

## Congratulations MBL Development



Hats off to our friends at MBL Development as they begin construction on Carthage Senior Villas Phase II in Carthage, MO. Kim Lingle (Founder, MBL Development) and Kurt Wallace (Founder, Wallace Architects) began their professional relationship in 1994 with Kim's development in Holden, MO. Fast forward 27 years and the MBL/Wallace partnership has completed dozens of successful projects in Missouri, Iowa, and Kansas. We're grateful to consider Kim and his team at MBL Development as clients and friends... congratulations Kim, Roger, Michelle, Dave, and Brienne!

## Q&A with MHDC Commissioner/State Treasurer, Scott Fitzpatrick

### **Q. What's happening right now with MHDC? Any new changes we should know about?**

A. Well, obviously, everybody is dealing with skyrocketing construction costs – and I know that developers aren't just whining, because we're seeing the exact same thing building boat docks. And I understand that a deal that closed even 6 months ago may be looking at costs that are 15-20% higher than they were when the initial numbers were put together. MHDC wants to recognize these situations and make sure we get quality units built, and also make sure that developers are being transparent about exactly where the cost inflation is happening.

The inflation in construction costs is why I was comfortable supporting a plan to allocate half the federal credits this year that were available from a prior year when no credits were allocated as opposed to just a quarter of those credits (as was initially being considered). This is a reasonable change the commission made to the draft QAP at the last meeting.

We know that – in a time of historic inflation – many deals will approach us with requests for additional credits, and we want to be able to consider reasonable requests, and if appropriate be in a position to extend some additional credits without borrowing or reducing our ability to approve good deals in next year's round. With interest rates climbing and house prices at all-time highs, many Americans are opting to rent instead of own right now. This results in a constricted supply of rental units, which drives up costs for tenants, making it harder for low income families to find affordable housing. Hopefully these additional federal credits will help address that problem.

I also expect more attention to be focused on the 4% credit opportunities than in past years. These credits provide a great opportunity to support rehab projects for older units before they become dilapidated, which



will keep more units in the affordable housing stock around the state. I am hopeful we will receive some strong applications for these credits this year.

**Q: As state treasurer, you serve on the Missouri Housing Development Commission, and you've been one of the most substantively engaged Commissioners MHDC has seen in quite some time. Can you give us the big picture of how you've approached the work?**

A: The cause is an important one, but I felt when I took office as Treasurer that the program could be improved. And so, I've worked on numerous reforms to the awards process and program financing structure that have helped make the program more efficient, more transparent, and more fair to applicants bidding in a very competitive process. These reforms have generated significant efficiencies that have helped produce several hundred additional affordable units for low-income seniors, veterans, and families. They've also helped strengthen the program and bring some needed political stability for the program now that folks have more confidence in the award process and the efficiency of the program.

**Q. What's next for you personally, Scott?**

A. I'm running in the Republican primary for State Auditor, so I'll be on the ballot this year. I would appreciate everyone's consideration in that election!

**Q: Scott, tell us a bit about yourself and your background.**

A: I've served as Missouri State Treasurer since January 2019. Before that, I chaired the Budget Committee in the House of Representatives, where I served as the State's chief budget writer. and was the youngest person in State history to do that.

Before I got into politics, I was a small businessman who started a business manufacturing and installing boat docks on Table Rock Lake. Our company, MariCorp U.S., has now grown into a National firm operating in dozens of States. I'm married with three young sons.

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