

**Peoria Housing Authority
Taft Task Force Meeting
September 17, 2014**

Minutes

Meeting commenced at 1:05 p.m.

The following documents were provided to the Task Force prior to the meeting in an emailed agenda:

- Model Group Overview
- May 20, 2014 Presentation
- Planning and Zoning Minutes
- Affirmatively Furthering Fair Housing (AFFH) Letter
- Applicable Civil Rights Laws
- Tri-County Region Report

Welcome and Introductions

The following members of the Task Force and staff were present for the meeting:

- John Gibson, Catholic Diocese of Peoria
- Eric Nieukirk, Caterpillar
- Jim Ardis, Mayor of Peoria
- Michael Maloof, Jim Maloof/ Realtor
- Josiah Williams, Office of Congresswoman Cheri Bustos
- Brandon Holmes, LISC
- Bill Ordaz, Detweiller Neighborhood Association
- Laura Boone, Taft Homes Asset Manager, Peoria Housing Authority
- Brent Baker, LISC AmeriCorps Service Member, Peoria Housing Authority
- Chris Setti, Assistant City Manager, City of Peoria
- Yvonne Long, Director of Modernization and Development, Peoria Housing Authority
- Brenda Coates, CEO of the Peoria Housing Authority
- Timm Krueger, Community Relations Manager, Peoria Housing Authority
- Ken Zika, Chairman of the Board of Commissioners, Peoria Housing Authority (arrived late)

Ms. Coates welcomed the Task Force members and initiated introductions of the above-listed members.

Background/ Updates

Ms. Coates offers an update that covers what has happened at the PHA, regarding Taft Homes redevelopment, since the last Task Force meeting in January 2014. The PHA looked at properties in the area prior to hiring a co-developer, and held three meetings. All of this effort was prior to completing an application for state tax credits to be presented to the Illinois Housing Development Authority (IHDA).

Community Meetings

2917 West Lake (2 acres), 30 units (February 19, 2014)

Met with Fourth District Councilman Montelongo and stakeholders prior to the community meeting. The meeting was well attended, and did not go well. There was major opposition to multi-family housing in the neighborhood.

3372 Brandywine Dr., 30 units (March 10, 2014)

Met with Fourth District Councilman Montelongo. Community meeting was well-attended by a 300 person crowd, in major opposition to multi-family housing in the neighborhood.

At this moment, Ms. Coates reminds the Task Force that at the time that the meetings were held, the PHA did not have any specific plans for buildings or redevelopment to present to the community. PHA went out to state that the PHA Board of Commissioners has decided to redevelop Taft Homes into four to six multi-family developments in the community, which includes Peoria County, and were having preliminary presentations to raise awareness about what we are, what we're trying to do, and to obtain community feedback.

At this meeting, Ms. Coates points out that we went there to listen to community feedback, and were met with blatant disrespect towards our residents. Since that time, as we communicated with residents (at Taft Homes), many have expressed disinterest in being relocated into an area in which they believe the neighbors will be unfriendly to them, based on where they may be living. The PHA has since begun holding monthly resident meetings to keep Taft residents up-to-date on development.

919 N Jefferson, 40+ Units (February 20, 2014, July 2, 2014)

Two meetings were held regarding the Greeley School Scholar House Concept as a potential Taft Homes redevelopment site. The first one was a preliminary meeting, held the day after the West Lake meeting. Comments from the former meeting carried over into the latter. A second meeting was held to discuss the project more in detail. The Greeley School would link housing to education. Ms. Coates states that the meeting minutes from these meetings were neglected to be put on the agenda, and that Mr. Krueger will post them on the PHA website.

Co-Developer Hired— The Model Group

Ms. Long states that the PHA utilized a competitive selection process in the beginning of 2014 through a request for proposals process (RFP). The highest ranking developer after this process was the Model Group. Part of their team is local architect the Farnsworth Group and Baker Tilley. Baker Tilley was also assigned to the PHA by HUD to assist with the Rental Assistance Demonstration (RAD) application. The Model Group was not present for this meeting.

Joint City of Peoria/PHA Meeting (May 20, 2014)

Ms. Coates states that Mr. Zika presented a powerpoint presentation at the meeting (available above). She also indicates that a letter on fair housing has been requested by PHA from HUD, and that the PHA was requested to produce a master plan for affordable housing. She also states that the city will assist the PHA on a public image campaign.

In July 2013, the PHA had a meeting in Peoria with HUD officials. At this time, HUD strongly recommended that the PHA submit an application to HUD's new program, RAD. RAD converts public housing units to Section 8, project-based vouchers, because it is believed that a Section 8 voucher will be more secure—in the future—than public housing subsidy. As deals are completed, it also removes a "Declaration of Trust" from the property, which states that the housing authority may now do what it chooses with the property while HUD essentially steps away. The PHA submitted an application, but was not aware that HUD had already exceeded the 60,000 voucher authorization limit. The PHA is now on a waiting list.

Ms. Coates reiterates that there have been similar requests by HUD and the Peoria City Council to contextualize the Greeley Scholar House project with an overall master plan. A draft plan has been compiled and a consultant will assist with putting together the overall plan. She states that she believes a product will be ready within 60 days.

The plan will identify where areas of opportunity are located in Peoria County for potential redevelopment.

Q: (indistinguishable speaker) 60 days from now?

A: (Ms. Coates) 60 days from this meeting is what the consultant group has indicated as the time they would need to compile this plan. The preliminary project assessment is due in September. In order for the PHA to have an appropriate community engagement process, it will have to be done by the end of October, or the beginning of November.

Q: (indistinguishable speaker) Who is the consultant?

A: (Ms. Coates) The name of the consultant is Gensler.

A: (Ms. Long) They will be working with the Farnsworth Group. It will be a collaboration.

Q: (indistinguishable speaker) There is a sign on the Greeley School that I believe says 'pending.' Does that mean you have bought it? That you have a contract for it? That you have an option to buy it?

A: (Ms. Coates) That (the pending sign) means that we entered into an agreement for a property option. The Greeley School option states that PHA will take over the maintenance and utilities for the building if no such decision is made prior to December 31, 2014 to purchase the building.

Greeley Scholar House/ Planning and Zoning

Ms. Coates says that Greeley was slated to be approximately 33-45 units. It would also include a childhood development center on site. This would link housing and education together. Individuals living there would be required to attend, in post-secondary education.

At the Planning and Zoning Commission meeting, the major concerns were density, number of waivers being requested, and that the area where Greeley sits is in a high concentration of

poverty and has a low opportunity for quality of life. This goes back to HUD's request, that they cannot review the Greeley site without a larger plan. PHA believes it can make a case for Greeley because the residents like the area in which they live, and Greeley is close to Taft Homes.

Q: (indistinguishable speaker) Have you solved the issue of the halfway house?

A: (Ms. Coates) That issue has not been resolved. PHA was not aware that the location of 1005 NE Jefferson was a halfway house. It was brought up in the planning and zoning meeting, and the PHA quickly looked into it. The PHA believed it was a home for people with disabilities. We have had many conversations with Mike Kennedy (of the halfway house), and the city has also worked to find solutions. It is Ms. Coates' understanding that, at this time, under his current contract, he (Mr. Kennedy) has a waiver for sexual offenders.

His contract is scheduled for renewal in 2018. If he is not able to say that he will take sex offenders at the halfway house, then his application will not be as competitive as others. This could risk a \$6 million contract with the Federal Bureau of Prisons. Mr. Kennedy has been very supportive, and the PHA is also supportive of his program, which is well-needed in the community. We do not have a resolution yet.

The PHA had discussed removing the child development center and relocating it at the current Taft site. However, state tax credits require that family housing have a playground. If there is a playground on the Greeley site, it cannot be within 500 feet of the halfway house that could potentially house sex offenders.

Ms. Long adds that Brent Baker, LISC AmeriCorps Service Member, worked with residents to identify what they wanted. His work has shown that residents want education and training opportunities in the health care sector. This is why the PHA loves being in that (near-downtown) area, because there are two hospitals close by, making them closer to employment opportunities. It also benefits the hospitals that are trying to get employees that are closer to the facility in case of emergencies. PHA wanted to offer layered services at the Greeley site so that residents could pursue post-secondary education opportunities, while also having a place for their children to also learn at the same time, ultimately to have a pathway out of poverty. All units would have been subsidized—whether through public housing or section 8. Without RAD, we would have looked to that direction.

Q: (Mr. Josiah Williams) Will community colleges be promoting this location?

A: (Ms. Long) It can be another resource, sure. It helps to have high quality education and childcare in one place to support that educational initiative. Again, this is short-term, because eventually they will enter the working world and be able to no longer require subsidized housing assistance. In many cases.

Q: (indistinguishable speaker) Since Greeley is not taken off of the list, has the Board made any other decisions on the other two locations?

A: (Ms. Coates) There have been no decisions made. Now that there is HUD involvement...unfortunately, community residents got ahead of the PHA with coordination of a meeting with HUD. Now there is a review of fair housing. There is a letter issued by HUD sent

on July 22 that discusses affirmatively furthering fair housing. This letter is a response to some questions that the city council had raised after the May 20 meeting. For PHA to make decisions about removing sites from a list, a conversation should be had with HUD first.

Q: (indistinguishable speaker) Where do we go next? If we're not sure we can get Greeley due to the halfway house, we're back on the trail to finding locations.

A: (Ms. Coates). Well, we are. We are looking and reviewing other locations, while still trying to work out a solution for Greeley. We are looking for other locations in that area— residents want to stay where they are. We cannot guarantee to residents that there will be housing on the current Taft site, because we don't know that for sure. We would like to see elderly residents left to the end.

A: (Ms. Long) In looking at parcel selection, it's not like the plan will exactly prescribe all of the replacement units where are going to be, we certainly cannot assume where future parcels will be available, but at least a strategy will be in place. Much of that strategy has already been shared, but in this way, we bring in the plan, highlight the historical initiatives that have gone into creating this process, and the assistance we've gotten from the two existing studies, as well as the help from the working groups and task force. It will not prescribe exact locations within our service area, but as Ken Zika said, it will be four to six different locations that we will be looking at mixed-use, mixed-income.

HUD

Taft Homes RAD and Current Status

Ms. Coates states that she believes the above conversation covered the current status section.

Consultation Update

Performance Status

In 2012, the PHA failed the HUD required physical inspections, which is one indicator that has the most points—it's 40/100. You must score 60/100 points in that category to be considered a standard performer. Those indicators are physical, financial, management, and capital funds. We did not receive the score for 2012 until January 2014. The good news is that we have improved significantly in the physical inspections area. Inspections were done in May/June of this year for the year 2013. I am pleased to say we made significant improvement in this area. Our score was 34/40 points this time, which was up from 23/40 the previous year. However, we still have a lot of work to do. For the management indicator, for 2013, PHA would still be considered substandard management for 2013. This includes occupancy, tenant accounts receivable—you must score at least 15/25. Our score was only 11, which we predicted it to be with our occupancy levels.

HUD's requirement is that you maintain 97% occupancy. We have said, when you look at a site that was built in the 1950s—even 150 units at Harrison, built in 1940s, it is challenging. We are holding our lease-holders accountable. We are evicting a lot of people. If there's criminal

activity, if there's fighting, we have to make sure that we are promoting a peaceful environment. That hurts you on the occupancy side. On the flip side is the marketing aspect. If you, an average person, can live in a unit that has air conditioning, you'd do that. I would. I wouldn't go live in a unit at Harrison Homes that doesn't have air conditioning. As old as the properties are, we have all sorts of plaster, peeling paint issues, occupancy is tough. We are working on it.

The PHA score for 2013 went up to 67 points, from 56 overall the previous year. We still have a lot of work to do. At this time, we are working with a HUD team called Public Housing Agency Recovery and Sustainability (PHARS) team. Mr. Garrett is the HUD director in Michigan, who has helped a lot of housing authorities, and has had great success turning those troubled housing authorities around. He is the lead on this team. Three members of the PHARS team visited in August, and were able to see eleven public housing units.

Q: (indistinguishable speaker): Brenda, you say that right now, you are still somewhere in the 90's for occupancy?

A (Ms. Coates) As of today, we are right at 90%, and that is unacceptable. The minimum is 93%. While we are confident we can hit that by the end of the year, it's not going to happen before the end of the fiscal year (Sept. 30).

Q: (Mr. Nieukirk): I'm trying to reconcile that against the previous comments about a waiting list for affordable housing.

A: (Ms. Long): Eric, it's not so much that there are units just sitting there and people don't want them, its that there are units that need to be renovated so that they can be rented. So with extensive plaster and paint work, you can't just turn it in a soft turn. You can't get it done in three business days. It takes, in some cases, five days for plaster to cure. And, in the mean time, these maintenance techs are running routine work orders, emergency work orders. We have a core crew doing vacancy reduction, but they may get pulled for an emergency that only they have a talent for. We're balancing that between our existing maintenance staff and a few temps (temporary employees) to meet that goal.

Q: (indistinguishable speaker): In regards to plaster, can't you just go in with sheet rock and cover it?

A: (Ms. Long): We have talked about putting up dry wall, but the cost was prohibitive. There's, in these old units, everything is surface conduit, because everything was retrofitted. This is old stock. It's not like going into one of our scattered sites units from the 80's, this is 1940's construction at Harrison, and 1950's at Taft.

Q: (indistinguishable speaker): Is Laura (Boone)'s asset the most troubled, in terms of occupancy rate? How does Taft look for occupancy?

A: (Ms. Coates): Taft and Harrison have about the same number of wall issues. At Taft, just a few weeks ago, there were ten, 10-Day notices issued for some of the problems that were occurring (fighting between residents). While that hurts our occupancy, I hope that it sent a message to our residents who are still living there.

C: (indistinguishable speaker): You are kind of in this impossible situation where every time you evict someone, you are dinging yourself. Maybe it is an unrealistic standard.

C: (indistinguishable speaker) The easy thing to do would be to keep all of them. (Room sounds affirmatively)

C: (Ms. Coates) We are now conducting home visits for our new applicants. If you want to live in one of our new units, we are conducting home visits, we want to see where you live right now. We have a number of individuals who are being turned down due to poor housekeeping where they currently live.

C: (Ms. Boone) And also prior landlord comments, too. It's hurting our occupancy, but it helps us in the long run by not moving someone in who is a problem.

C: (Mr. Maloof) 97%, that is a very high percentage. 93%, if you can attain that, is a good goal.

Master Development Plan

Affirmatively Furthering Fair Housing

Regional Analysis of Impediments

Consultant

Current Redevelopment Status/ Option

Next Steps

Complete Master Development Plan

Ms. Coates states that this plan should be available within in 60 days. Ms. Long interjects that it will be complete by the first of November. Ms. Coates then states that by the time the Task Force meets again, they will have an overall master plan to review.

HUD Collaboration and Coordination

Ms. Coates states that Mr. Zika is coordinating with HUD to schedule a meeting with Antonio Riley, HUD's Regional Administrator. Mr. Garrett is the lead on this team, Mr. Zika will be working with him, too.

Introduce the Model Group

Ms. Long states that the next Taft Task Force meeting will be coordinated with the availability of the Model Group so that they may be introduced.

Feedback/ Comment/ Questions

C: (indistinguishable speaker) Can we revisit the question regarding community college participation?

C: (Mr. Josiah Williams) What I was referring to was Greeley having education tied to housing, will universities and local (community) colleges...not promoting it as if it is theirs, but having a hand in it saying that, "here, students, this is available."

C: (Mr. Brent Baker) *inaudible*

C: (indistinguishable speaker) Can I just offer that, as you work with Gensler work on this master plan...with community development department or city manager's office, if you can—offline—to share their scope, and what their approach is.

C: (Ms. Long) we have a forty page report that is very well drafted. What we are really looking from them, specifically, are their analytics. They have so much experience in pulling all the numbers together and really getting a great visual. We could do it, but it would not be really useful. It needs to be translated in a way that helps people to gain an understanding of what we are trying to do. Not just what PHA is, but our mission, our vision, and what we are trying to do, as it relates to Taft Homes redevelopment.

C: (indistinguishable speaker) I have seen the tri-county work, and I think it's really great work. But I think when you throw out phrases like "concentrated areas of poverty," or "areas of opportunities," I think it's a misleading phrase. Sure, it's an area of opportunity, but you could even morally transplant a group of affordable housing (residents) but maybe there's no jobs. When we do community planning, there have to be areas of opportunity, but you can't just look at a map and say, "This is an area of opportunity, so this is where it can go," but public transportation lines, grocery stores aren't available.

C: (Ms. Long) One could say that Greeley isn't in an area of opportunity, but at the same token, it is near workforce housing. That's what HUD's looking for. That's the additional context that helps them make decisions. Linking employment and transportation are really important to our strategy.

Mr. Zika came into the meeting and shared his thoughts briefly on the agenda. Ms Coates concluded the meeting at 2:15 pm.