

Kennedy/Olean Revitalization Project

The Kennedy/Olean Townhomes Revitalization Project changed the face of the City of Rochester, New York's southwest neighborhoods. This was an example of Cornerstone working closely with the Housing Authority to utilize resources of both organizations to meet the objectives of the community at large. The massive project lowered density on two former public housing sites, provided for the economic integration of public housing, tax credit housing and for-sale housing throughout the southwest neighborhood, and has provided secure, comfortable living space for the families who reside in the units. The Kennedy/Olean Revitalization Project was co-sponsored by the Rochester Housing Authority, Providence Housing Development Corporation, a not-for-profit housing development corporation and Rochester's Cornerstone Group, Ltd., a for-profit real estate developer. The project is an urban infill, mixed-finance, mixed-income affordable rental project for families.

The catalyst for this project was an extensive three-year analysis and planning effort commencing in 1999 conducted by the Rochester Housing Authority, with City staff and neighborhood residents, to determine the future of two of its deteriorating public housing complexes. The analysis concluded that the complexes should be replaced with modern, marketable units. RHA and the developers utilized HUD Hope VI funds to demolish both the Kennedy and Olean project's 111 units. The residents were relocated to other public housing and/or Section 8 housing and given preference to return to the new public housing. There were 144 new units constructed in two phases, 67 units at Plymouth Manor and 77 units at Carlson Commons, which include a total of 70 Public Housing units (35 at each project).

Project Location & Market

The demand for this housing has been extraordinary. The 70 public housing units were marketed to those on the public housing wait list, with preference given to those relocated from the original public housing. Priority for the remaining units was then given to persons from the Rochester Housing Authority waiting lists for subsidized housing and/or persons and families whose current housing failed to meet the basic standards of health and safety. Special outreach was made to agencies that represent or serve minority groups.

An annual operating subsidy for the public housing 70 units was obtained from HUD to allow the development to serve the lowest income families.

Housing Design and Use

The Kennedy / Olean Revitalization is consistent with the New Urbanism concept. It has set backs, peaked roofs and front and back porches that match the neighborhood design.

The Kennedy / Olean Revitalization project consists of fifty-one 2-BR units, fifty-four 3-BR units, thirty-five 4-BR units, and four 5-BR units. On the two main sites, units range from 976 square feet for some of the doubles, up to 1842 square feet for the triples. Each apartment has a full basement, laundry hookups and utility sink, carpet throughout with vinyl in the kitchen and upstairs bath. The 3-bedroom units have a half bath on the first floor and the 4 & 5 BR units have 2 full baths. The project includes double and triple townhouses built on two main sites as well as single family homes built on scattered sites throughout the neighborhood. There are a total of 9 handicapped accessible units. The handicapped accessible units are flats, on a single floor, with a grade level entrance.

New construction units on scattered sites are built on previously vacant City-owned lots located within a mile of the Kennedy/Olean Townhouse site. These units include single-family detached units, ranging from 1500 to 1650 square feet. The homes have front and rear porches, paved off street parking, full basements with washer/dryer hookups, and landscaping. The single-family homes are three, four and five bedroom units. The three-bedroom units have a bath and-a-half while the four- and five-bedroom units have two full baths. All units include new Energy Star appliances, window

blinds, and security systems. The architectural design is varied in keeping with the residential neighborhood. Rooflines, finish details, and exterior colors all vary. The rear yards of these homes are large as lots are a minimum 4000 sf while some are up to 10,000 sf. Exterior rear and side yard lighting is provided. Several of the units on South Plymouth Avenue are zero lot line single-family homes to reflect the scale of the existing homes there.

Support

The support this project received was unprecedented. The City of Rochester had never allowed a private developer to design and build new City roads. The Rochester Housing Authority (RHA) had never allowed public housing to be management by a private, non-profit management company. They also committed their own local funds to the project.

HUD was not only contributing Hope VI funds for the demolition necessary, but were also committing operational subsidies.

The City's strategy to rectify the housing needs has been to support the development of housing through rehabilitation and new construction. The Kennedy / Olean Revitalization project, which offers affordable rental housing with an opportunity for homeownership through a lease-to-purchase program for 28 of the units, responded to the needs identified by the city, RHA, and the Sector planning committee. It has:

- ❖ De-concentrated and diversified the current public housing population,
- ❖ eliminated unsightly vacant city lots by building 76 new attractive townhouses and 68 single-family rental houses on scattered, in-fill sites,
- ❖ rehabilitated vacant housing and created seven units of newly renovated rental housing, provided larger family units of 3-, 4- and 5-bedrooms to low-income families with the opportunity for lease-to-own units for 28 households,
- ❖ provided HUD subsidies for 70 public housing units through a an approved mixed income application with HUD.

Plymouth Manor was named the recipient of the 2006 Project of the Year Award for Excellence from the New York State Association for Affordable Housing. Carlson Commons has been named the "Distinguished National Project of the Year" 2006 by WNC & Associates, Inc., and together the projects were named National Family Project of the Year by Affordable Housing Finance in 2007.

Project Financing

The Kennedy/Olean Revitalization Project used a combination of multiple funding sources, as is shown below. The 2 phases of the project needed to be completed consecutively, yet the project was too large to have both phases go through the competitive DHCR application process for 9% LIHTCs. A decision was made to put the first phase (Kennedy) through this application process, while the 2nd phase used a different mix of bonds, loans and grants.

The funding sources were as follows:

Phase I Plymouth Manor	Funds	Source of Funds
67 family Units	\$7,543,048	LIHTC Equity
	\$1,700,000	Rochester Housing Authority Subsidy
	\$2,100,000	NYS HTFC Loan
	\$ 350,000	FHLB of NY AHP Direct Subsidy
	\$ 120,000	City of Rochester Loan
	\$ 150,000	Rochester Equity Fund Subsidy
	\$ 218,994	Deferred Developer Fee
	\$ 273,677	General Partner Capital Contribution
	\$ 191,964	HUD Hope VI Funds
	\$ 400,000	CIP Road and Improvement Funds
 Phase II Carlson Commons		
77 family units	\$6,419,864	LIHTC Equity
	\$6,000,000	Rochester Housing Authority Loan from its local fund
	\$1,925,000	New York State HTFC Loan
	\$ 654,000	FHLB of NY AHP Direct Subsidy
	\$ 150,000	City of Rochester Loan
	\$ 775,218	City of Rochester Environmental Clean-Up Funds
	\$ 1,650,000	City of Rochester road funds
	\$ 447,916	HUD Hope VI Funds
Total:	\$31,069,681	