

**Narrative for Horizon Homes Associates, L.P. HousingIowa Award  
Category: Multifamily Housing Development**

**INNOVATIVE**

There are numerous talented developers in Iowa and around the country who specialize in rehabilitation of existing HUD Section 8 projects. Thus, most of what we did, although well-executed, was not novel. There were **two aspects of the project, however, which truly broke new ground.** To understand the first innovation you need to understand that the sponsor of the project, Ecumenical Housing Development Group (“EHDG”), is a collection of housing-oriented agencies in eastern Iowa. The **first innovation** was that the local community action agency (**Community Action of Eastern Iowa, “CAEI”**) was included among the group of EHDG members. CAEI has been an invaluable contributor to the project. Most obviously, it is **operating Head Start and Early Head Start classrooms within the Community Building. (It also paid for the playground serving these classrooms.)** Additionally, CAEI arranged for State funding to pay for **the injection of insulation into the exterior walls of the project. This saved the project \$120,000, which translated dollar-for-dollar into an expansion of the size of the community center at the rate of approximately \$100 per square foot. Thus, the Community Center is about 1,200 square feet bigger than it would have otherwise been thanks to this savings.** The **second innovation** was **how the construction contingency was managed.** Rather than fix the scope of work at the start of construction, the drawings for the community building were not finalized until after approximately one third of the apartment units were renovated, at which point it became clear how much of the construction contingency would be needed for rehab-related change orders. Since the project was proceeding on budget, most of the contingency was diverted to increasing the Scope of Work for the community center. Handling the project in this manner required **flexibility on behalf of the syndicator (National Equity Fund), lender (US Bank), and developer (Newbury Development Company).**

**REPLICABLE**

Newbury has applied what it learned from the Horizon Homes experience directly to its proposals for the Oakridge neighborhood in Des Moines in terms of financial layering, rehabilitation scope of work, and supportive services. Thus, **what we have done for 112 units is very likely to be repeated for 300 units.** Beyond Oakridge, we are looking for more opportunities to apply the same model.

**RESPOND TO IMPORTANT STATE NEED**

The Iowa Finance Authority communicates the important housing needs of Iowa’s low income households via the scoring system of its Qualified Allocation Plan. IFA awarded the Horizon Homes project 15 points for **rehabilitating an existing affordable housing** project, 39 points for design characteristics, and 30 points for supportive services. Receiving a total of 202 points, the project was the second highest scoring project within the 2007 round. Thus, Horizon Homes responded very directly to the important state needs of **preserving affordable housing** and serving low income families.

**DEMONSTRATE MEASURABLE BENEFITS TO TARGETED CUSTOMERS**

The main benefit that we are trying to provide to customers is **helping them attain financial self sufficiency.** This is hard to measure precisely, because the tenant base is always changing, and the project’s supportive services program is not in full swing yet.

**Narrative for Horizon Homes Associates, L.P. HousingIowa Award**  
**Category: Multifamily Housing Development**

The early signs are promising. **Before the renovation project**, Horizon Homes had approximately **70 families** who were either **working or going to school**, and now it has approximately **95 families** who are either **working or one of the household members is attending school to improve their opportunities**. **Once GED classes begin in the Community Center**, it will be even easier for residents to pursue their education. Additional on-site classes will be offered covering a variety of practical topics to help families manage their resources and improve their quality of life. **Other programs** in the planning stage are developing a Library-sponsored **Saturday morning children's reading and literacy program**, and an **Imagination reading project**.

**DEMONSTRATE EFFECT USE OF RESOURCES**

The renovation of Horizon Homes had a **construction cost of \$46,181 per unit** and a **total project cost of \$80,365 per unit**. By contrast, the **typical new construction project** would involve a **construction cost of \$79,214 per unit\*** and a **total project cost of \$115,745 per unit.\*** Furthermore, Horizon Homes used **\$4,825 of tax credits per unit**, compared to the **other projects within the 2007 Tax Credit round** which used an average of **\$10,172 per unit**.

**ACHIEVE MEASURABLE RESULTS**

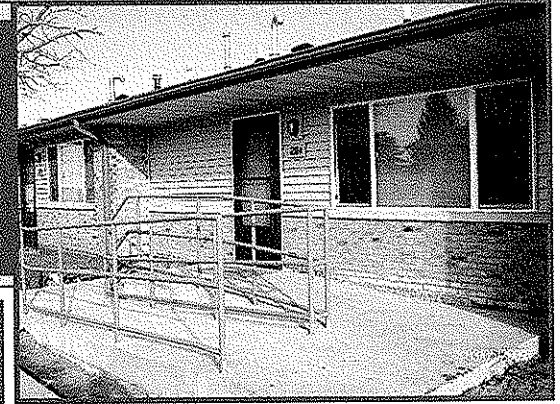
(Preface: Given that this criterion seems to overlap with "Demonstrate measurable benefits to targeted customers" above, we have interpreted this one to relate to the sponsor and community as opposed to the customers.) During the last full stabilized year **prior to the renovation** of this project, **during 2006**, there were **40 unit turnovers**, **\$49,000 was spent on maintenance**, and **economic vacancy was 8.6%**. During the **first six months of 2009**, which roughly corresponds to the first half of the first stabilized year after the completion of construction, there were **9 unit turnovers**, **\$12,436 was spent on maintenance**, and **economic vacancy was 4.2%**.

**ACHIEVE STRATEGIC OBJECTIVES**

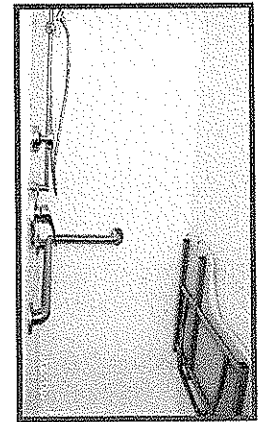
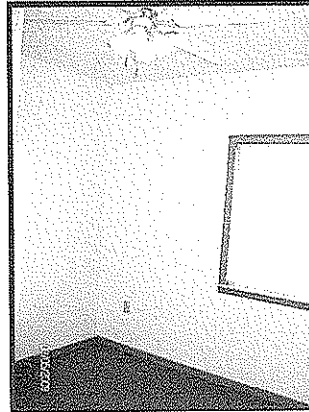
From 1970 through 2007, the project was owned by Horizon Homes, Inc. ("HHI"), the non-profit which had originally sponsored it in 1970. When the Board of HHI agreed to sell the project for \$1 plus its existing debt to another Davenport-based non-profit, Ecumenical Housing Development Group ("EHDG"), it was to **accomplish three objectives**: **1.** HHI wanted to see the **project totally rehabilitated** so that it could continue to **provide a pleasant living environment for the neediest members of the community for decades to come**. **2.** HHI wanted to make possible the **construction of a community building** so that a **richer program of supportive services** could be delivered to the residents. **3.** HHI wanted to **pass the torch to a new set of Board members with fresh energy**. As it turns out, **these three goals were shared not only by EHDG, but also by the Iowa Finance Authority and HUD**. The scope of work ensured that the **first two goals were accomplished** upon the completion of construction. The **completion of the third goal is demonstrated by the programming that EHDG has arranged**. Already, **Head Start and Early Head Start programs** are serving children in the Community Building, a **medical clinic is about to open its doors**, and **children are being taken by bus this summer to the YMCA to participate in summer camp**.

\*based on 2005 Allocation Information

# Fairmount Pines Unsubsidized 1 Bedroom Handicap Accessible Units



*We accept  
Section 8 Vouchers*



## Office Hours

Mon.— Fri.

9:00 am to 5:00 pm

## Fairmount Pines

Located at the corner of  
Fairmount & W. 43rd Street  
Davenport, IA 52806

Call for your personal tour

Phone: (563) 391-4747

## One Bedroom Showcase

Spacious living room invites you to the kitchen that provides easy wheelchair mobilization, to sink, cabinets, and countertops.

Accessibility is easily attainable throughout the bathroom area which offers you a large walk-in shower.

The exterior entrance provides a ramp with railing.

**This unit is missing one unique component...**

**You!**

- Washer / Dryer
- Kitchen includes dishwasher, stove, refrigerator and microwave
- Central air
- Large closet/storage
- New ceiling fan & lighting fixtures
- Spacious apartments

Professionally Managed By:

*Newbury*  
MANAGEMENT COMPANY

An Iowa Based Company



[www.newburymanagement.com](http://www.newburymanagement.com)



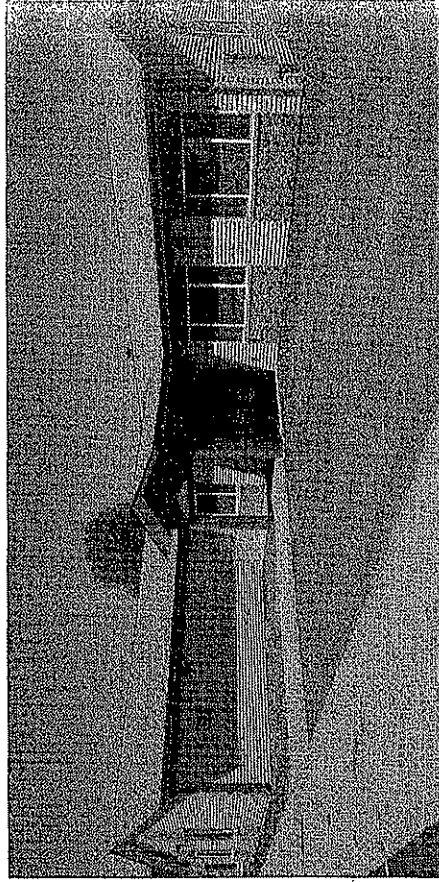
## CONSTRUCTION UPDATE: WHAT'S GOING UP THERE?



### Clinton Community College -- Science and Technology Addition

Address: 1000 Lincoln Blvd., Clinton, Iowa  
Contractor: Precision Builders Inc., LeClaire, Iowa

Architect: Stanley Consultants, Muscatine, Iowa  
Cost: \$2,288,000  
Particulars: The 8,500-square-foot addition will house science classrooms, labs, storage and office space. The project is scheduled for completion in early October.



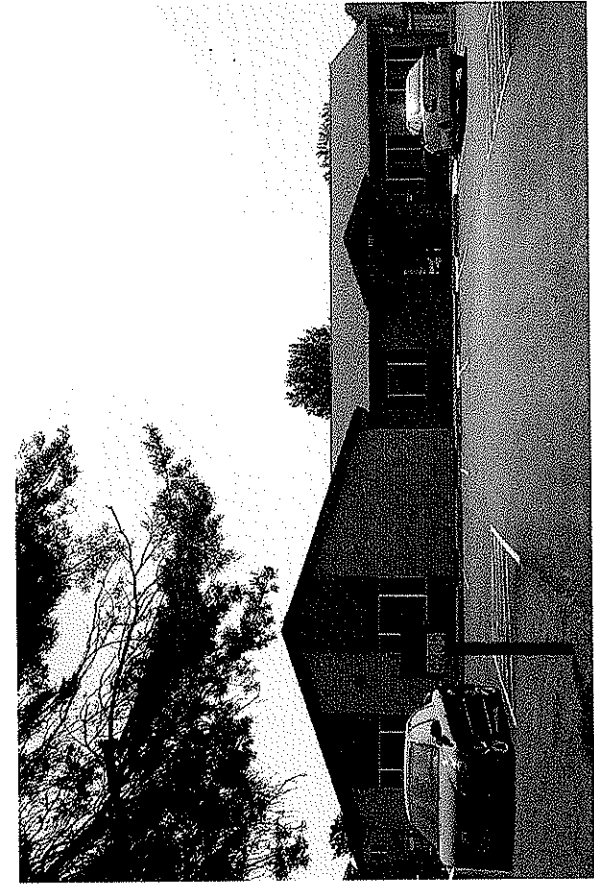
### Horizon Homes Community Center

Address: 4205 N. Fairmount St., Davenport Iowa  
Contractor: Precision Builders Inc., LeClaire, Iowa  
Architect: Scholtz Gowey Gere Marolf, Rock Island

Cost: The community center is part of a \$5 million project at the complex.  
Particulars: The new Community Center at Fairmount Pines will house a Head Start program, community room and offices. The addition has 4,800 square feet of space.

## CONTACT US

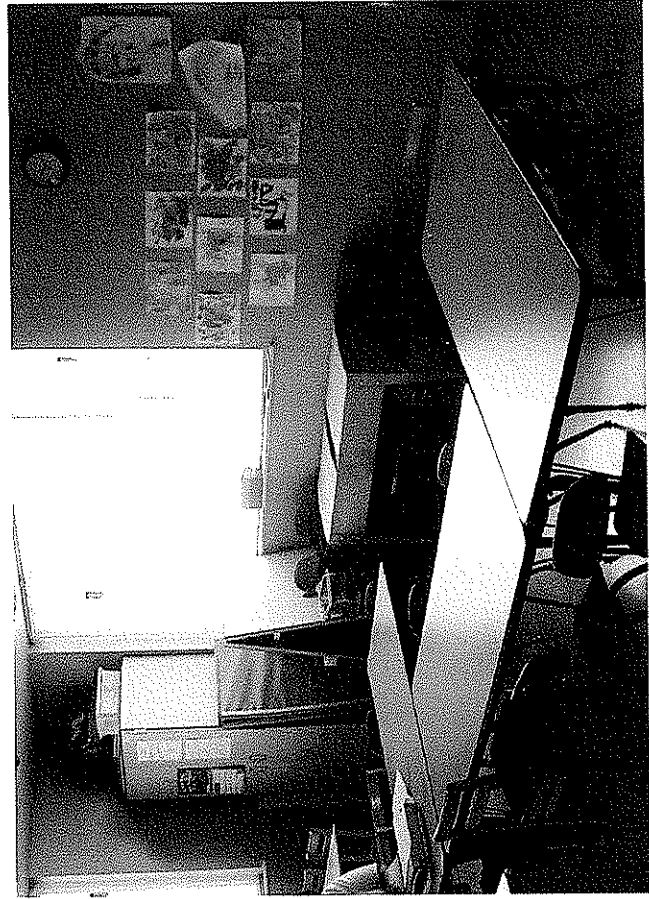
The Quad-City Times regularly prints news photos and information about commercial or other major building projects underway in the Quad-City region. We invite you to alert us to new projects by calling us at (563) 383-2200. Ask for Doug Schorpp or Jennifer DeWitt in the newsroom. Compiled by Mary Louise Speer.



Horizon Homes (Fairmount Pines) Community Center



Head Start Playground



Head Start Classroom



Community Center Kitchen