant restrictions relative to resale of the property, restrictions concerning possible future widening of Buena Vista Road which the City indicates may impact the Wynnton Properties.

Intergovernmental Agreement – conclusion of the Agreement is critical for advancing the project. In view of the Wynnton Site Project Closing and construction start scheduled for June 2004 it is imperative that infrastructure design and construction for the Wynnton Site be initiated as soon as possible.

During the March 24 meeting; City of Columbus Finance Department has approved the proposed Project Budget and Cash Flow Projections. At that time, the Developer did clarify that this Budget is not based on detailed information and design requirements which can only be ascertained by engineering consultants who can only be procured subsequent to approval of the Intergovernmental Agreement.

At the March 24 meeting, City of Columbus requested additional revisions to Agreement language. These revisions were completed and the document was resubmitted to City of Columbus as of March 26. HACG is awaiting further response from City of Columbus.

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Item I ADMINISTRATION - continued

Design and Engineering Team Procurement – Developer procurement for engineering services with respect to the Peabody Demolition Project is complete as of December.

The Developer has been requested to clarify procurement the process for engineering required for the development of the Wynnton properties.

Developer procurement for engineering services needed for the Infrastructure Project will commence subsequent to approval of the Intergovernmental Agreement.

The Developer has been requested to clarify the Design Team for the Peabody Project.

Homeownership Plan – discussions have been ongoing. Further discussions and agreement are pending concerning the Developer Budget for Site Preparation Work and Developer Fees. The Developer has been requested to submit a revised copy of the Plan.

Section 3 Plan – HACG, the PMT and the Developer initiated discussions with the CSS Team in early October and A coordination meeting including HACG, the Developer and the CSS Team was in early January. The Developer has submitted a preliminary Section 3 Plan. The document requires additional revisions. The Revised Plan is schedule for submission in early April.

Resident Relocation: Phase 1 Resident Relocation is complete. Phase 2 Relocation has commenced and is well advanced. Information meetings with Phase 3 Relocation Residents have been completed and Voluntary Relocation is in process for residents in the Phase 3 Area.

HOPE VI Program Evaluation: the Agreement with CSU has been completed and the CSU are actively engaged in the Project.

II SITE INVESTIGATION – EXISTING CONDITIONS – ENVIRONMENTAL ASSESSMENT

Progress status remains same as reported in December

ALTA Survey:

The Developer has been authorized to move forward with the final lot layout for the Wynnton Project Site. The PMT are awaiting completed drawings.

Title verification must be completed and certified prior to completion of final Site plats. The Developer must procure consultant services to accomplish title verification and site plats which will be required for final Closing with the prospective home buyer.

Environmental Assessment:

The Environmental Approval process for the Wynnton Site has not yet been initiated. The Developer has completed consultant procurement for this work.

Site Drainage Study/Infrastructure Design: this activity is critical for advancing the Wynnton Project. This work has not yet been initiated pending an executed Intergovernmental Redevelopment Agreement relative to design and construction of infrastructure.

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III MASTER PLANNING

Master Planning activities have reached a conclusion subject to submission and approval of a workable financial Proforma and construction budgets based on the proposed unit count and building types in addition to confirmation of Total Development Costs for compliance with HUD guidelines.

During the month of March, the Developer did submit a revised construction cost/financial model. The PMT reviewed the documents, noted several issues and requested the Developer to revise their analysis and resubmit the document.

The next phase of Master Planning activities include:

- revisions necessary for the Tax Credit Submission
- revisions in response to the financial model
- preparation of the Amended Revitalization Plan
- revision necessary for compliance with setback restrictions.

IV PEABODY DEMOLITION

Peabody Demolition Bid Advertisement was initiated February 09 as scheduled.

A Pre-Bid Meeting was completed February 26.

In response to Contractor requests, an additional Site Tour was completed March 02 and the Bid Opening was extended to March 16.

Demolition Bid-Opening was completed 2:00pm, March 16, 2004 at the Peabody Community Center.

The Bid-Opening was attended by the Project Engineer, R. McDaniel, of Holley Consultants; the Developer, Integral Properties, HACG representatives, the PMT Project Manager and 7 contractor representatives. 8 Bid Submissions were received. These included: Winter Construction; National Salvage; Empire: Aztec; Bianchi; Pyramid; D.H. Griffin; Reaves. The submission received from Reaves Wrecking was marked as "no Bid". Apparently this contractor currently has a full project schedule and is unable to fulfill an additional work load.

Initial Bid Results indicate that Pyramid Construction is the lowest responsive Bidder. The Developer Team has been in a Due Diligence/Bid Review process since Bid Opening. A recommendation for Contract Award is expected in early April.

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V RESIDENT RELOCATION

Resident Population: As of March 31, the resident population at Peabody was 108 households remaining to be relocated.

Relocation Stats to date:

- 131 families relocated to date to other PH communities
- 56 families relocated to date to Section 8 housing
- 42 families relocated outside the Relocation Project.
- 38 families relocated to date due to other circumstances

Revised Resident Relocation Schedule remains as follows:

- Phase 1 Relocation complete as of February 13, 2004.
- Phase 2 Relocation will be complete by May 31, 2004 - 1 month earlier than original schedule
- Phase 3 Relocation will be complete by September 01, 2004 - 3 months earlier than original schedule

VI COMMUNITY & SUPPORTIVE SERVICES

March activities included: Reading Hour, Arts and Crafts, information sessions concerning income tax preparation and the Neighborhood Network Center, information and coordination meetings.

CSS stats to date:

- 232 assessments completed to date.
- 171 persons in employment preparation, placement to date.
- 81 persons in employment preparation, this quarter
- 40 persons in job skills training to date.
- 28 persons in job skills training this quarter
- 68 job placements this quarter
- 86 job placements total program to date
- 11 persons enrolled in home ownership program to date

VII HOMEOWNERSHIP PROGRAM

Status remains same as reported in January. The Homeownership Plan submission to HUD has been delayed pending conclusion of Developer, PMT, HACG discussions concerning the value of Developer Fees and Site Development design and construction costs in addition to the terms of the Integral-CHI Builders Agreement and City restrictions. The Developer provided a revised version of the Homeownership Plan in late January however the document remains in process of discussion and revision.

VIII WYNNTON PROJECT – CLOSING

As of Progress Meeting April 01, project teams have rescheduled Wynnton Closing for July 01, 2004.

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IX Peabody PHASE 1 TAX CREDIT APPLICATION

The Tax Credit Application is due for submission to DCA as of May 04, 2004.

HACG, the PMT and the Developer began researching data and assembling documentation as of early March and the HACG component of the submission is scheduled to be complete as of April 15.

As of March 31, HACG documentation is progressing on schedule. Additional consultation and information is required concerning the Environmental Report, financial commitment, Chain of Title.

X PROJECT RELATED MEETINGS – March 2004

March 04	Project Review Meeting – HACG, PMT, Integral
March 16	Peabody Demolition Bid Opening – contractors, Integral, Holley Engineering, HACG, PMT.
March 18	Project Review Meeting – HACG, PMT, Integral
March 24	Intergovernmental Agreement Review Meeting – City of Columbus, HACG, PMT, Integral

XI DOCUMENT SUBMISSIONS AND NOTICES – March 2004

March 11	First Amendment to Master Developer Agreement – signatures complete Document distributed March 24
March 16	Peabody Demolition Bid submissions received from Contractors.
March 18	Phase 1 Predevelopment Loan Agreement – signatures complete, document distributed March 24.
March 19	Phase 1 Predevelopment Loan Agreement – Invoice #1 submitted to HACG March 18
March 26	Revised copy of Intergovernmental submitted to City of Columbus for final review

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PROJECT FINANCIAL REVIEW

SECTION 1 STATUS REPORTS

March 2004:

As the project progresses, the PMT will monitor the overall project financial status through HACG Finance Department.

During the month of March, the Developer has submitted Phase 1 Predevelopment Loan Invoice #1.

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PROGRESS PAYMENT SUMMARY PHASE 1 PREDEVELOPMENT LOAN AGREEMENT

DEVELOPER 3RD PARTY COSTS ----- Invoice #1 payment period ending February 29, 2004
pursuant to MDA and Predevelopment Loan Agreement: HACG payment for 75% of Developer Invoice

item	Total Budget	Developer Obligated Contract Amount	Developer Total Invoice To Date	Developer Invoice to 03-18-04	HACG Obligated Budget Amount 75%	Invoice Amount to HACG This Invoice	HACG Total Invoice to Date	HACG Paid to Date
Master Planning - Rees Design	\$ 30,000.00	Rees- hourly	\$ 6,460.00	\$ 6,460.00	\$ 22,500.00	\$ 4,845.00	\$ 4,845.00	\$ 0.00
Architect & Engineer	\$300,000.00		\$ 0.00	\$ 0.00	\$225,000.00	\$ 0.00	\$ 0.00	\$ 0.00
Survey - JYG	\$ 35,000.00	JYG - \$26,000.00	\$ 21,294.28	\$ 21,294.28	\$ 26,250.00	\$ 15,970.71	\$ 15,970.71	\$ 0.00
Soil Testing	\$ 40,000.00		\$ 0.00	\$ 0.00	\$ 30,000.00	\$ 0.00	\$ 0.00	\$ 0.00
Environmental	\$15,000.00		\$ 0.00	\$ 0.00	\$ 11,250.00	\$ 0.00	\$ 0.00	\$ 0.00
Market Study	\$ 8,000.00		\$ 0.00	\$ 0.00	\$ 6,000.00	\$ 0.00	\$ 0.00	\$ 0.00
Appraisal	\$ 8,500.00		\$ 0.00	\$ 0.00	\$ 6,375.00	\$ 0.00	\$ 0.00	\$ 0.00
Tax Credit Application Fee	\$ 32,000.00		\$ 0.00	\$ 0.00	\$ 24,000.00	\$ 0.00	\$ 0.00	\$ 0.00
Public Relations	\$ 10,000.00		\$ 0.00	\$ 0.00	\$ 7,500.00	\$ 0.00	\$ 0.00	\$ 0.00
Other Consultants	\$ 50,000.00		\$ 0.00	\$ 0.00	\$ 37,500.00	\$ 0.00	\$ 0.00	\$ 0.00
Sub-Total 3rd Party	\$528,500.00				\$396,375.00	\$ 20,815.71	\$ 20,815.71	\$ 0.00
HACG 3 rd Party Payments Not to Exceed					\$396,375.00			
Total Amount Invoice #1 for 3 rd Party						\$ 20,815.71		
Total 3 rd Party HACG Invoice to Date							\$ 20,815.71	
Total 3 rd Party HACG Paid to Date								\$ 0.00

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PROGRESS PAYMENT SUMMARY PHASE 1 PREDEVELOPMENT LOAN AGREEMENT

DEVELOPER ADVANCES FOR OVERHEAD MILSTONES- Invoice #1 for period ending February 29, 2004
pursuant to MDA and Predevelopment Loan Agreement: HACG payment for 100% of Developer Invoice

Item	Budget	Percent % complete to 03-18-04	Developer Total Invoice to Date	Developer Amount this Invoice	Invoice Amount to HACG this Invoice	HACG Total Invoice to Date	HACG Total Paid to Date
MDA Executed	\$ 30,000.00	100%	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$ 0.00
Predevelopment Consultant Procurement	\$ 30,000.00	30%	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 0.00
Stakeholder/Community Meetings	\$ 15,000.00	80%	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 0.00
Masterplan	\$ 30,000.00	90%	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00	\$ 0.00
Design Schematic Approval	\$ 15,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Design Development Approval	\$ 15,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Tax Credit Application	\$ 45,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Tax Credit Award & Start Closing Documents	\$ 30,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Mixed Finance Proposal	\$ 30,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Evidentiary Documents	\$ 60,000.00	0%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Subtotal	\$300,000.00		\$78,000.00	\$78,000.00	\$78,000.00	\$78,000.00	\$ 0.00
HACG Payment for Developer Overhead not to Exceed	\$300,000.00						
Total Amount Invoice #1 for Developer Overhead					\$78,000.00		
Total Developer Overhead Invoice to Date to HACG						\$78,000.00	
Total Developer Overhead Paid to Date by HACG							\$ 0.00

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PROJECT SCHEDULE REVIEW

SECTION 1 STATUS REPORTS

Relocation

March 2004

Phase 1 complete

Phase 2 Relocation scheduled for completion May 31, 2004 – 4 weeks ahead of schedule

Phase 3 Relocation scheduled for completion Sept 01, 2004 – 12 weeks ahead of schedule

CSS Program

March 2004

Case management is ongoing. Outreach is ongoing. Pastoral Institute is accomplishing prescribed goals.

Homeownership Counseling

March 2004

CHI Home Ownership Program is ongoing. 11 Peabody families in program to date.

Homeownership Plan

March 2004

Additional clarifications and revised budget required from Developer Team. Submission is behind planned schedule

Administrative Issues

March 2004

Master Developer Agreement – First Amendment complete. Second Amendment under review.

Wynnton Site Property Transfer – in process with legal teams, HACG, Developer and City of Columbus. Behind schedule, no negative impact to Wynnton Closing Process.

Intergovernmental Agreement – Executed Document is behind schedule and is impacting implementation of infrastructure design.

Infrastructure for Wynnton Development

March 2004

Infrastructure Design is required as soon as possible. Infrastructure construction work must start in advance of home construction. Closing scheduled for July 01; home construction to start by September 01.

Site Development for Wynnton Properties

March 2004

Site Development design is required as soon as possible to prep sites for home construction intended to start in September. Consultant procurement and design is currently behind planned start due to Home Ownership Plan issues to be resolved and property transfer issues to be resolved.

Demolition

March 2004

Demolition Bids Received. Developer in process of Bid evaluation and preparing recommendation. Contract Award is behind schedule 7 days as of March 31.

Phase 1 Tax Credit Application

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In process. Submission due to DCA as of May 04, 2004

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SECTION 2 OUTSTANDING ISSUES

Key Project Issues

- Prepare Peabody Phase 1 Tax Credit Application.**
- Intergovernmental Agreement**
- Resident Relocation**
- Peabody Demolition Contract Award**
- Peabody start Demolition**
- Infrastructure for Wynnton Site**
- Hydrology Study and Civil Engineering for Wynnton parcels.**
- Wynnton Property Transfer**
- Developer to procure civil engineering services for infrastructure
- CSS Program Case Management
- Section 3

PMT Project Look Ahead

- Peabody Phase 1 Tax Credit Application**
- Start Demolition at Peabody Site**
- Resident Relocation**
- Submit Home Ownership plan to HUD**
- Infrastructure Design**
- Peabody Design Development**
- CSS Case Management
- Homeownership counseling
- Track schedule
- Track Project Budget
- Monitor Relocation, CSS, Homeownership

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SECTION 3 ENCLOSURES

- SUMMARY SCHEDULE updated to March 31, 2004
- Relocation Schedule updated to March 31, 2004
- Demolition Schedule updated to March 31, 2004
- 90-DAY WORK IN PROGRESS SCHEDULE
April – May - June 2004