



Vancouver, Washington Housing Authority 2000-2003

Agency Background

The Vancouver Housing Authority was founded in 1942 to house thousands of war-industry workers who came to Vancouver to rebuild the fleet after Pearl Harbor. After the war, the federal government deeded large parcels of land to the VHA, and the agency spent much of the next decades platting neighborhoods and subdivisions over what was once temporary war housing.

With cash on hand from the sale of the individual land parcels, the VHA built Vancouver's first public housing in the early 1960s. Subsidized housing for low-income families, seniors, and people with disabilities became the VHA's line of business and is still an integral part of the mission today. More than 7,500 Clark County residents (including more than 3,000 children) live in 3,100 safe, decent, affordable rental homes and apartments that are owned, managed or subsidized by the VHA.¹ For the first fifty years of its history, the VHA operated like a typical public housing authority; as a subgrantee of federal housing programs. Business as usual, however, was destined to change.

In the early 1990s, the VHA's Board of Commissioners and leadership anticipated the decline of federal funding for subsidized housing and sought ways to diversify the agency's funding base. Since then, the VHA has developed or acquired 2,213 units in fifteen bond and/or tax-credit financed properties. These include a 124-unit Single Room Occupancy (SRO) building on the campus of the Federal Department of Veterans Affairs, affordable housing for lower-income workers near developing employment centers, assisted living facilities, mixed-use/mixed income properties, and high-quality affordable housing that stimulates neighborhood revitalization and community development.

The VHA now receives about half of its budget from federal government subsidies and the success of the VHA's mixed-use ventures has generated support for the designation of the VHA as a Public Development Authority (PDA) to undertake additional community development activities.

Project Overview

Anthem Park stands on the site of the former Vancouver High School football field, about one mile from Vancouver's downtown core. Vancouver is experiencing a

¹ The VHA administers 2,100 Section 8 Housing Choice Vouchers, 575 units of federally subsidized Low Rent Public Housing, and 203 units of Section 8 New Construction, as well as managing 206 units of nonprofit-owned housing for seniors and people with mental illness.



renaissance of its downtown with the addition of 275,000 s.f. of commercial/retail space, and 631 units of high-end housing. A hotel and conference center opened in July 2005.

The VHA had purchased the entire five acre site in 1970, after several years of community debate about the best use of the land. In 1977 the VHA developed the southwest corner with Columbia House, a 151-unit Section 8 New Construction property for seniors and people with disabilities. In 1989 a 20-unit Section 202 property for people with chronic mental illness was added on the northwest corner. This property was developed in partnership with Columbia River Mental Health Services. In 1999, the VHA completed construction of a two-story administrative headquarters on the northeast corner of the property.

The remaining 1.5 acre southeast section of the block was required by a concomitant zoning agreement to contain at least one half acre of open space to offset the loss of the former school grounds and football field. Neighbors wanted new owner-occupied housing in their neighborhood. Small business owners wanted retail along the entire Main Street frontage. The Uptown area was struggling to achieve critical mass on its path to becoming a vibrant and energetic community of choice. If Vancouver were to have a 24-hour downtown and Uptown Village were to participate, more people needed to have reason to come to Main Street 24 hours a day. The VHA committed to meet as many of these objectives as possible with a mixed-use, mixed-income, mixed-tenure community.

The VHA and private developer Vern Rifer created a design in which six distinct elements fit together on the 1.5 acre site without feeling crowded. The elements are:

- A 58-unit tax-credit financed apartment building, affordable to households at or below 60% of area median income.
- 22 owner-occupied town homes, including 7 live-work units fronting Main Street.
- Two retail spaces.
- An underground parking garage.
- One half acre of publicly accessible urban open space on top of the parking garage with a water feature, benches, and walking paths.
- A sky bridge connecting Columbia House Senior Apartments to the public open space, creating disabled accessibility throughout the site.

Assistance Provided

The NAHRO Access Alliance provided some technical assistance to VHA and to Rifer Development. The Alliance (LISC/National Equity Fund and Bank of America) also provided tax credit and debt funding for the workforce rental housing as well as homebuilder financing to Rifer Development for the for-sale townhouses. Finally, Banc of America Securities provided investment banking for the VHA issued bonds which financed the debt component of the rental housing's capitalization. During the course of



construction and initial occupancy, VHA opted to utilize variable interest rate (lower floater) bonds.

Outcome

Anthem Park was financed with a combination of tax exempt bonds authorized by the Washington State Housing Finance Commission, tax credit equity, private funding, and public funding sources.

\$3,800,000	Bonds issued by the VHA and underwritten by Bank of America
\$3,022,326	Federal Low-Income Housing Tax Credits syndicated by NEF, Inc.
\$2,730,302	Vancouver Housing Authority (for the plaza & sky bridge)
\$ 500,000	Washington State Housing Trust Fund
<u>\$6,030,398</u>	<u>Private developer</u>
\$16,063,026	TOTAL

Anthem Park has been a success by every measure. Starbucks signed a long term lease and was doing brisk business before the apartment building was even open, and twenty-one of the apartments were leased within the first 8 weeks since the September 30, 2003 grand opening celebration. By November 20, all of the town homes had sold, reflecting a market acceptance of the aesthetics, density, and diversity of the community. The apartments were fully leased up within one year.

The property improves the lives of Columbia House residents, who enjoy Anthem Park and their new view. Columbia House resident Relitta Steidham says *"I like what we have here, and I like what I see--plants all over the place, and nice trees. It makes a lot of difference."*

Another measure of success is the response from the neighborhood and the general community. The VHA worked closely with the Hough Neighborhood Association to create a design the neighbors would welcome. At a city design review meeting, former Hough Neighborhood Chair Julie Garver remarked, *"I think that the developer has done an outstanding job of working with us, working out all the issues we brought to them...we had some strong ideas about the mix we thought would be healthy, and they worked with us every step of the way. Our neighborhood association is in unanimous agreement in support of the project."*

Shortly after the ribbon cutting, an editorial in the local newspaper, *The Columbian*, summarized how Anthem Park accomplished the job the VHA set out to do:

The Vancouver Housing Authority continues to build precisely the kind of residences that are most needed, and in the right places.



The Perspective of the Vancouver Housing Authority

“The alliance crafted between the VHA, BofA, the private developer and NEF created a neighborhood that is now a destination, loaded with urban texture”, said Kurt Creager, VHA CEO. “Neighborhoods, often fearful of change, now recognize the housing authority as a developer sensitive to their needs, providing a product that is not only as good as but superior to most private developers. City Managers and civic leaders throughout the region have repeatedly asked us to duplicate this demonstration project in their communities, high praise indeed”, Creager said.

The Perspective of the NAHRO Access Alliance

“Anthem Park is a real model for how the private sector can work with a housing authority in a NAHRO brokered alliance to reinvest in and revitalize an older inner city neighborhood. Bank of America is proud to have been a part of this effort.” Dan Anderson, Senior Vice President for Community Development Banking, Bank of America.

General Category

<input type="checkbox"/> Technical Assistance
<input checked="" type="checkbox"/> Access to Capital

<input type="checkbox"/> Board Development
<input type="checkbox"/> Staff Development
<input checked="" type="checkbox"/> Partner Development

<input type="checkbox"/> Acquisition
<input type="checkbox"/> Preservation
<input checked="" type="checkbox"/> Homeownership
<input checked="" type="checkbox"/> Affordable Rental