



**Peoria Housing Authority
Task Force Update Meeting**

**Wednesday, January 29, 2014
9:00 a.m.**

Minutes

COMMENTS FROM THE PHA BOARD CHAIR:

Chair Zika opened the meeting at 9:01 a.m. with opening comments thanking everyone for their availability for this meeting and welcomed old as well as new members joining the team. It was reported Mr. Glenn Ross was not be able to attend the meeting. Chair Zika then turned the meeting over to Brenda Coates, Chief Executive Officer (CEO).

WELCOME AND INTRODUCTIONS:

Brenda Coates, CEO, again offered a welcome to members present by stating PHA's purpose today is to provide an update to the members since the last meeting held in 2013. Members then participated in a round table introduction of all individual members and/or future members then occurred.

TDA CONSULTING FINAL REPORT:

Brenda Coates, CEO, reported to the members that the City of Peoria provided the financial resources to hire a consultant, Training Development & Associates (TDA) and Mary Paumen was the consultant that led the series of meetings for the Taft Working Group, the Taft Homes Task Force and two Community Meetings. Mrs. Coates further commented the final report is attached to the Co-Developer Request for Qualifications (RFQ) and was emailed to members this morning. Mrs. Coates then stated the report is a good resource of information and identified one important factor that showed the level of planning already taken place on the project in which all meetings regarding Taft were open to the public in an effort to provide transparency. Mrs. Coates then encouraged anyone having questions regarding the report to feel free to contact herself, Ms. Yvonne Long, Modernization and Development Director or Board Chair Ken Zika.

TAFT HOMES RENTAL ASSISTANCE DEMONSTRATION (RAD) & STATUS:

Brenda Coates, CEO, reported to the members in July 2013, part of the group met with U.S. Housing and Urban Development (HUD) officials from Chicago and HUD's Midwest Regional Administrator. After a lengthy discussion about the Taft project, HUD recommended a new program called RAD. Mrs. Coates added RAD allows housing authorities to do the following:

- Convert Public Housing to a Section 8 project-based platform
- No new money, it means RAD allows PH to enter into a Section 8 (15-20) year contract which is more secure funding and allowed PHA's to get FY2012 operating subsidy rates of 94% versus 82% PHA received last year.

- RAD removes the Declaration of Trust (DOT)-document between Housing Authorities and HUD. The DOT agreement is important because it prohibits Housing Authorities from selling or transferring any ownership without HUD approval. If PHA receives approval from RAD, PHA can make decisions regarding the current Taft site without HUD approval.
- HUD provided technical assistance.
- PHA Board approved the submission of the RAD application which was submitted in November 2013.

Mrs. Coates then asked Ms. Yvonne Long, Modernization and Development Director to update everyone on the status of our application. Ms. Long reported the following:

- The RAD application was going to be a phased plan and initially include eighty-(80) units.
- The 80 units we submitted in the application would be the only units PHA could receive Sec 8 award vouchers.
- PHA submitted after the deadline date and RAD had already reached the cap of approving 60,000 vouchers for the 2013 budget.
- HUD sent out a RAD Blast report that indicates the length of the waiting list.
- There are approximately 35,000 vouchers ahead of PHA.
- It is unlikely that PHA would receive an award at this time.
- The negative is PHA has lost our plan A and we will not have the RAD benefits Mrs. Coates described earlier.
- PHA is currently working with the Special Applications Center (SAC) at HUD. They dictate what we can demolish, purchase and dispose of under HUD regulations.
- PHA will review our plan A and finance options.

Member comment: Does the Declaration of Trust allow PHA to purchase property as well, or just sell?

R: It is project specific, Chair Zika clarified PHA can always buy property. Chair Zika stated he is equally concerned about the ability to mortgage the land and finance.

Member comment: If RAD is no longer a viable option, what is next?

R: Mrs. Coates responded we are back to the drawing board. Anything we do has to go through HUD.

Member comment: Can we ask for a waiver of the Declaration of Trust so PHA can have some flexibility in the market?

R: Mrs. Coates responded, no.

PROPERTY SELECTIONS:

Mrs. Coates, Chief Executive Officer, began by stating our vision and goal for Taft Homes is to redevelop housing in multiple locations. HUD expects PHA to disperse poverty, which they refer to as Affirmatively Furthering Fair Housing. PHA is creating a list and reviewing available parcels. Once PHA is closer to identifying and finalizing specific vacant parcels, an email will be sent to the Task Force Members. PHA wants to handle property communications by being open and transparent as we have been with our Taft residents. Mrs. Coates further stated,

Kristin Buckholz, our new Communications Manager, will assist in leading this communication plan and the kick-off of our public image campaign. Mrs. Coates suggested Task Force members breaking up into two-team groups in order to meet with and get this message to a number of groups, organizations, and individuals in the community.

Member Comment: How do we get a profile of what the development will look like? What will the townhomes look like and how will it fit into the neighborhoods? There needs to be vision, do we use existing buildings as an example in addition to the faces of the people? This would be helpful to the Task Force Members.

Member Comment: In order to be better prepared to answer community questions concerns, it would be good to answer those tough questions ahead of time to help move the communities' understanding of what we are trying to accomplish.

Member Comment: This is not just a "deconcentration of poverty, but an improvement in housing."

Member Comment: We can include the economic impact this redevelopment has for community.

Member Comment: Is PHA required to pay real estate taxes? Mrs. Coates responded, yes if it a mixed finance deal with tax credits. This in turn is a benefit to the City.

CO-DEVELOPER SOLICITATION:

Mrs. Coates, Chief Executive Officer, asked Ms. Yvonne Long, Modernization, and Development Director, if she would review the solicitation proposal that was emailed to everyone prior to the meeting. Ms. Long reported there are several inquiries regarding the development project. There will be a pre-proposal meeting on February 4th, at 1:00 p.m. Everyone is welcome to attend and it is open to the public. This pre-proposal meeting is being held to review the actual solicitation, which is a co-developer for Taft Homes Redevelopment Phase 1 using the 80 units that were submitted on the RAD application. The meeting is being held at the PHA Administrative Building. The co-developer solicitation plan is also currently on PHA's website.

Member comment: How many developers do you expect?

R: Ms. Long commented she has responded to a minimum of 11 emails.

Chair Zika commented, the focus of the Request for Qualifications (RFP) is to build the new 80 units then subsequently more, but also the selling and/or development of the current site is very important to PHA because we need to extract the value out of the site. Chair Zika further commented someone could ask why we issued the RFQ and not further our Plan A if RAD was not viable. Why did we not further our Plan A before moving on?

R: Ms. Long responded the co-developer would help us move forward with our Plan A. The financing strategies section within the RFQ is a critical section we look at and get someone who has a level of creativity or have ideas for a grand plan PHA may not have considered initially. Ms. Long further added the preliminary-project assessment deadline date is March 31st. Ms. Long explained in detail the two-part process of the preliminary-project assessment and the 9% tax credit process. Full and complete applications must be submitted to Illinois Housing & Development Authority (IHDA) by July 31, 2014.

Member Comment: By March 31st will PHA have decided on a property. Chair Zika responded, at least one or at least an option. Mrs. Coates asked the members if they were aware of any properties with at least two to three, preferably three acres, to let herself, Ms. Long or Chair Zika aware of the location. Once property is identified as a viable option, community meetings will be held prior to submitting a resolution to PHA Board for approval on February 24th. Chair Zika discussed transparency and disclosure versus business sense.

COMMUNITY BENEFITS AGREEMENT:

Mrs. Coates, Chief Executive Officer, stated the Community Benefits Agreement (CBA) is a private contract agreement between a developer and a community coalition. It describes the benefits the community will receive from the development, but also, what each stakeholder, or group of individuals can do to support this project financially or otherwise to make this project a success. PHA is not a community problem, but part of the solution. We want this to be a win-win for the residents, community, and PHA.

Chair Zika commented he would like the Task Force members equipped with talking points or an elevator speech ready to respond when asked questions. For example, what percentages of residents are working, what percentages have regular income thru disability and our philosophy of being part of the solution? Chair Zika further commented how a City treats its poor really speaks of its character.

Member Comment: Good to have a Q & A's in two different formats. One, Q & A for elevator speech addressing what PHA is all about, what are the residents all about, what is the housing objective. A second Q & A to be pro-active in addressing any community resistance. Chair Zika asked Kristin Buckholz, Community Relations Manager, that as the Q & A drafts are written, it would be a good idea to send it out to Task Force members and see if they have any additional comments. Chair Zika stressed the point that PHA cannot do this alone; we have to work as a team to accomplish this goal not only for the residents, but also for the community.

Councilwoman Denise Moore commented: It would be helpful to have an analysis of our residents that currently live in other districts and identify some of the success stories of individuals that were raised in Taft Homes yet are now successful leaders in the community. She further commented there are qualified and employable residents in her district, ex-offenders who have changed their life, received their certifications and are now seeking employment. However, employers will not hire them due to their history. Councilwoman Moore is seeking help and ideas from the Task Force members and employers in the community. As our residents are educated and trained, there has to be employment opportunities available.

Member comment: It was asked that information regarding PHA' education and training programs, Family Self-Sufficiency (FSS) coordinators and interns, direct job placement assistance and all other information regarding PHA's efforts to assist our residents be included in the Q & A fact finding sheet. Chair Zika and Mrs. Coates, responded yes, the information will be included.

Chair Zika asked if there were any questions or concerns, hearing none, the meeting was adjourned at 10:05 a.m.