



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Office

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: September 5, 2002

SUBJECT: Lakeside Terrace Redevelopment Update

Description

In the coming months, the Housing Authority of Champaign County will be pursuing plans for the redevelopment of Lakeside Terrace Apartments. This memo is designed to provide City Council with background information and perspective on future activities related to preparation and implementation of the redevelopment plan. Housing Authority staff will be present at the September 9, 2002 City Council Committee of the Whole meeting to provide more detailed information on their progress to date and future schedule.

Issues

The issue is formulating a redevelopment plan that meets the goals and expectations of all stakeholders. For Urbana, these goals include those that are articulated in our five-year Consolidated Plan as set into action through annual funding decisions for CDBG/HOME funds. The City's affordable housing goals and programs were further refined and prioritized as part of two joint study sessions that were held with the Community Development Commission earlier this year. These study sessions revealed that redevelopment of Lakeside Terrace is a high priority for the City.

Background

The Housing Authority of Champaign County has prepared a written report and schedule for City Council and HACC Board review. This attached report outlines completed and future activities related to the redevelopment of Lakeside Terrace.

The Housing Authority staff will provide conceptual depictions of the site layout/design at the September 9, 2002 Council meeting. These graphics were not available at the time meeting packets were prepared.

The following is an outline of previous activities related to the redevelopment of Lakeside Terrace:

May 8, 2000

Council approved the Urbana HOME Consortium and City of Urbana CONSOLIDATED PLAN for Program Years 2000-2004, which outlines public housing strategies. This section of CONSOLIDATED PLAN is enclosed (pages 57-60).

January 11, 2002

Council and Community Development reviewed the Housing Authority FY 2002 Annual Plan. Subsequently the Mayor executed the Certification of Plan Consistency with the CONSOLIDATED PLAN.

Tuesday, January 29, 2002

Council and Community Development Commission conducted a Joint Study Session to discuss affordable housing programs and priorities.

February 19, 2002

Staff meets with Housing Authority staff to begin discussion of the planning processes related to the redevelopment of Lakeside Terrace. A copy of the meeting agenda and pre-development task matrix is attached.

April 9, 2002

Council and Community Development Commission conduct Joint Study Session to discuss the redevelopment of Lakeside Terrace. Presentations were made by: Steve Clark and Elawrence Davis of the Housing Authority and Willis Logan, Executive Director of the Springfield Housing Authority.

May 1, 2002

Housing Authority prepares *Five Year Physical Needs Assessment 2002-2006*. This is considered a draft document in that infrastructure and other necessary improvements were not included in this analysis. The report notes that the total preliminary estimated hard costs for needed physical improvements at Lakeside Terrace amount to \$3,702,105. A copy of Lakeside Terrace section of the report is enclosed.

July 31, 2002

HUD releases Notice of Funding Availability for Revitalization of Severely Distressed Public Housing HOPE VI Revitalization Grants.

July 31, 2002

Housing Authority conducts Focus Group Meeting #1 and provides an overview of the proposed redevelopment effort to neighborhood residents. At this meeting, City staff make a presentation regarding the relationship of the Lakeside Terrace Redevelopment project to the City's existing and ongoing planning efforts, including the North Broadway Neighborhood Plan (in draft form), the Cunningham Avenue Corridor Redevelopment Plan (TIF No. 4) and the Comprehensive Plan Update effort. A copy of the meeting minutes is enclosed.

August 14, 2002

Housing Authority conducts Focus Group Meeting #2 with neighborhood residents. This meeting was designed to be interactive and gain comment and perspective from those attending. Those attending the meeting provided input to Housing Authority staff and consultants regarding

preferred neighborhood development options and preferred unit development options. A copy of the meeting minutes is enclosed.

August 21, 2002

Housing Authority representatives, City of Urbana and City of Champaign staff visit public housing redevelopment projects in Springfield and St. Louis. These projects were completed with the help of HOPE VI grants. A copy of the trip itinerary is enclosed.

September 16, 2002

The Housing Authority's Requests for Qualifications for Developer Partners is due. Enclosed is a copy of the Housing Authority's Request for Qualifications for Multi-Finance Development Services for the Burch Village and Lakeside Terrace Revitalization Project.

The above listed attachments are provided here as a means of updating the City's decisionmakers about the relevant activities undertaken to date in order to better prepare the Community Development Commission and City Council for a relatively aggressive schedule of actions and decisions pertaining to redevelopment of Lakeside Terrace.

These future actions and decisions will involve review of alternative redevelopment and financing options to be provided by Housing Authority staff at Council's October 14th Committee of the Whole meeting. The alternative options will address such issues as site layouts, possible expansion of the redevelopment area, different levels of affordability, and different levels of City and other subsidy required. The schedule of future actions is set forth in greater detail in the enclosed memorandum from Housing Authority staff.

Options

No options are noted at this time, as the agenda item is information only.

Fiscal Impacts

Redevelopment of Lakeside Terrace will have significant fiscal impacts. City participation could involve major allocations of CDBG and HOME funds that could impact the ability to fund other affordable housing initiatives over a limited period of time. Redevelopment activities also affect City resources in that Community Development Services and Public Works staff have contributed resources and time toward pre-development activities. This commitment of staff resources and time would extend through the life of the redevelopment project.

Future fiscal analysis by the Housing Authority will aid in identifying the specific level of financial investment the City of Urbana may be requested to provide.

Recommendations

Staff has no recommendations at this time.

Memorandum Prepared By:

Bob Grewe, AICP
Grants Management Division Manager

Attachments:

CONSOLIDATED PLAN (pages 57-60)

Housing Authority Memo: Lakeside Terrace Redevelopment Update

Five Year Physical Needs Assessment 2002-2006 (Lakeside Terrace section)

February 19, 2002 meeting agenda and pre-development task matrix

Joint Study Session materials

Minutes of Focus Group Meeting #1

Minutes of Focus Group Meeting #2

HOPE VI Road Trip Itinerary

Housing Authority of Champaign County Request for Qualifications for Multi-Finance

Development Services for the Burch Village and Lakeside Terrace Revitalization Project

eligible for refinancing a project must meet the following conditions.

- Refinancing cannot be the primary purpose of the HOME investment. Refinancing is only appropriate when HOME funds are loaned to rehabilitate the property for which refinancing is being requested and then only when necessary to permit or ensure continued affordability. To demonstrate that rehabilitation is the primary activity for which HOME funds have been expended in connection with the property, at least \$5,000 per unit average in HOME funds must have been provided for rehabilitation of the property.
- The project sponsor requesting HOME funds for debt refinancing must demonstrate, and the City must confirm, that disinvestment in the property has not occurred, long-term needs of the project can be met through the refinancing, and servicing the targeted population over an extended affordability period is feasible.
- Refinancing may be approved either to maintain current affordable units or to create additional affordable units.
- Properties for which refinancing is approved may be located anywhere within the Urbana corporate limits.
- Properties for which refinancing is approved are subject to an affordability period of at least 15 years starting on the date the refinancing is closed.
- HOME funds cannot be used to refinance multiple-family loans made or insured by any other federal program, including but not limited to, the Community Development Block Grant Program.

D. Public Housing

The 3,082 low-income renter households in Urbana are target households for subsidized housing programs. The Housing Authority of Champaign County (HACC) currently owns and manages nine public housing complexes in Champaign County. Three of these are in Urbana and comprise 125 family units and 103 elderly/disabled units for a total of 228 units. Residents of the complexes qualify for subsidy based on family size and income. The Housing Authority reports waiting lists primarily for family units. Forty four households were on the waiting list as of September 1999. The average monthly unit rent in 1999 was \$160.

Name	Address	Type	# of Units	Units Leased
Dunbar Court	1208 N. Wright	Family	26	24 (98%)
Lakeside Terrace	206 E Lakeside Terrace	Family	99	81 (80%)
Oscar Steer Place	1202 E Harding	Elderly	103	91 (90%)
TOTAL			228	196 (85.5%)

With its 1998/1999 HUD Public Housing Management Assessment score of seventy-seven percent (77%), the HACC was designated a standard performer. As in past reviews, the HUD regional office cited deficiencies in the areas of vacancy rates and turnaround time. All other review areas, such as modernization efforts, collected rents, work orders and inspections, financial management and security, received scores of A or B. Active resident involvement is an area requiring additional efforts, since it only received an assessment score of C. In its FY 2001 Agency Plan Executive Summary, the HACC indicated it would renew efforts to improve partnerships between management and residents. Reported intentions are to develop and implement an

improved landlord/resident education program and to conduct quarterly community forums.

While public housing facilities are generally sound, the three most densely populated family developments (Dunbar Court and Lakeside Terrace in Urbana, and Burch Village in Champaign) are over forty years old and in need of extensive renovation including replacement of basic systems such as plumbing and electrical. There are more than 400 children in these three developments alone, and none of the units are easily accessible to persons with disabilities. Replacement of the Urbana developments with fewer number of newly constructed units on the same sites, and additional scattered-site housing made available to those persons being "displaced" is a possible solution. HOPE VI applications may be submitted for Lakeside Terrace, Dunbar Court, and/or Burch Village. At a minimum, extensive renovations will be needed to alleviate health and safety issues now associated with these two developments. The Housing Authority would need to receive additional Federal funding for such efforts.

There are 412 privately-owned rent-subsidized units in the City (141 family, 271 elderly) and there were 251 Section 8 (tenant-based) certificates and vouchers in use in Urbana in September, 1999. Thus, the total number of rent-assisted units in Urbana was 663 compared to 3,082 very low-income households with housing need. Additional subsidized units are needed.

The Section 8 Housing Voucher and Housing Certificate Programs are Federally funded programs administered by the Housing Authority of Champaign County. These programs provide housing assistance to eligible low-income families by subsidizing a portion of the tenant's monthly rent. Subsidies are paid directly to the landlord and can be used for any type of private rental housing. The level of assistance is based on the family size and income, with the family expected to pay 30% of its income towards rent. The main difference between the two programs is that the certificate program has a maximum gross rent limit while the voucher program does not. To date, there are 1,017 vouchers/certificates issued in Champaign County. The average contract rent for tenants occupying one bedroom units for these programs is \$345 with tenants paying an average of \$190. At this time there are 176 households on the Section 8 waiting list which is expected to reopen in Spring 2000.

ASSISTED UNITS LOCATED IN URBANA, ILLINOIS				
PROPERTY	ADDRESS	ASSISTED UNITS	TOTAL UNITS	EXP. DATE
Scottswood Manor	1103 Lierman Dr	14	140	06/30/1998
Scottswood Manor	1103 Lierman Dr	34	---	08/31/1998
SunnyCrest Manor	1805 S Cottage Grove	101	101	04/29/2000
Prairie Homes	106 S Hartle Av	16	16	12/28/2008
C-U Independence Apts	610 E Kerr Av	24	24	08/14/2009
Race St Apts	109 W Illinois St	50	50	01/27/2011
Florida House	1502 E Florida Av	120	120	11/30/2020

Adding to the urgency of this situation is the loss of 48 units of project-based subsidies at Scottswood Manor in 1998 and the loss of another 101 project-based subsidies at Sunnycrest Manor, anticipated April 29, 2000. Contract agreements between each of these complexes and HUD provided for HUD to pay the difference between 30% of the household's income and the market rent that would otherwise be charged for the units, thus making the subsidized units

affordable to extremely low-income households. Both complexes have chosen not to renew their contracts with HUD.

Additionally, the HACC recently decided to change eligibility requirements for its three buildings formerly designated as housing for the elderly and persons with disabilities. Washington Place and Steer Place (each 103 units) will be housing exclusively for elderly, while Skelton Place (83 units) will remain mixed population (elderly/non-elderly and persons with/without disabilities). This equals a loss of at least 206 units available to persons with disabilities.

Public Housing Strategies

Strategy 1D: Promote substantial upgrading of the living environment for residents of Urbana public housing, particularly family units.

Strategy 2D: Encourage the Housing Authority of Champaign County to increase the number of affordable housing units available to extremely low-income households. Seek additional means of subsidizing very low-income households with rental assistance.

Strategy 3D: Encourage the Housing Authority of Champaign County to increase the earning potential of extremely low-income households.

Strategy 4D: Strongly encourage the Housing Authority of Champaign County to rehabilitate existing units and develop new units which would be accessible to families which include persons with disabilities.

Strategy 5D: If redevelopment of Lakeside Terrace and Dunbar Court is possible without a significant reduction in the total number of permanent, subsidized housing units affordable to the lowest income families with children in the community, the City of Urbana will work with the Housing Authority of Champaign County to develop a HOPE VI application for the redevelopment of Lakeside Terrace and Dunbar Court to create a mixture of public housing, rental or homeownership units and residents representing a mix of incomes. The City will assist in developing a plan which partners with the private sector to use private dollars to leverage HOPE VI or other Federal funds, to replace the demolished units with a combination of new on-site units, scattered-site units and Section 8 rent subsidies. Although Section 8 vouchers or certificates may be used to relocate households living at these complexes at the time of redevelopment, at least 80% of demolished units will be replaced with permanent, subsidized housing units that will be affordable to extremely low-income families with children, irrespective of their income.

E. Lead-Based Paint Needs

Since the State mandated testing of children between the ages of 6 months and 6 years for lead poisoning, it is required before entrance into kindergarten or a licensed day-care facility. The Childhood Lead Poisoning Surveillance Report provides information by county on the number of children screened and identified with lead poisoning. Of 16,730 Champaign County children aged 6 and under, 1,263 were tested in 1993. Eleven cases had 15-19 micrograms per deciliter, and six cases had 20-44 micrograms per deciliter. According to Champaign-Urbana Public Health District more children at 5

years of age have been tested than the 1-2 year olds who are at higher risk; this may account for the relatively low number of cases with elevated lead levels. In Urbana, cases have been identified on West Main Street and North Broadway Avenue.

The cases of elevated lead levels suggest two major needs. Houses in the poorest repair have the most peeling leaded paint and are occupied by the community's most indigent families. For various reasons these families do not qualify for public housing nor do they have resources to move to other locations. Secondly, the cost of abating lead in these homes places an additional financial burden on the family. As the number of younger children screened increases, more cases over 20

Housing Authority of Champaign County
From the Desk of Steve Clark

Memo:

DATE: September 4, 2002

TO: Urbana City Council
HACC Board of Commissioners
ADG, Ltd., Architects

FROM: Steve Clark, Executive Administrator

SUBJECT: Lakeside Terrace Redevelopment Update

PURPOSE:

The purpose of this memo is to provide an update regarding the redevelopment plans for Lakeside Terrace and the surrounding neighborhood.

BACKGROUND:

The Housing Authority of Champaign County (HACC) has, over the last several years, been pursuing funding through the Department of Housing and Urban Development (HUD) for the redevelopment of Lakeside Terrace apartments.

The efforts set forth in 2002 differ from that of years past because the HACC has determined, as an Authority and a Board of Commissioners, that Lakeside Terrace must be redeveloped. In order to ensure the redevelopment can and will proceed forward the HACC has decided to undertake the effort in two tracks simultaneously.

- **Track #1:** Track one would be where the HACC would make application to the Department of HUD under the HOPE VI program. HOPE VI would be the catalyst to being able to leverage other federal and non-federal funds. The redevelopment under HOPE VI could be completed in 3 to 4 years.

- **Track #2:** Track two is where the HACC would be planning the redevelopment efforts primarily around the use of LIHTC and HACC's Capital Funds. HUD, under the 1998 QHWA Act, provides for Housing Authorities to pledge their future Capital Funds as collateral. This collateral could be used to secure conventional financing, collateral for Bonds and/or other funding that might be available for this project.

Under Track #2 the HACC must complete an in-depth needs assessment setting forth a five-year plan & budget that will adequately address all necessary improvements for the HACC properties that are not slated for redevelopment. The remaining funds will provide the Authority with the dollars that could be used toward debt service.

FIVE YEAR NEEDS ASSESSMENT:

The HACC has completed the inspection and documentation portion of the needs assessment. HUD is currently reviewing it. HUD conducted a Management Review earlier this year, which generated additional requests from HUD as it relates to the physical properties. We are currently incorporating these additional items into the needs assessment.

ARCHITECTURAL & ENGINEERING:

The HACC has entered into a contract with ADG, Ltd. Of Springfield to provide architectural and engineering services as it relates to the predevelopment activities for the redevelopment of Lakeside Terrace. ADG, Ltd. is responsible to take the information that has come forth at the neighborhood meetings and convert it into site plans and unit designs. This process is progressing and we hope to have preliminary site plans and unit layouts for the September 9, 2002 Council meeting. If the documents are complete in a draft form they will be handed out to the Council on the evening of the 9th.

RESIDENT & COMMUNITY MEETINGS:

The HACC is fully committed to including the residents of Lakeside Terrace, the broader neighborhood, the business community and units of local government in the redevelopment process. There have been a number of meetings, some with small groups or city staff and other meetings have included two (2) formal public hearings for the purpose of amending the HACC's annual Plan.

PREDEVELOPMENT SCHEDULE:

The following schedule sets forth the activities and decision points required in order to make application to the Department of Housing and Urban Development under the Mixed-Finance regulations by December 16, 2002.

- **July 31st:** Resident Meeting on Redevelopment at Lakeside Boys & Girls Club.

- **August 14th**: Hold Lakeside Terrace Redevelopment meeting for the Residents and Neighborhood at the Crystal Lake Boat House.
- **August 15th – September 4th**: Prepare drawings for the September 9th City Council/CDC Meeting & the 10th Resident and Neighborhood meeting.
 - Site Plans
 - Existing Site with Current Conditions
 - Existing Site with New Proposal and Variances
 - Site Plan Showing Additional Land – Option A
 - Site Plan Showing Additional Land – Option B
 - Unit Layouts
 - Hand Drawn plans and elevations for all types of units shown on site plans
 - Context Map
 - Computer drawn map showing redevelopment site with surrounding context
- **August 27th**: City Staff Verbal Report to the Community Development Commission.
- **September 4th**: Present DRAFT packet to City Staff for inclusion in Council September 9th Packets.
- **September 9th**: Update of Lakeside Redevelopment Process, presentation to Urbana City Council/CDC Committee of the Whole.
- **September 10th**: Lakeside Terrace Redevelopment meeting with the Residents and Neighborhood at the Boys & Girls Club in Lakeside.
- **September 11th – September 23rd**: Revise Drawings as required based on September 9th & 10th meetings.
- **September 16th**: Developer Partner RFQ is Due
- **September 16th: – September 19th**: Review Developer Partner RFQs
- **September 24th**: Hold Interviews with Top Ranked Developer Partners & Prepare Recommendation to the Board
- **September 24th**: Attend Urbana Community Development Commission Meeting – provide update on Lakeside Redevelopment activities; any materials prepared thus far. CDC to provide preliminary recommendation.

- **September 25th:** HACC Board Meeting
 - Present site and unit drawings to Board in Power Point Presentation with Handouts.
 - Present Developer Partner recommendation to the Board for approval.

- **September 25th – October 4th:** Prepare Presentation for Community Development Commission and City Council Meetings
 - Develop presentation packets which will include:
 - Existing Site with Current Conditions
 - Existing Site with New Proposal based on Current Zoning
 - Existing Site with New Proposal Requiring Variances
 - Additional Land Option A
 - Additional Land Option B
 - Additional Land Option C
 - Hand Drawn plans and elevations for all types of units on site plans
 - Computer drawn map showing redevelopment site with surrounding context
 - All proposals shall include Sources and Uses

- **October 4th:** Present packet to City Staff for inclusion in Council Committee of the Whole October 14th meeting Packets.

- **October 14th:** Present to City Council/CDC Committee of the Whole the various redevelopment plans including:
 - Develop presentation packets which will include:
 - Existing Site with Current Conditions
 - Existing Site with New Proposal based on Current Zoning
 - Existing Site with New Proposal Requiring Variances
 - Additional Land Option A
 - Additional Land Option B
 - Additional Land Option C
 - Hand Drawn plans and elevations for all types of units on site plans
 - Computer drawn map showing redevelopment site with surrounding context
 - All proposals shall include Sources and Uses

- Recommendation from Community Development Commission
 - Recommendation from HACC & Developer Partner
- **October 15th – October 18th**: Make adjustments (if any) as a result of the City Council meeting. Prepare revised proposal (if required) for presentation to City Council.
- **October 21st**: Possible Final Action by City Council
- **October 22nd – 25th**: Make adjustments (if any) as a result of the City Council meeting. Prepare revised proposal for presentation to City Council/CDC Committee as a Whole.
- **October 28th**: Presentation to City Council Committee of the Whole
- **October 29th**: Update to Community Development Commission; Final Recommendation
- **October 30th – November 1st**: Final Adjustments
- **November 4th**: Final Action by City Council (if required)
- **November 12th – December 13th**: Refine proposal and complete required documents for application to HUD under Mixed-Finance. Mixed-Finance application shall include all required documentation as outlined in the **Rental Term Sheet**.
- **December 16th**: Submit Mixed-Finance Application to the Department of Housing & Urban Development
- END.

Housing Authority of Champaign County

Five Year Physical Needs Assessment 2002-2006

No electronic format available.

Contact for info:

Bob Grewe

217.384.2441

bpgrewe@city.urbana.il.us

February 19, 2002 Meeting Agenda and Pre-Development Task Matrix

No electronic format available.

For copy contact:

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SELECTION & PRIORITIZATION OF AFFORDABLE HOUSING PROGRAM ACTIVITIES: January 26, 2002 Joint Study Session of the Urbana City Council and the Community Development Commission

The following are the top 10 program activities selected by participants:

<u># of Selections</u>	<u>Program Activities</u>
12	Renovation of Lakeside Terrace and Dunbar.
8	Develop multi-family rentals housing.
8	Increase rental units available for <30% MFI.
8	Replace lost housing.
7	New construction affordable housing.
7	Community trust fund.
6	Expand homeownership among Urbana residents.
5	Increase earning potential extremely low-income households.
5	Maintain emergency and transitional shelters.
5	Renovation of substandard privately owned rental units.

The following is an arrangement grouping the above activities into common/similar program areas:

<u># of Selections</u>	<u>Program Areas</u>
22	Housing Availability
21	Rental Housing
12	Public Housing
6	Homeownership
5	Maintain Transitional Housing/Shelters
5	Income Assistance

The following are the top 3 activities selected within each of the three program areas:

<u>Strategies to Address Homelessness</u>	<u># of selections</u>
Develop multi-family rental housing	8
Maintain emergency shelters	5
Programs to service homeless teens	3
<u>Affordable Housing Strategies</u>	<u>Interest Level</u>
Replace lost housing (added)	8
Community trust fund	7
New construction of affordable homes	7
<u>Public Housing Strategies</u>	<u>Interest Level</u>
Rehab and develop new PHA units	12
Increase units for persons <30% MFI	8
Increase earning potential for <30MFI	5

<u>Affordable Housing Strategies</u>	<u>Interest Level</u> (pick 3)
New construction affordable housing.	7
Develop non-profit housing development organizations (CHDO s).	2
Tenant-based rent assistance programs.	2
Renovation of substandard privately owned rental units.	5
Renovation of single-family owner-occupied units.	4
Expand homeownership among Urbana residents.	6
Acquire and clear deteriorated housing and vacant lots for donation.	4
Fair Housing training for landlords and tenants.	2
Teach homeownership maintenance skills.	
Educational and testing programs for lead-based paint.	
Tenant advocacy and educational efforts (i.e. C-U Tenant Union).	1
Support rental units through the Federal Low-Income Housing Tax Credit Program affordable to elderly households.	
Promote affordability of rental property receiving HOME funds.	2

Total 35 Votes

<u>Public Housing Strategies</u>	<u>Interest Level</u> (pick 3)
Upgrade the living environment for residents of Urbana public housing.	1
Increase the number of affordable housing units available to extremely low-income households.	8
Increase the earning potential of extremely low-income households.	5
Rehabilitate existing units and develop new unit (accessibility).Redevelopment of Lakeside Terrace and Dunbar Court	12

Total 26 votes

<p style="text-align: center;"><u>Strategies to Address Homelessness</u></p> <p>Total 22 votes</p>	<p style="text-align: center;"><u>Interest Level</u> <u>(pick 3)</u></p>
Maintain emergency and transitional shelters.	5
Develop community trust funds.	1
Develop centralized intake and assessment program.	2
Develop program to serve homeless teens with children.	3
Develop rental assistance programs.	
Develop multi-family rental housing.	8
Expansion of transitional housing for women and children.	2
Develop shelter services/transitional housing (two-parent households with children).	1

Total 22 votes

ADDED ITEMS:

<u>Strategies to Address Homelessness</u>	<u>Interest Level</u>
Added Items:	
Participation of those served	1
<u>Affordable Housing Strategies</u>	<u>Interest Level</u>
Added Items:	
Neighborhood stabilization	4
Set aside	2
Community trust fund	7
Replace lost housing	8
<u>Public Housing Strategies</u>	<u>Interest Level</u>
Added Items:	
Density specifics	2
Re-design	1

Total Votes 25



Meeting Minutes

- Project:** Lakeside Terrace Redevelopment
Housing Authority of Champaign County
Champaign, Illinois
- ADG Ltd. Project:** C15002
- Meeting Date:** July 31, 2002, 6:30 p.m. at the Crystal Lake Park Boat House, City of Urbana, Illinois
- Attendees:** 45 Community Members (sign in sheet available upon request)
Libby Tyler, Community Development Director, City of Urbana
Bob Grewe, Grants Manager, City of Urbana
Tim Ross, Planner, City of Urbana
Michaela Bell, Planner, City of Urbana
Steve Clark, Housing Authority of Champaign County (HACC)
Earl J. Ohrnstein, ADG Ltd.
Dennis Orington, ADG Ltd.
Anna Shakun, ADG Ltd
Ken Crabiel, ADG Ltd.
- Copies:** Attendees
File 2.6 Lakeside Terrace
- Attachments:** Lakeside Terrace Redevelopment Planning Process
Pre-development Task Matrix
North Broadway Neighborhood Plan: A Strategic Plan

Ken Crabiel of ADG LTD compiled the minutes of this meeting. The minutes reflect his recollection of the conversations and actions taken during the meeting. Please contact him by Friday, August 9, 2002, at 217.355.2900 with any corrections or modifications, otherwise the following account will be considered accurate.

The purpose of this meeting was to provide the residents of Lakeside Terrace and members of the North Broadway community with general information about the timeline, process and impact of redeveloping Lakeside Terrace.

Patricia Stebbins, Chairperson of the Housing Authority of Champaign County opened the meeting by welcoming all attendees and introducing the presenters for the evening.

Steve Clark, of the Housing Authority of Champaign County, reviewed the information contained on the “Lakeside Terrace Redevelopment Planning Process” handout, with specific attention on the importance of public input. He also reviewed the maps of Lakeside Terrace and the surrounding community identifying opportunities for redevelopment as well as expansion of the project area. After reviewing the maps, Steve asked for comments on the proposed redevelopment of Lakeside Terrace.

One community member voiced support for a reduction in the number of units on the site. They cited the regular overturn of population at Lakeside Terrace often led to problems on the site.

Another community member mentioned their concern for the lack of accessible units on the current site. Steve Clark responded by saying that while the Department of Housing and Urban Development (HUD) requires at least 5% with 2% for hearing impaired and another 2% for visual impairment of all redeveloped property to be accessible, the units are often hard to lease. He mentioned the accessible units at Oakwood Trace in Champaign, Illinois as a prime example, as these units are difficult to lease.

Another attendee mentioned the danger traffic poses on Division Street. One attendee supported the claim by describing the rate which traffic travels through Lakeside Terrace. They both agreed the new development needs to explore ways to slow traffic.

Numerous community members spoke in support of decreasing the density of Lakeside Terrace, increasing the number of playgrounds and enlarging the amount of green space.

A majority of attendees indicated their agreement to reconnect the Lakeside Terrace street system with the existing neighborhood street grid. Attendees also agreed the redeveloped site should aesthetically compliment the surrounding neighborhood.

One attendee inquired about the amount of Lakeside Terrace, which is considered a flood plain. Steve Clark replied that the current maps were drawn prior to site improvements at Lakeside Terrace, however a small portion of the site is currently in a flood plain. The attendee followed up with a suggestion that a park should connect between Crystal Lake Park along the Saline Branch Drainage Ditch to Chief Shemauger Park.

Another community member addressed the danger and inconvenience of crossing University Avenue on foot. A suggestion was made to build a footbridge over University Avenue at Race Street.

Attendees voiced their support for the impact of the Boys and Girls Club located on the Lakeside Terrace site. Steve Clark mentioned the club may not remain on the site, but the HACC will be working with the Boys and Girls Club to find another location in the North Broadway neighborhood.

Steve Clark described the options Lakeside Terrace residents will have when they are relocated for the duration of construction. Most importantly, residents will be entitled to housing of like, kind and quality in which they currently live. Steve pointed out that the HACC has the staff to help residents with the relocation process.

Libby Tyler, Community Development Director for the City of Urbana, introduced the other attendees from the City of Urbana and described the city's role in the redevelopment process. She also outlined the city's plans for improvements to Broadway Avenue south of University Avenue.

Esther Patt, Council Member for the City of Urbana, voiced her opposition of HUD's goal to reduce density of public housing sites.

Tim Ross, Planner for the City of Urbana, reviewed the "North Broadway Neighborhood Plan: A Strategic Plan." He covered the plan's history, its goals and objectives and the plan's SWOT analysis.

An attendee questioned if the North Broadway Neighborhood Group was ever started? Libby Tyler said it was active and offered to put the attendee in touch with the group.

One attendee inquired about the future relocation of University Auto Park? Another attendee questioned the opportunities of the Broadway side to the University Auto Park site? Libby Tyler agreed a variety of options for the site should be considered. However, developing the area for commercial use would bring vibrancy and support to the Broadway community.

An attendee asked if a gate was ever approved for the intersection of Kerr and Division. Patricia Stebbins commented that an option to construct a gate was considered, but was too costly.

Steve Clark invited all attendees to openly brainstorm about possible solutions to redeveloping the Lakeside Terrace site. He stressed how the project will go ahead with or without Hope IV funding. One attendee suggested designing the site with cul de sacs so vehicular traffic will not be able to speed through the site easily.

An attendee posed the question of who would own the housing? Their concern was that it would be an out of town developer who had no vested interest in the vitality of the City of Urbana. Patricia Stebbins said a developer would have ownership of the housing for 20 years, until the tax credits expire, at which time the property would be turned over to a local entity. However, the HACC will oversee the condition of the site.

One attendee asked if there would be a chance for home ownership? Steve Clark replied that there would be homeownership opportunities and that the HACC has staff to help facilitate the process.



Lakeside Terrace Redevelopment Focus Group Meeting #2

Meeting Minutes

Project: Lakeside Terrace Redevelopment
Housing Authority of Champaign County
Champaign, Illinois

ADG Ltd. Project: C15002

Meeting Date: August 14, 2002, 7:00-8:30 p.m. at the Crystal Lake Park Boat House, City of Urbana, Illinois

Attendees: Community Members (sign in sheet available upon request)
City of Urbana Officials
HACC Board Members
ADG Ltd. Representatives

The following information covers in general items discussed, and the respective responses. If you have any questions or corrections please contact Anna Shakun of ADG Ltd. at (217) 355.2900.

The purpose of this meeting was to collect opinions on the present conditions of Lakeside Terrace as well as suggestions for its future redevelopment. The issues discussed were the neighborhood, the site planning, the unit layout and the security.

Steve Clark, of the Housing Authority of Champaign County (HACC) opened the meeting by briefly reviewing the information on the Lakeside Terrace redevelopment planning process. He specifically underlined the importance of public input.

Ken Crabiel, ADG Ltd. introduced the other attendees from ADG Ltd. He opened the discussion by explaining the importance of resident's feedback. He also invited the residents to attend the next meeting where ADG Ltd. will present proposal drawings, based on today's conversation.

Ken asked attendees to explain what "Neighborhood" means to them.

The following are responses from various attendees:

Neighborhood means safety. It is neighbor's watching out for others and their property.

Neighborhoods should not be just a Bedroom Community but a development, which gives residences a lot of opportunities.

Social Services and public spots such as in Downtown Urbana should be in every neighborhood. There should be a connection between every city neighborhood and the downtown.

The first importance in the neighborhood is the living conditions. It should be as good as the rest of the city, including better lighting parking, and unit layout.

Each neighborhood should have its own specific identity.

There should not be any specific restrictions as well as race discriminations in the neighborhood.

Steve Clark responded that HACC would invite Urbana Police Chief to one of the next meetings.

Ken initiated discussion about the site planning.

The following are responses from various attendees:

Architects should not make the new development alike with the rest of the neighborhood. That will be good to have really modern neighborhood with individual houses, individual parking spots and driveways. The new houses should not look like the old bungalow-type neighborhood buildings, but should respond to the modern standards of aesthetics and comfort.

The good examples of the new neighborhood development are the Sunny Crest #2 and Prairie Green.

The site plan of the Lakeside Terrace should take advantage of the unique topography.

Units and site should be easy to maintain.

There should be safe places for children to play. There should not be any parking on the roadsides, only onsite parking.

It is import to provide good sidewalks on the both sides of the road in the neighborhood.

It would be better to provide garages or carports instead of open parking lots.

It would be good to plant trees with the fruits in the neighborhood.

Other suggestions:

- To provide one way streets;
- To avoid dead ends;
- To think about environmental issues, cleaning and maintaining of a site;
- To avoid bright colors of the houses, neutral colors are better.

Senior residents suggested separating the area for senior housing from the rest of the neighborhood. Architecturally it should represent a calmer place. There should not be any public roads going through this area.

Ken initiated discussion about the unit layouts.

The following are responses from various attendees:

Are the units planning to be for rent or for sale?

Steve Clark responded that all the units would be planned for sale. However the percentage of the ownership depends on how many residents will return back and are willing to buy the property.

Basements should be included. It is a cheap storage space, which is important in family housing. House attics should be utilized as well.

Other suggestions:

- To provide central air-conditioning;
- To provide no less than two bathrooms per unit;
- To provide larger rooms;
- To provide larger and more efficient windows;
- To provide larger closets;
- To include sound proof walls into the house structure;
- To provide washer and drier machines and stove/bath vent systems;
- To provide more electric, cable, phone and Internet outlets;
- To increase the size of porches;
- To provide separate entrees or multifunctional mud rooms from the living area.

Ken initiated discussion about the safety issues.

The following are responses from various attendees:

As a safety issue there should be a visual access for most of the unit lot and its surroundings. Residents should be able to visually control their property.

There should be a crime watch.

The houses should be pre-wired for the security system.

There should be visual definition between public, semiprivate and private areas.

Fences or level changes could be used to define the private areas.

There could be a fence with gates around the new development.

There should be motion lights at night.

There should not be any public interior hallways in the houses.

August 21, 2002

HOPE VI ROAD TRIP

The Housing Authority of Champaign County (HACC) is pleased to sponsor the August 21, 2002 HOPE VI Road Trip to Springfield, Illinois and St. Louis Missouri.

The Tour will leave from the parking lot of the HACC at 8:00am sharp. The day's itinerary is as follow:

08:00am – 09:45am	Leave Champaign/Urbana for Springfield, Il.
09:45am – 10:45am	Tour Springfield Housing Authority's (SHA) Madison Park Place HOPE VI. (Meet at Homeownership Unit on Bentley Ct.)
10:45am – 11:00am	Travel to Lunch (Chesapeake Seafood House)
11:00am – 12:30pm	Lunch with SHA Director Willis Logan
12:30pm – 03:00pm	Travel from Springfield to St. Louis
03:00pm – 03:45pm	Tour Old French Village 5224 S. 13th St. (off of Park)
03:45pm – 04:00pm	Travel to Paul Simon 1214 Hickory St. (Steering Committee Meeting)
04:00pm – 05:00pm	Steering Committee Meeting
05:00pm – 06:15pm	Dinner with SLHA, Residents, and Alderwoman at Paul Simon Community Room
06:15pm – 09:15pm	Travel from St. Louis to Champaign

Attendees

Resident Advisory Board

- Margaret Neil, Chair, 1101-D Dorsey Drive
- Patricia Brown

Resident Council Burch Village

- Ruth Jones #51 Burch Village
- Diane Hunter #22 Burch Village
- Doris Nance #62 Burch Village

Resident Council Lakeside Terrace

- Khoebena Arrington #68 Lakeside Terrace
- Diane LeRue #45 Lakeside Terrace
- Lilly Walker #40 Lakeside Terrace

City of Champaign

- Danielle Rideout, Planning
- Mable Thomas, Neighborhood Services
- Kerri Forsyth, Neighborhood Services

City of Urbana

- Bob Grewe, Grants Management
- TBD
- TBD

Housing Authority of Champaign County

- Tosha LeSure, Resident Services - Homeownership
- Steve Clark, Executive Administrator
- Clyde Walker, Board Member
- Dan Orhnstein, Architect

**Housing Authority of Champaign County
Request for Qualifications (RFQ)
For
Mixed-Finance Development Services
For**

The Burch Village and Lakeside Terrace Revitalization Project

Elawrence Davis, Executive Director
Housing Authority of Champaign County
205 W. Park Ave.
Champaign, IL 61820
An Equal Opportunity Employer - An Equal Housing Provider

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1.0 General Information

1.1 Notice

The Housing Authority of Champaign County (HACC) is requesting statements of qualifications vitae from qualified firms interested in providing development services for the redevelopment of the Burch Village and Lakeside Terrace neighborhoods. The redevelopment will be through Mixed-Finance and the HACC intends to select the intended developer prior to the submission of its Mixed-Finance application to HUD so that said developer can be named in the application. Any offers to successful prospective developers are contingent upon receiving HUD approval to proceed with the Mixed-Finance plan. Furthermore, if HACC is not successful in receiving a 2002 Mixed-Finance approval and decides to apply for such an approval in subsequent years or to pursue redevelopment under the U.S. Department of Housing and Urban Development's (HUD) mixed-finance rules, and/or HOPE VI the selected development team may be retained at HACC's sole discretion.

The intent of the Revitalization Plan is to develop physical design and program activities that implement the goals of the Mixed-Finance Plan and conform to the criteria established by HACC. It is intended to empower public housing and neighborhood residents to expand their opportunities in education, jobs and job training, business development, sustainable economic development, safety, health, recreation, and housing. Moreover, it is intended to make real choices available to and improve the quality of life for all residents of the redevelopment area. The vision for the Mixed Finance Plan is to ensure that sufficient resources are made available to provide a foundation for the revitalization of the Burch Village and Lakeside Terrace neighborhoods and to turn public housing back into transitional housing via an aggressive and comprehensive approach to meeting the long-term needs and goals of public housing residents.

To obtain a Request for Qualification (RFQ) package, please contact Patty Smith, Department Manager, Maintenance and Engineering at (217) 378-7100, ext.121. Sealed proposals prepared in accordance with the conditions stated in Section 3.0 must be received no later than 4:00 PM, Local Time August 29, 2002 at the address listed below:

Housing Authority of Champaign County
205 W. Park Ave.
Champaign, IL 61820
Attn: Patty Smith

Faxed or e-mailed Statement of Qualifications will not be accepted. Any Statement of Qualifications received after the deadline will be returned to the sender unopened.

By responding to this RFQ, the offeror accepts its terms and conditions in their entirety. No Statement of Qualifications may be withdrawn after the due date. HACC reserves the right to waive any informalities or irregularities and to reject any and all Statements of Qualifications..

1.2 Mixed-Finance Awards

The Housing Authority of Champaign County (HACC) will apply for a Mixed-Finance approval from HUD. The application will set forth a Revitalization Plan to carry out a comprehensive redevelopment of the Burch Village and Lakeside Terrace neighborhoods. In addition, other public and private funds will be sought to complement the Mixed-Finance plan. The Revitalization Plan will call for the demolition of the 170 units of both Burch Village and Lakeside Terrace and the construction of mixed-income single and multi-family homes. The new units will be divided into market-rate, public housing, and rental units. The Mixed-Finance Revitalization Plan is the result of the active participation of HACC, community stakeholders, supportive service providers, and community leaders.

1.3 Mixed-Finance Program

HUD's Mixed-Finance Program embraces several principles that offer a radical departure from prior public housing modernization programs. It is important for the selected developer to understand and welcome the opportunity to work within these principles throughout the planning and implementation processes. Some of these principles include:

- *Neighborhood Context.* The Mixed-Finance initiative seeks to integrate public housing sites into the surrounding neighborhoods by creating physical designs that are contextually appropriate to said neighborhoods.
- *Off-Site Development.* To further the goal of integrating public housing into the surrounding neighborhoods, HACC plans to use Mixed-Finance funds for the development of off-site housing.
- *Funding for Supportive Services / Economic Development.* Mixed-Finance goes beyond the traditional “brick and mortar” solutions and permits its funds to be used for supportive services, self-sufficiency programs, and economic development purposes such as job training, placement and retention services, education, daycare, etc.
- *Mixed Public and Private Financing.* Mixed-Finance encourages public housing authorities to blend private financing resources with public housing capital and operating funds.
- *Private Ownership.* Under the Mixed-Finance program, HUD will permit public housing units (i.e., those units under the Annual Contributions Contract) to be privately owned and/or managed subject to procedural and regulatory requirements.

1.4 HUD's Mixed-Finance Approach

The revitalization is expected to be implemented under HUD's "Mixed-Finance" rules for public housing. This interim rule permits public housing authorities to (1) allow the development of projects that include non-public housing units in addition to public ones; (2) enter into partnership arrangements with non-profit and for-profit private developers to own the mixed-finance development; and (3) transfer operating and capital subsidies to such properties.

1.5 HACC's Role

HACC will play the following roles in the planning and revitalization of the redevelopment area:

- *Mixed-Finance Awardee.* HACC, as the named Awardee, will be ultimately responsible for the implementation of the Mixed-Finance Revitalization Plan in accordance with all Mixed-Finance program rules. HACC will maintain a small Mixed-Finance implementation staff to provide oversight for the project and to work with the Program Manager and development partner.
- *Relocation Manager.* HACC will be responsible for offering existing residents relocation choices and for counseling, scheduling, and moving residents for coordinated construction activities.
- *Land Owner / Property Manager.* HACC will lease its land to a developer partner who will be responsible for the physical improvements of the property. As land owner and property manager, HACC will preserve long-term asset value through attentive property management and ensuring that the applicable HUD and HACC management requirements are met. HACC expects that a private property management firm will manage the new rental housing under a management plan to be approved by the HACC.
- *Supportive Services Coordinator.* HACC will procure supportive services / self-sufficiency staff and/or private contractor. This staff will be responsible for implementing the resident self-sufficiency plan in conjunction with the goals of the redevelopment effort and long-term operations of the property. The Program Manager will be expected to monitor their efforts.
- *Provider of Mixed-Finance Funds.* A portion of the Mixed-Finance funds will be available for use by the developer partner for the physical revitalization of the properties. Mixed-Finance funds will also be used for HACC administration, program management fees, and the community and supportive services component of the Revitalization Plan.
- *Provider of Operating Subsidies.* HACC will make financial contributions toward the cost of operating the rental units in the form of federal operating subsidies for

the public housing units; i.e., those units under the Annual Contributions Contract. The terms of the provision of its operating subsidies will be contained in a regulatory and operating agreement that will be negotiated between HACC and the developer partner.

- *Asset Manager.* HACC will continue to have asset management responsibilities related to the public housing units in the redevelopment area. As part of its asset management responsibilities, HACC will monitor and enforce the terms of its ground lease and the regulatory and operating agreement with the developer partner.

1.6 The Role of the Program Manager

HACC has issued an RFQ for Program Manager in the Mixed-Finance revitalization of Burch Village and Lakeside Terrace. The Program Management team will be required to work closely with HACC and the developer partner throughout the redevelopment effort.

HACC's plan to select and utilize a Program Manager is non-negotiable. Statement of Qualifications by developers that eliminate this position or propose that it be filled by the developer will not be accepted by HACC.

1.7 The Revitalization Plan

Goals and Objectives of the Mixed-Finance Plan

- Create a sustainable community that includes families with a broad range of incomes.
- Develop a plan that knits together the public housing sites with their adjacent neighborhoods. The Mixed-Finance replacement housing should extend beyond the current public housing sites and blend into the neighborhood.
- Encourage the efficient and effective use of new and existing community facilities that will be at the center of the site.
- Leverage the Mixed-Finance funds to the maximum extent feasible by aggressively pursuing both public (state, local, and federal) and private (foundations, conventional, equity, debt, etc.) sources of funding.
- Create homeownership opportunities for households who earn up to 80% of the median income, using a combination of on-site and neighborhood strategies.
- Maximize the long-term sustainability of the community and ensure the future of the neighborhood by privatizing the management of public housing.
- Create traffic patterns that are suitable for residential neighborhoods. Encourage pedestrian connections and provide access to community amenities and public transportation service.
- Provide residents with the tools and skills necessary to transition from welfare to work and out of public housing within five years.

Ownership Structure

HACC will lease its land to a developer with whom a limited liability partnership will be formed to develop, own, and manage the newly revitalized community. HACC and the developer will enter into a regulatory and operating agreement for the public housing units to ensure that these units are operated in accordance with all applicable federal requirements. The affordable homeownership units will be developed under HUD's 5(h) program (or similar program) and sold fee simple to income-eligible households. The developer's responsibility for the homeownership unit terminates with each individual closing and upon the completion of any warranty period.

Community and Supportive Services

The Mixed-Finance application details a comprehensive approach to community and support services that focuses on the self-sufficiency of individuals and households. The Community and Supportive Services Plan (CSSP) is closely linked to welfare reform at the state level to ensure that the shared goals of economic independence and increased employment are pursued in a coordinated and collaborative fashion.

Relocation

A relocation plan will require input from all areas that the Mixed-Finance plan impacts the residents, community, CSS Committee, and the City. Meetings will be scheduled with the residents of the Mixed-Finance site to review the relocation process in general terms. Meetings will continue until the relocation process is complete.

Neighborhood Revitalization

HACC is working closely with the City of Champaign in the overall revitalization of the neighborhood. The developer along with the Program Manager will assist in coordinating the Mixed-Finance program with this larger revitalization effort and in maximizing the impact the Mixed-Finance funds will have on other residential, commercial, and economic development activities.

1.8 Selection Process and Schedule

The purpose of this RFQ is to solicit meaningful Statements of Qualifications so that HACC may select one that best meets its needs and requirements. HACC urges all interested to carefully review the requirements of this RFQ. Written Statement of Qualifications containing the requested information will serve as the primary basis for final selection.

Any Minority Business Enterprise (MBE) offeror should indicate such status. Statements of Qualifications from firms owned by women or minorities are encouraged.

All Statements of Qualifications will be reviewed by HACC based on the evaluation criteria contained in this RFQ. HACC will select the top firm based upon its Statement of Qualifications and ranking, the results of reference checks, and the effectiveness of its presentation during the interview process, and its track record on similar projects. The specific evaluation criteria and respective weighting are detailed in Section 3.0 of the RFQ.

HACC reserves the right to conduct negotiations with one or more offerors if, in the opinion of HACC, that method will provide the greatest benefit.

HACC anticipates the selection of a developer will occur on the following schedule:

Date	Task
July 9, 2002	RFQ issued and available
July 30, 2002	Pre-Qualification conference
August 16, 2002	Final day to provide written questions
August 20, 2002	Final addendum to RFQ issued
August 29, 2002	Statement of Qualifications due at 4:00 PM local time
September 6, 2002	HACC completes Statement of Qualifications reviews, reference checks, and initial ranking
September 9, 2002	Competitive firms notified of interview date
September 16, 2002	Interviews and further reference checks conducted
September 18, 2002	Top ranked firm selected

1.9 Pre-Statement of Qualifications Conference

A pre-Qualifications conference will be held at 11:00 AM on July 30, 2002 at HACC 2005 W. Park Avenue Champaign, Illinois 61820 (217) 378-7100. All interested parties are strongly encouraged to attend the conference, which will include a tour of the redevelopment area. Although attendance at this pre-Statement of Qualifications conference is not mandatory, it is highly recommended. The conference will provide potential offerors an opportunity to discuss the project with HACC staff and see the existing development and adjacent neighborhood. A summary of questions asked by the participants with HACC's response, will be forwarded to all potential offerors on HACC's list of interested parties. Potential offerors will be responsible for providing their own transportation.

1.10 Responses Due

Offerors must submit one blue-ink signed original and five (5) copies of their Statement of Qualifications to:

Housing Authority of Champaign County
 205 W. Park Ave.
 Champaign, IL 61820
 Attn: Patty Smith

In order to be considered, Statement of Qualifications must be received no later than 4:00 PM local time on August 29, 2002 by mail or delivery. Statements of Qualifications must be sealed in a box or an envelope marked with the title of this RFQ and the offeror's name, address, and telephone number. All material must be submitted in an 8.5 x 11 inch format.

The above stated deadline is firm as to date and hour. Offerors may select any mode of delivery; however, the risk of non-delivery shall remain with the offeror. HACC will treat as ineligible for consideration and will return unopened any submission that is received after the deadline date. Upon receipt of each Statement of Qualifications, HACC will date and time stamp it and, upon request, provide the offeror with acknowledgement of receipt. Faxed submissions will not be accepted. All timely submissions become property of HACC and will not be returned. Moreover, Statements of Qualifications will be held in confidence and will not be released in any manner until after the contract is awarded.

1.11 Selection Committee

HACC will appoint a selection committee that will be responsible for overseeing the selection process and making a recommendation to the HACC Executive Director who, in turn, will make the final recommendation to the HACC Board.

1.12 Interpretation

The intent of this RFQ is to establish the general specifications for the professional services needed and to provide prospective offerors with sufficient information to enable them to respond. Every effort has been made to outline the requirements and to provide information in a format that is clear and concise.

Nevertheless, questions may arise or additional information may be needed. Questions and inquiries regarding this RFQ must be submitted in writing and should refer to the specific paragraph in question. **All inquiries must be received no later than 4:00 PM local time on August 16, 2002 and should be submitted in writing to the address above.**

Answers will be provided as written addenda to the RFQ and will be on file and available for inspection at the HACC office no later than five (5) days prior to the Request for Qualifications submission date. HACC will try to provide copies of addenda to all potential offerors to whom the RFQ has been mailed, but it will be the responsibility of each offeror to make inquiry as to the existence and content of the addenda. These addenda will become part of this RFQ and all offerors will be bound thereby, whether or not the addenda are actually received by the offeror.

1.13 HACC Options

HACC reserves the right to cancel this RFQ and to reject in whole or in part any and all Requests for Qualifications received upon determination that such cancellation or

rejection is in the best interest of HACC. HACC further reserves the right to waive any minor informalities or the failure of any offeror to comply therewith if it is in the public interest to do so.

HACC will reject the Request for Qualifications of any offeror who is barred by HUD from providing services to public housing authorities and reserves the right to reject the Request for Qualifications of any offeror who has previously failed to perform any contract properly for HACC.

The determination of the criteria and process whereby Request for Qualification's are evaluated and the decision as to whom shall receive a contract award or whether or not an award shall be made as a result of this RFQ shall be at the sole and absolute discretion of HACC, its Board and HUD in accordance with the requirements of the Mixed Finance Urban Revitalization Demonstration Program.

1.14 Contract Form and Issues

This RFQ will lead to a development agreement, the terms of which will be negotiated between HACC and the successful developer and approved by HUD. The length of the contract will be approximately four years or until all of the required services as specified in this RFQ are completed. Final negotiation and entry into a development contract is contingent upon HACC being awarded a Mixed-Finance approval letter from HUD.

Work under the contract shall commence immediately upon HACC receiving approval to their request for Mixed-Finance. HUD must approve the contract prior to final execution. No contractual rights shall arise out of the process of negotiation until such time as HACC and the selected Developer have signed a contract.

1.15 Rules, Regulations and Licensing Requirements

Offerors shall comply with all laws, ordinances, and regulations applicable to the services contemplated herein, especially those applicable to conflict of interest. Offerors are presumed to be familiar with all federal, state, and local laws, ordinances, codes, rules, and regulations that may affect the services to be provided in any way.

1.16 Equal Opportunity Employment

Offerors agree that they will not discriminate as to race, sex, religion, color, age, creed, sexual orientation, or national origin regarding obligations, work, and services performed under the terms of any contract ensuing from this RFQ. Offerors must agree to comply with Executive Order 11246 entitled "Equal Employment Opportunity" and as amended by Executive Order 11375, as supplemented by relevant Department of Labor Regulations (41 CFR Part 60)

1.17 Personnel

Offerors must identify all personnel to be assigned to the Lakeside Terrace/Burch Village Mixed-Finance project and guarantee that the personnel described in their proposals shall be available to perform the services described, barring illness, accident, or other unforeseeable events of a similar nature in which cases the offeror must be able to provide a qualified replacement. Furthermore, all personnel shall be considered to be, at all times, the sole employees of the offeror under its sole direction and not employees or agents of HACC.

1.18 Contact with Residents or Other Community Organizations

Offerors are not to contact HACC residents or other community organizations to lobby on behalf of themselves during the RFQ process. Any such effort may result in automatic rejection of the Statement of Qualifications.

1.19 Incurred Costs in Preparing Statement of Qualifications

Developer teams will be responsible for all costs incurred in preparing a response to this RFQ. All material and documents submitted by prospective developers will become the property of HACC and will not be returned. Developer teams selected for further interviews and negotiations will be responsible for all costs incurred during these processes.

2.0 Scope of Services

2.1 General Overview

In general, HACC seeks proposals that provide or demonstrate the following:

- Highly qualified development team members, experienced with Mixed-Finance Grants.
- Innovative and creative design proposals.
- Proven track record maximizing private-sector participation in the financing of complex residential and commercial projects.
- Strong track record as a developer coordinating a large-scale, comprehensive, and mixed-use development plan.
- Experience in urban planning and development of mixed-income housing, including low-income and market-rate housing.
- Experience in working with a policy board drawn from entities with diverse interests.
- Proven ability to partner with neighborhood groups and institutions to achieve locally determined goals developed by those groups.
- Strong track record in partnering with residents, neighborhood organizations, and institutions with diverse interests in the development and management of housing developments.

- A commitment to employ public housing and neighborhood residents (Section 3) and to use minority and Section 3 businesses.
- A commitment to diversity and broad minority participation both within the developer's team and on the project.
- An ability to design and manage comprehensive neighborhood human services and economic development programs in coordination with HACC and its residents.
- A comprehensive property management plan that addresses needs of an urban, mixed-income site.
- Knowledge of the local housing market, regulations, and codes, in addition to a familiarity with the structures of both the local non-profit and affordable housing community.
- A successful history with low-income housing tax credits and associated agencies.
- The capacity, when requested, to act directly or through a related entity as (1) general partner or other manager of rental projects or (2) construction contractor for part of the project.

2.2 The Developer's Role

To plan and implement the revitalization program, detailed architectural, engineering, environmental, financing, construction, property management and economic development plans must be developed. Working in partnership with HACC and the Program Manager, the developer will create a Revitalization Plan that establishes all activities associated with this project.

Once the Revitalization Plan is completed and approved, the developer will be responsible for all activities associated with the revitalization of the project area including the following:

- Produce a recent market analysis as needed to identify the features required for a successful mixed-income community.
- Take the lead in obtaining all land use and zoning approvals.
- Develop architectural plans and obtain all approvals and permits.
- Develop a master schedule with milestones, which should include a construction phasing schedule and implementation schedule for the entire site.
- Maintain project budgets showing sources and uses of funds and cash flows.
- Secure private debt and equity financing.
- Finalize the terms of all public and private funding.
- Collaborate with HACC to implement a management structure for the development that includes a long-term role for residents.
- Incorporate the human services, economic development, and community service programming into the physical revitalization process.
- Develop and implement an M/WBE and a Section 3 program in conjunction with life-skills training.
- Coordinate all site and infrastructure improvements with the City, utility companies, and others.

- Implement demolition and construction.
- Construct all buildings and improvements.
- Market and lease or sell all units and commercial space.
- Provide information required for all HUD reports.
- Provide cost certifications, audits, and other information necessary to close out the award.

The details of the obligations, roles, and responsibilities of each party will be detailed in a development agreement to be executed after selection and receipt of the Mixed-Finance approval by HUD.

3.0 Procurement Process

3.1 General Criteria

The developer for this project must be capable of the ongoing coordination and oversight of the redevelopment effort. The selection committee will view the following as favorable:

- Previous experience developing major revitalization projects including affordable housing, homeownership housing, commercial and retail development, and civic amenities.
- Specific experience with the Mixed-Finance program.
- Knowledge of public housing regulations.
- Previous experience with and understanding of layered financing including, but not limited to, LIHTC including past success with innovative funding options.
- The ability to complete the physical development on time and within budget.
- Previous experience implementing CSS programs.

Team Composition

Respondent firms or teams shall provide experienced, qualified, and capable personnel to perform the functions and responsibilities outlined in the RFQ. Given the variety of issues involved in this extensive effort, the selected firm or team must have a broad range of expertise.

HACC recognizes that some firms may propose to assemble a team of individuals from different firms to provide the appropriate range of expertise. The degree to which members of such a team have been successful individually and/or collectively working together on past or similar projects will be given important consideration during the selection process. The individual designated as the developer must be able to show that they can supervise and coordinate the work of all members of such a team.

All Statements of Qualifications must identify specific individuals to be charged with responsibility for various developer-partner tasks.

3.2 Qualification Criteria

The development team must have demonstrated expertise in managing the development process for mixed-income, mixed-finance type projects located in urban settings that are key elements of the revitalization of a larger community. The developer must be experienced with the integration of HUD regulations and programs with real estate development. In addition, sensitivity to the role of HACC staff and Board, public housing residents, the surrounding communities and the Cities of Champaign/Urbana in the decision-making process is essential.

3.3 Submission Requirements

3.3.1 General Requirements

Statements of Qualifications should be paginated, organized, and labeled as follows:

1. Table of Contents
2. Letter of Interest
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3.3.2 Technical Statement of Qualifications

Detailed information about the requirements of each part is listed below.

1. Table of Contents

Provide a comprehensive listing and location of all written pages, tables, figures, and other material.

2. Letter of Interest

- a. Provide identification, address, telephone and fax numbers for each development team member; i.e., developer, general contractor, architect, engineer, consultant, property manager, attorney, account, other.
- b. Submit a summary of qualifications.
- c. Submit a statement of understanding of proposed scope of services.
- d. Describe your commitment to quality of design in an urban context.
- e. Identify your primary contact person(s)

3. Statement of Qualifications and Experience

Each offeror must submit the following information:

- a. *Description of the Development Team.* Provide a description of the team or partnership that proposes to undertake the development. The description should highlight the history of the firm and/or partners, its organization, and its principles. The submission should demonstrate the team's capacity to undertake all aspects of a project of the same scale and scope as the project area revitalization. The development team should demonstrate capacity and experience in all phases of development, including planning, design, financing, construction, construction management, and property management including past successes.

The specific team assigned to the project should be described in detail, including respective roles, responsibilities, and percentage of time each person is likely to be working on the project. Résumés of key personnel and principal team members must be included in the submission.

Diversity and broad minority participation is the goal of the revitalization program. Provide information concerning minority participation within the firm and the proposed team. In addition, describe your approach to diversity both in internal hiring practices and those of associated consultants and contractors.

- b. *Experience of the offeror in the planning and development of mixed-income housing and neighborhood commercial projects.* Describe your experience in the planning and developing of low-income, mixed-income, and market-rate housing and neighborhood commercial projects in urban areas. Also provide examples of homeownership program experience. The response should list each development project completed, identifying the name and location of the project, its financial description, a unit-type

mix description (e.g., single family, townhouse, multi-family, public housing), commercial components, total number of dwelling units, total development cost, date completed, whether the project was completed on budget and within schedule, development partner or joint-venture party and sponsoring agency, if applicable. This information should be provided in a matrix format.

- c. *Experience in financing and low-income housing tax credits.* Describe your experience in assembling financing packages for Mixed-Finance projects, low-income housing, commercial, and mixed-income developments. The description of experience should include any use of varied and/or innovative financing instruments including, but not limited to, low-income housing tax credits, bond financing, first and soft-second mortgage financing, etc. Clear information should be submitted concerning your financial condition and capacity and your experience with a variety of financing methods. Summary information on the operating status and financing terms (e.g., positive cash flow, adequate operating and replacement reserve levels, and physical condition) of all your projects must also be provided. For those that are not performing successfully, the extenuating circumstances should be explained.
- d. *Experience in construction and construction management.* Describe your experience in managing complex residential, commercial / mixed-income construction projects in a timely manner and within budget constraints. Also, submit clear information stating how many construction sites you have managed at one time and the size of each. Indicate what type of construction and management methods were used, what portion of the projects have been completed on time (and if not, why), whether the project was completed within budget (if not, why), number and description of change orders including percentages and dollar amounts compared to total project cost, and instances and justification of default. Finally, submit the financial status of any current project in which you have financial interest.
- e. *Experience working with public agencies.* Describe your knowledge of and experience with local municipalities, local building codes, regulations, and laws, and sources of funding and financing for low-income, mixed-income, and commercial developments.
- f. *Experience in partnering with neighborhood groups.* Describe your experience with working with neighborhood groups to achieve locally determined goals developed by residents. Outline the approaches you would use to partner with neighborhood to assure continuing and meaningful involvement in the development process, to create a significant long-term role and economic opportunity for the residents, and to train and hire residents and utilize M/WBEs.

- g. *Experience with M/WBE and HUD Section 3.* Describe your experience with business enterprises owned by minorities and women and compliance with HUD Section 3 requirements. Submit clear information about your own personnel policies, plans, activities, and accomplishments in creating a diverse workforce. Also indicate your experience in hiring residents or utilizing businesses owned by minorities and women on previous projects and to what extent M/WBE owned businesses are included in the development team. You should clearly describe the results of hiring and training Section 3 residents and utilizing M/WBE.
- h. *Experience with community and supportive service programs and providers.* Describe your experience with incorporating a supportive community service component into the development revitalization process. This includes, but is not limited to, Family Self-Sufficiency, Community and Supportive Services programs, neighborhood economic development, and educational training and employment programs.
- i. *Experience in property management.* Describe your experience in property management including a list of all properties under management now or in the last five (5) years including name, owner, location, type of site, type of construction, income and subsidy mix, number and size of units, and operating and mortgage status. If any management contract has been terminated within the past five years, state when it was terminated and explain the reason for termination. Describe in detail the property or properties with management challenges similar to those of this initiative, including mixed-income and mixed-use.
- j. *Legal Experience.* Describe the experience of your retained law firm and the key legal personnel utilized in structuring and negotiating complex real estate projects.
- k. *Experience preparing HUD proposals.* Submit a clear account of any prior experience in working with local housing authorities and the public housing program including low-income housing tax credits, bond financing, and first and soft-second mortgage financing.

4. Financing Plan

Submit the approaches you would propose to finance the redevelopment.

5. Management of Entire Redevelopment Process

Describe in detail how you would organize the management of the entire redevelopment process including property management.

6. Fee, Risk, and Compensation

Submit a description of the type and amount of financial risk in financing the project you are willing to take and the type and amount of fees and compensation you expect. Not knowing the final scope of work or project description average percentages of specific activities can be used.

7. Financial Information

Provide, in a sealed envelope, a current financial statement of your firm along with the most recent audit (guarantees, private debt, etc.) to determine your financial capacity to implement the Revitalization Plan.

8. References

A list of at least three past or current partners or housing authorities in whose projects you have demonstrated capacity in all or some of the areas and programs enumerated above. The list must include the name and location of the project, the role of your team in the project, and the name(s), telephone and fax number(s), and address(es) of the person or people most familiar with the work performed.

9. Contact Requirements and Certifications

Indicate your willingness to comply with all terms and conditions of the RFQ. Provide all required certifications on forms included as attachments to the RFQ.

- Form HUD-5369A: Representations, Certifications, and other Statements of Offerors
- Form of Non-Collusive Affidavit
- Form HUD-50070: Certification of a Drug-Free Workplace
- Form HUD-50071: Contracts, Grants, Loans, and Cooperative Agreements

3.4 Evaluation of Statement of Qualifications

All Statements of Qualifications will be evaluated based on the evaluation criteria outline below. The Selection Committee will then determine a competitive range based on the established point system and said criteria. The Selection Committee may consider a Statement of Qualification unacceptable if it lacks critical information or the submission represents a major deviation from the requirements of the RFQ. Minor omissions, such as incomplete references, may be corrected after the submission deadline at the sole option and discretion of HACC.

All Statements of Qualifications will be reviewed initially to determine compliance with the Statement of Qualification format requirements specified in the previous section. Statements of Qualifications that do not comply with these requirements may be rejected without further review.

The evaluation factors shown below will be used to determine which developers fall within the competitive range. Developers that fall within the competitive range will be asked to demonstrate how they would specifically apply their experience and qualifications to converting the current vision for the project area to a feasible, sustainable, mixed-income and mixed-finance urban development.

- *Experience* (100 points maximum):
 - Experience and track record in planning and developing mixed-income housing, including low-income and market-rate housing and new commercial retail developments (20 points).
 - Experience in managing complex residential, commercial, and mixed-income construction projects (20 points).
 - Experience in incorporating service providers and supportive and community service programs into the revitalization process (10 points)
 - Experience in assembling financing packages for low-income, mixed-income, and commercial developments (20 points).
 - Experience and knowledge in partnering with the neighborhood groups to achieve locally determined goals developed by residents and experience in hiring and training residents and utilizing M/WBE business enterprises. This element includes racial and cultural sensitivity (10 points).
 - Experience and performance record in property management of low- and mixed-income housing development (15 points).
 - Knowledge of and experience in utilizing local funding sources, building codes, and zoning regulations (5 points).

- *How Experience and Knowledge Would Apply* (50 Points maximum):
 - Approaches the Developer would use to partner with neighborhood groups to assure continuing and meaningful involvement in the development process and a significant long-term role for the residents. Include approaches for training and hiring residents and utilizing M/WBE also (10 points).
 - How the Developer would implement the physical plan. If the Developer takes issue with any elements of the physical plan, explain and show how it should be amended (10 points).
 - Approaches the Developer would use to finance the revitalization. (10 points)
 - How the Developer would manage the entire redevelopment process including property management. (10 points)

- The degree of risk the Developer is willing to assume and the methodology for determining the amount of compensation expected. (10 points)

HACC will select the top firm based on their ranking. HACC intends to conclude negotiations within 30 days following selection of HACC as a successful 2002 Mixed-Finance awardee. If HACC fails to reach an agreement with the top ranked firm, the same procedure shall be followed with the second highest ranked firm and so on until an agreement is obtained with the most qualified firm at a fair and reasonable price.

END