

# News

## Housing Authority of Covington

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### APPLICATION TO DEMOLISH JACOB PRICE APPROVED; PLAN UNVEILED TO HOUSE ALL RESIDENTS IN TOP QUALITY HOMES AND APARTMENTS

The Covington Housing Authority announced today that its U.S. Department of Housing and Urban Development (HUD) application requesting permission to demolish Jacob Price Homes has been approved, and a plan to provide top quality, affordable housing for the Jacob Price residents was unveiled.

Built in 1939, Jacob Price Homes includes 163 apartments in 23 buildings located on the east side of Covington. Because of its age, Jacob Price has been highly expensive to maintain. The sewer and electrical systems are obsolete and the living space for two-bedroom apartments is just 832 square feet. Concrete walls have prohibited expansions of living space.

Creative Housing Solutions, Inc., a Cincinnati-based architectural firm, conducted the Physical Needs Assessment HUD requested, determining that the prices for modernization of the complex, coupled with the costs of immediate repairs amounted to \$133,299 per unit or \$21,727,742. The sum is 13 ½ times the Housing Authority's annual capital fund allocation which could be used for these repairs. The study also concluded that the property meets HUD's guidelines for being "functionally obsolescent." It is more cost effective to demolish the buildings than to invest \$22 million in an effort to modernize the buildings.

“We have positive news for the residents of Jacob Price,” says Tony Milburn, Chair of the Housing Authority Board. “With the permission of HUD and the cooperation of the City of Covington, we are embarking on a well-thought out multi-phased plan that will gradually provide exceptional housing for Covington residents, especially those now living in Jacob Price,”

The plan calls for the first three buildings parallel to Robbins Street to be demolished first. Since just 17 of 24 units there are occupied, 17 families can be immediately placed into available units. They will receive help with their moving expenses.

In the second phase and beyond, additional new and refurbished homes will be available at the same rent the families are now paying.

“Families that have long desired a single family home with a yard and a garage may have their dream come true through this initiative,” says Mayor Butch Callery, who is also a member of the Housing Authority Board of Commissioners. “Thanks to this collaborative effort, our families will have better housing and our city, especially the Eastside, will be economically stronger.”

While there is not a set timetable for the phases of demolition, projections call for the demolition of the last of the 23 buildings to be completed within the next four years. The phased approach is rarely done. “It’s quite innovative,” says Milburn. “There are no other instances of this in the region that we know of. It allows the Housing Authority to have plenty of time to develop housing for our residents. And we stand ready to assist them every step of the way.”

The financial model that will be used for the second and subsequent redevelopment phases leverages Housing Authority funds with Low Income Housing Tax Credits, Historic Tax Credits and private investment. This financing structure will generate \$3.3 million of investment that will jump start the revitalization of Covington’s east side.

A first step in this scattered site approach is partnering with the Model Group and PNC Bank. “We have contracted with the highly regarded Model Group in Cincinnati to manage the renovation of replacement dwellings. The Model Group, run for years by Art Reckman and Steve Smith, uses top grade materials such as hard wood floors and ceramic tile in their developments. They don’t cut corners. The Jacob Price residents are going to be very, very happy with the homes renovated by the Model Group,” says Milburn. PNC Bank will be bringing properties already owned by the bank to the partnership.

Along with the rehabbed homes, the land once occupied by the Jacob Price units will be used as part of a neighborhood revitalization scenario according to Aaron Wolfe-Bertling, Director of Covington’s Housing Development Department. “It could be townhouses; it could be mixed use residential with some retail. We want what is best for the neighborhood. We’ll work with the neighbors to identify and prioritize options. We are confident that this redevelopment will be an economic boost for the neighborhood and for all of Covington with new housing and increased opportunities for home ownership.”

The Housing Authority will continue to manage all of the new homes to which the Jacob Price residents move.