

Captioning Transcript of Community Affairs, Housing, Health and Education Committee Meeting - December 7, 2022

"Olivia Bennett"

Councilman Shankland this is Olivia and chambers. Can you hear me.

"Chair Shanklin"

Yes.

"Olivia Bennett"

Okay, ma'am. So we have tried to reboot the system a couple of times. For whatever reason. We cannot show the presentation, nor the video there's no video or audio footage from the presenters desk.

So we will not be able to show that today. It is attached to the agenda and I will provide a link in the action summary when I write it but I apologize. There's something going on with the system.

"Chair Shanklin"

Okay, thank you. And I can just ask the director to speak on.

"Olivia Bennett"

Yes, ma'am.

"Chair Shanklin"

Okay, so we're ready to get started.

"Olivia Bennett"

Yes, ma'am.

"Chair Shanklin"

Okay. Thank you.

Today is Wednesday, December 7 2022 this is the, regular community affairs housing here the education committee.

And I am the chair council Mormon barber Shanklin.

The vice chair, Kathy chambers Armstrong, she's traveling out of the country so she has an excused absence.

Council Angela. Boeing am I.

Madame Clark is she in the chambers?

"Olivia Bennett"

Yes, ma'am. Councilman volunteers in the chambers as well as councilman. Arthur.

"Chair Shanklin"

Okay uh, cancel cancel woman keisha Dorsey, 1, Kevin triplet council woman Merlin Parker.

And to advance and has an excused.

Madame clerk can you read item? Number 2? We're going to start with item number 2. please.

"Olivia Bennett"

Yes, ma'am if it's okay. I'll 1st. Read the disclaimer.

"Chair Shanklin"

Oh, I'm sorry. Yes.

"Olivia Bennett"

Thank you this meeting is being held presented to Cara at 609 806 and council rule 5 a red and full item. Number 2 is our dash 102 dash 22 a resolution honoring George E Fisher by dedicating the corner of East wetherspoon street in North Floyd street as George E. Fisher way in his honor read in full. george e fisher way in his honor read in full

"Chair Shanklin"

Thank you and I have a motion a 2nd.

"Committee Member Triplett"

Motion trip. What do we have a 2nd.

"Chair Shanklin"

Okay, thank you. The item has been moved properly and moved and 2nd properly. Is there any discussion in? I think we have. Want me to Smith will be speaking on it.

"Olivia Bennett"

I'm sorry I am. This is Olivia again in chambers. Wanda is out, due to the funeral with for Kip Dix but Geoff Wohl is in chambers to speak to this item.

"Chair Shanklin"

I just got an email a text from 1 to say she is here. Okay, so she would be speaking.

"Wanda Mitchell Smith"

Obviously I am on. Oh, thank you. Thank you so much. And I appreciate it.

Why the Mrs Smith when the mayor's office, as, you know, towards Fisher was the mayor's father, and he passed and we want to just simply have this as a part of the legacy to live on for the work that he's done over the years for not just the city, but some kind of lots of Kentucky, and I will yield to Jeff. Uh, who would be in the chambers as well Thank you.

"Chair Shanklin"

Are you there.

"Olivia Bennett"

He's there, he's approaching the podium again.

"Chair Shanklin"

Okay. Thank you.

"Geoff Wohl"

Hi, Chair Shanklin this is Jeff wall and I am physically in the chambers. I'm happy to be here and potentially in the off chance that I wasn't able to join and so.

You know, there's a resolution proposing to honor Georgie Fisher by dedicating the corner of heath wetherspoon and North Floyd street as Georgie Fisher way in his honor.

And this is in recognition of his many accomplishments and contributions. Not only to our city, but to our nation and our whole community.

So there are numerous entrepreneurial, charitable, civic.

Accomplishments boards, foundations, so this is just an, an effort to recognize. Mr. Fisher.

A native of shiny neighborhood in recently deceased and father of current Fisher.

Thanks, thank you.

"Chair Shanklin"

Are there any questions or concerns hearing none.

This is the resolution allow for voice vote.

All in favor, say, aye, aye, any opposed.

So this would go to the consent calendar.

Thank you.

Can you read? Item 3 please.

"Olivia Bennett"

Yes, ma'am. Item number. 3 is R dash 19422aresolution honoring governor Paul E pattern for his contribution to the Kentucky center for African American heritage written full.

"Committee Member Triplett"

Thank you in motion to move triplet.

"Committee Member Bowens"

2nd Bowens

"Chair Shanklin"

Thank you the item has been properly moved and 2nd.
Uh, yeah, Mr skipper Martin there to speak on this item.
Seeing the chambers?

"Olivia Bennett"

Yes, man, the protein the podium.

"Chair Shanklin"

Yeah, I can see it. Now. Thank you.

"Skipper Martin"

My name is skipper Martin and I'm old.
But I come here today for a thank you.
All pattern was governor, lieutenant governor for 12 years.
And I was his chief of staff, and I remember well, when they took him
down to the African American heritage, which was the trolley born.
And he is an engineer, so he surveyed every brick, I believe, and said we
can, we can strengthen this because some day.
It will be important to this community if we stabilize the building.
So, he went back and in his budget, he allotted 10Million dollars. That's
the 1st, big injection of funds into the.
Trolley bar, which is now the African American museum and, and a
conference center.
So, I would ask for the support of this issue, just to thank him.
He's like me as getting older so I'd like to thank him while he's still
around.
Any questions there are any questions or concerns.
You're in stand for us to vote. This item is.
It was his resolution allow for a voicemail.
All in favor, say, aye, aye, any opposed.
And this item will be sent to the same calendar. Thank you. Mr. Martin
come in today. Thank you. All Thank you.
All right, thank you. Okay, the next item on the gender is a special
discussion and his presentation would be David Snyder.
Ah, with new directions, but I understand that the presentation is not
going to be available. So Mr. are you okay just explaining.
Whatever you had to on the presentation.

"Lori Flanery"

Cheers Shanklin. This is Laurie Flannery. David is our director of
development, and he is the person who's been working with Metro Council
staff to have this presentation done. He was going he's sitting to my
right here.

He was going to Flash forward on the presentation that we have, but of course, you know, we are having technical difficulties. Right?

And so, as CEO of new directions, I will start the presentation and I will let you all know where I.

In case you want to follow along if you happen to have 2 devices or if there's a way that you can do that um, you will be able to see of course. The materials afterward, um, but.

We did, we did put some pictures together and things like that for a reference from my for my talking points. So I will try to do it this way. I think I'm doing it doing it where you can see it.

If that is all right, thank you.

Okay, I'll get started then if that's all right so, the very 1st page, of course, is the cover page.

And what I say here is a good afternoon. I'm Lori Flannery.

Ceo of new directions and we 1st want to thank you. Um.

Committee members of the council for allowing us to be on your agenda today and to share with you, he should Dorsey helped in that council woman he should Dorsey help with that,

which we are very appreciative of she is a brand new member of the board of directors for new directions, and has spent this 1st,

few months really trying to understand us and suggested that there's a lot of people who don't know what we do, who we are and what we do.

So, this might be a good step to present before this committee, which is so interested in a lot of the things that new directions has as its mission.

So thank you very much and thank you just staff for trying so hard to get this technology working. I mean, you know, technology works until it doesn't right? It's great until it isn't but we'll make it work.

So, our plan today is for me to provide an overview of who we are and what we do and then I'll turn it over to Bridget Johnson.

She's our chief operating officer at New directions, responsible for our core operations for affordable rental housing, which is 1 of the lines of business that we have.

And that includes leasing property, maintenance, property management as well as our extraordinary efforts at resident services, which goes beyond the tenant landlord relationship.

Our chief revitalization expert, Kitty mccune.

Will then share with you where we are on our path to revitalize our rental housing units?

Long time, new directions, board, member and community leader Adam hall from fifth third will speak to the role new directions plays within our community from his perspective.

And we were going to conclude our presentation with the short video, it's about 2 and a half to 3 minutes. We're not going to be able to do that today, but it is attached to the public information. And it's not very long. And I think it really highlights.

That sense of new directions, and where we are right now, because it talks to a current resident, and then a resident who are I'm sorry and then a person who's in a leadership position at New directions as a staff person.

Now, who was a resident a long time ago, and what that meant to her and what she's bringing to this role now. So I would encourage you all.

To watch that if you get a chance next, I would turn to the next page.

And here, you're going to see all right here. I am doing the, the big picture is the CEO. Okay.

So the big picture of the snapshot of new directions shows that we are a 501 C3 nonprofit organization operating as a community development corporation in Louisville and southern Indiana. Louisville and southern Indiana

We've secured a spot in business 1st, 25 largest local nonprofits in recent years.

Um, we have 115 employees between new directions with 79 employees and Saint Benedict's, early childhood education center, which we are responsible for, with 36 employees.

Combined our annual payroll with benefits is 6,617,000 dollars.

Everyone earns at least 15 dollars an hour.

And we also provide a 400 plan, partially subsidized health insurance.

And ample paid time off new directions has been around for over 50 years coming out of Saint William, Catholic church at 13rd and oak in the California neighborhood.

We returned our headquarters to the California neighborhood in late 2019 after enjoying 25 years at the former Casa.

Restaurant which we converted to our headquarters in the Phoenix hill neighborhood.

So, now we are 1 block east of the republic Y, on Broadway, adjacent to the new elementary school, being built.

Uh, and backing up to heaven Hill, just to give you a sense of where we are. It's Charlie Johnson actually created it for his active transportation headquarters. Uh, years ago.

You can see our mission displayed on this slide. So I'll read it to you said some of you may not have it in front of you. Our mission is developed to develop and maintain affordable housing and vital communities in partnership with neighborhoods and other stakeholders.

You can also see on this, this page display 2 of our lines of business.

So, on the left, you'll see a repair fair house being worked on and then on the right you'll see 1 of our multi family rental buildings where we house 50 people.

50 families in law, if you turn to the next page, you're just going to see a list.

And this list is a snapshot of new directions, organizational and funding partners.

We've had many through our 50 years as you might imagine, but we specifically went through and tried to connect people that we are actually actively working with right now. So that might give you a sense. Of how lucky we are to have broad community support.

I also on this page really want to. Thank the people behind me. We have a lot of people here, and a lot of people joining by zoom as well. We have some board members of new directions here, which I really appreciate you guys being here we have some of our community partners. Some of our funding partners.

Some of our staff who really wanted to be here and understand this experience. Not many people get to present before metro council or to see what that's like. And so we thought it would be an educational experience. It's something that would be very meaningful to have staff.

If they wanted to, and if their jobs permitted, so thank you all for being here. I also wanted to know that. You have a list of our new directions board members in your pocket.

If you want to see who that is right now so, the next page is this oh, sorry about that. The next page has this picture with 1 of our multi family.

Properties and the rest of the neighborhood, you could see the beautiful art that is on the side of it. And on this slide, I was just going to say new directions provides affordable rental housing. And then I was going to go to the next page.

Which says new directions portfolio summary on top of it.

And here, I say, specifically, we have 913 housing units serving as home for 913, local families who might not otherwise have access.

To affordable rental housing in our area the federal government supports these families through HUD.

Which, of course, is the U. S, Department of housing and Urban development.

Which pays any rent in excess of the family's ability to pay.

So, for example, area, median income in Louisville for a family of 3, at 30% of area, median income would be 20,000 dollars and for a family of 4 would be 20.

3000 dollars, and so for Louisville, this act right of head, paying the excess rent that the person cannot afford based on their income had coming in and doing that means that 7.8Million dollars annually flows into our local. flows into our local Economy that otherwise would not if they were not helping these tenants.

All right if you go.

To the next page, it's a map.

And it says new directions portfolio and this slide says here you can see where we are located.

New Directions has all kinds of properties, larger ones such as the Russell building with 82 units in the Russell neighborhood.

Brandeis with 50 units in the California neighborhood and Roosevelt with 47 units in the Portland neighborhood.

And of course, you may notice that these are all these 3 buildings are all former.

Public school buildings that have been repurposed for our community as affordable rental housing in addition to that new directions has hundreds of units, which consist of duplexes, 4, PLEXes and so on, and which are scattered among our neighborhoods. And you can see just how scattered. Really? That is so a lot of times when people talk about us, they want to know where where our units are and it's sometimes it's hard to describe it.

Because they are so different from each other, and they are so spread out.

Well, also note which a lot of people know is that our rental housing is aged.

Both helping to retain the character of a given neighborhood, but also meaning that they are in need of repair and rehabilitation periodically to maintain their useful life. And for new directions that time for our buildings is now.

Okay, if you'll turn, now there's another map and this is up for a different line of business that I just wanted to touch on briefly. So that you would get the full understanding of what we do. So, I'm switching to repair for now, which is celebrating its 30th year of operation in 2023. two thousand and twenty three

And which you may have participated in, as we have traditionally seen volunteers in the amount of 1500 to 2000, which is pretty significant for our city, this as a global. And for it to happen annually.

If you don't know, repair, fair helps to keep our seniors and those with permanent disabilities in their own home. So these are not new directions homes. These are their own homes. How were they were finance required at whatever time of their life?

These services are free.

And in part, that's in thanks to metro council because we receive funds for repair fair every year and half for a long time. So thank you for that.

It allowed us to complete our 4,000 home in 2021.

Um, which is pretty exciting, but we just keep on rocking and you see, the current number on here is this year for 2022 247.

Free home repairs during the pandemic. We couldn't utilize volunteers. Of course, because you couldn't have people. We couldn't have people go into people's homes, but we didn't shut down. We asked the foundation and corporate community to invest in us, which they did in a really big way. Allowing us to create a repair affair effort with enhanced capacity through the expertise of local contractors.

This is our 1st opportunity to really be able to pay people to do this type of work and because of that.

We were able to have higher level repairs that were done.

Um, we intentionally because we got to start with it, we intentionally cultivated vendors with diverse backgrounds to help increase their capacity and provide work.

For them during covered restriction times, and you, you would see on your screen here that we had just under 900,000 dollars. We're spent in 2022 for these contractors with 80% of it going to minority contractors.

And now that we can engage volunteers again, 2022 is definitely back on 2021 was 9. but now that we can, we plan to continue both the volunteers. Which do wonderful work, mostly at the lower to middle level, and then we hope to continue to get funding so that we can continue this work through our vendors. And that way everybody is taking care of. I will also know that. Besides the slides.

There is a packet that you all have. There is more information about repair for in that packet.

Okay, and of course, you can always call us and ask ask questions.

If you turn to the next slide, you will see a picture of Saint benedict's, early childhood education center.

We assumed responsibility for saint benedict's in 2016 at the request of Metro, United way.

Because, you know, it was a once great and thriving organization, but it was really struggling at that time finances operations and the facility needed help.

We were even down to about 30, 35 children that were being served and the future really was very uncertain for a number of years, fast forward to 2022. and we have our maximum capacity of 99 children at Saint benedict's.

Thanks to our participation in headstart. thanks to our participation in headstart

So, these kids are getting really, really great services. We're also supported in this effort by 4, c's, Metro, United way, and family and

children's place. So that's your nonprofits working together as we try to do as much as possible.

This support means parents can be rest assured their children are thriving while the parent can pursue educational workforce training or employment opportunities for themselves.

Furthering their family's quest for self sufficiency.

Now, the next slide is my last slide before I turn it over.

This is this slide is coordinated, health and social services and of course, this committee would be very familiar obviously, with all of these efforts to connect health and housing and and other types of things to make sure that our.

The people that live in our community thrive, so I'm going to move back away from repair fare and away from cybernetics and move back into our affordable housing rental core. We have always serve our clients new directions has always done that I've been with new directions.

6 years, but this is a legacy that goes way before me serving our clients beyond the landlord tenant relationship.

You know, this, so, but we know that having a secure home base is critical for a family, but that that home base is not enough to facilitate economic success.

And to that end, we have a married of services and opportunities for residents to access such as onsite health care, learning centers for both students and seniors access to nutritious food, financial counseling.

And beyond, especially through our new, I rise self sufficiency initiative, which was launched.

At New Directions in 2021, you'll hear more about that as well as our core operations around affordable housing as I turn our presentation over to new directions. Chief Operating Officer, Bridget Johnson.

"Bridgette Johnson"

Hello everyone, thank you for this experience. So we are going to start on the slide that says Russell snapshot.

As a snapshot of our 913 units, we're going to review our largest property with, which is Russell apartments.

Russell apartments consist of 183 units and 26 separate buildings spread across 3 zip codes. The families and Russell apartments are predominantly led by women. Overall. 90% of our residents are black.

66% of our residents are women. sixty six percent of our residents are women

And 28% of our residents are under the age of 17 with an R Russell apartments.

The average income for our residents in the Russell apartments is 7,664 dollars annually. The average tenant contribution towards the rent is 177 dollars per month. Again. These are averages return to the next slide.

month again these are averages return to the next slide

Which States, federal requirements, this is so fun to think about the federal requirements that we do within our.

Property management department, new directions rental policies are governed by the U. S Department of housing and Urban development.

I brought the our HUD handbook 4,350, which is just 1 of the handbooks that are used for the rules and procedures that we must abide by to receive subsidies. And continue to offer affordable housing.

Our property management team is led by individual certified as occupancy specialist. certified as occupancy specialist

In our project based affordable housing, like Russell, I, tenant's rent is set at 30% of their monthly income.

The difference between the contract for it, and the tenant's contribution is paid by hut in the form of what we call housing assisted payments in order for new directions to continue to receive these payments on behalf of our residents.

We are required to verify and documents, tenants, income and finances on a yearly basis.

Next slide, which is talks about how we do it.

We are subject to regular 3rd party audits to confirm our compliance.

Our compliance responsibilities include maintain in our properties in safe, decent and sanitary conditions.

Regular physical inspections are performed by federal state and local housing authorities, regulators and financial partners.

Just last week the Russell properties received a federal inspection score 90 out of 100 possible points, which was an 8 point improvement over our previous inspection.

The official score was a 90 C the C indicates to health and safety concerns were filed. filed

Both concerns were resolved within hours of discovery.

These results are made possible by our maintenance team. The team is led by Derrick Toyota, who is a state license plumber with decades of experience and maintenance has been with new directions for 15 years. Our technicians possess EPA and lead based paint certifications along with expertise in hbac, drywall and electrical systems.

We always strive to develop well, rounded technicians technicians with a strong set of maintenance skills.

Our next slide is titled.

Residents services.

We do not stop there right? Our 5 learning centers awful offer, impactful programming and resources to our residents of all ages through grassroots partners.

Their care the Kroger, mobile, Mark, Mark, and many more. We bring access to healthcare to our residents through partners such as Norton healthcare. Have a heart clinic cardinal care physicians just last month. We were so excited to open up our very own food pantry and.

Closet in the Portland neighborhood for our residents family, our family self sufficiency program called arise that Laurie spoke of, enables our residents to increase their earned income.

Overcome the benefit cliff and reach their greatest potential.

As our residents income increases, so does their monthly rent.

But as an Irish participant, a percentage of sad rent increase is deposited into individual escrow accounts to which the resident gained to access upon graduation from the program.

This is a 3 to 5 year commitment.

So far, as of today, again, this program was launched in January of 2021.

so far as of today, we have 39 of our 247 active. I rise participants, have saved nearly 100,000 dollars in escrow funds.

participants have saved nearly one hundred thousand dollars in escrow funds

Or our efforts in 2017, we were honored statewide by the US Department of housing and Urban Development, and their Kentucky housing corporation

with the award for outstanding performance by management company. by management company

Since then our city has seen an alarming rise in homelessness, among other issues, all made worse by the pandemic in which we continue to grab the width.

We will face these challenges as we always have and we consistently strive to achieve the same level of excellence for which we were honored. Thank you all so very much. And to discuss our efforts to grow into the future, I will introduce MS Kitty McCue our chief revitalization officer and general counsel.

"Kitty McCune"

Okay, good afternoon again, my name is Kitty mccune and I am chief revitalization and legal officer for new directions to also incorporate. Excuse me, so, in the slides, I'm going to start with the 1 that says a shawny renaissance apartments. So we've talked about the fact that new directions has a little over 900 affordable housing units. But today what I really want to talk to you about, and this is the exciting part is 3 developments that new directions is currently actively developing. And what does that mean? That means where new directions has already secured the.

the

Financial commitments to move forward with the development. The 1st, 1, I want to talk about is again shawny renaissance apartments. We are very proud to announce that this development recently closed.

It closed on November 3rd, 2022. this is a redevelopment of 177 scattered site, multi family units over 26 buildings that are spread over 5 Western neighborhoods. six buildings that are spread over five western neighborhoods

Again, our apartments that are slowly for low income residents, and because of the housing assistance payment contract.

Each of the tenants in this development, receives that critical federal subsidy for for the ran through her.

So all told this is a 38Million dollar redevelopment that will involve the substantial rehabilitation of all of these units.

To restart the useful economic life of these properties.

Construction and relocation will begin in earnest in January 2023. this will be a rolling.

Project where we relocate and and renovate units, as we go, that will continue for 2 years with final completion or full completion expected in fall of 2024.

but the great news is as early as this spring in 2023. some of the tenants. thousand and twenty three some of the tenants

Will be relocated back into units that have been fully renovated.

And we want to make sure to let everyone know that we could not have done all this without our partners, which include Kentucky housing Corporation, PNC Bank.

Hope of Kentucky, global Metro, housing, affordable housing, trust, fund and cedar Rapids bank and trust company.

Our next slide brings us to really 2 developments kind of like, you get 2 developments in 1 on what we're calling our new Roosevelt campus, and this is located in lowville's,

historic Portland neighborhood actually, across from habitat for humanity headquarters.

The existing Roosevelt departments, which you can see here on the slide. Was originally rehab by new directions way back in 1996 from the Theodore Roosevelt, elementary school. This is an historic school that was built in 1865, and is listed on the National Register of Historic places.

So new directions will be renovating and upgrading the current 47 units, primarily through low income housing, tax credits and historic rehabilitation tax credits.

units primarily through low income housing tax credits and historic rehabilitation tax credits

Closing on this 12.5 Million Dollar phases anticipated the 1st, quarter of 2023 with completion of units again on a rolling basis. But within just a couple of buildings all centered in the same place, rather than over 5 neighborhoods.

And we expect to have that full redevelopment done in the 1st, quarter of 2024. done in the first quarter of two thousand and twenty four

But as we like to say, that's not all here. What you'll see here on the slide is new construction.

So, what we're doing is, it's what we're calling this part of the project is Roosevelt senior housing, and it will include the new construction of 36 1 bedroom, senior units that will really reactivate an, under utilized part of the current Roosevelt campus. It's basically just parking and sidewalks that need to. to

Be upgraded at anyhow, so this is a great use for this that financing, which is estimated be about 10,

and a half 1 Million dollars will be primarily through HUD and this was a national competition for this type of award from HUD.

We were 1 of only 30 nonprofit organizations nationwide, not within the state, but nationwide to receive this type of award.

Once again, low income seniors will receive a federal rent subsidy through HUD for each of these 36 new apartments in, in this development.

We're also very excited about the fact that we're partnering on this development with the thrive center thrive, which is located here in Louisville is a nationally recognized organization.

Whose mission is to promote healthy aging through technological, technological innovations and specialize educational programs.

So thrive and new directions, hope to bring some of these technological innovations to Roosevelt's senior housing.

New Directions was also honored to consult this past summer with thrive and a group of Harvard MBA students to try to begin to determine what sort of possible

technology through the thrive center. We could use it. This property.

But the great thing about this overall, campus is by connecting the existing infrastructure of Roosevelt apartments, what we want to do and what we intend to do is to create an intergenerational campus here.

So that we have seniors here, and we have mostly families here so that they can share parking areas, they can share some infrastructure. But they'll also be programming between the 2 buildings, which we think again is is really the best way to have a development.

We're just very fortunate that we were able to secure this funding at the same time. So, overall as a result of these 3 developments.

New Directions expects to substantially rehabilitate 220 of its existing units.

And rebuild, or newly construct 40 units.
To bring us to a grand total of 949 units from 913.
All within the next 2 to 3 years.
So, there's a, there's a whole lot going on here. There's much more to do.
But this is a big change and we're, you know, it's starting to happen.
So.
New Directions if you go to the next slide.
It's continuing to look for ways to pursue plans for the redevelopment of our existing portfolio. This rendering, in fact, is 1 potential development. It re, envisions Russell apartments and.
Our plan at this point is to renovate the 82 existing units back here. Um, and then build.
80 to 100 new units, um, on the front, the part of the property that front Mohammed Ali so this is directly crossed.
From the African American heritage museum, this is a huge undertaking. We are currently seeking partners to help fund this project, but our overall plan again is to.
We had the existing create new and overall campus.
That works together and the other thing that you see, in terms of this is.
The rendering which shows we hope to be able to bring in, um. Medical facilities or other community partners to help enhance.
This development, so it'd be things that really serve the tenants.
In this new development, so, at this point, I'm going to turn it over to Adam hall to talk about where new directions fits into the overall fabric of the housing prices. We face.

"Adam Hall"

Thank you Katie and thank you all for this opportunity as she said, my name is Adam hall, and I'm the vice president of community and economic development for fifth, third bank and as a disclaimer I've used that I'm expressing today our buying and not necessarily those are fifth third bank,
I'm sorry that we have technical difficulties because, um, the slide that you see next as the global, affordable housing crisis, and.
In 2019, the housing needs assessment was released, and I think we were all stunned at the number of housing units that we need in this community to help the most vulnerable people in our community and that's 31,412 units, which is astronomical.
When you think about the numbers that Kitty just shared with you that to do roughly 200 units, and the neighborhood is costing 38Million dollars. So when you think about 31,000 units.
costing thirty eight million dollars so when you think about thirty one thousand units
That's a huge amount of money and so,
as I think about how we address a challenge like that I think the approach that new directions is shared today is something that could be a model for the rest of us as we think about how we house the most vulnerable, and the 1st is,
how do we preserve and sustain the existing housing that we have and so the repair affair program, being able to keep seniors and people with disabilities in their home as a part of their community able to age and.

Prevent that home from being vacant and blighted and potentially used for illicit activity. That's a great story to tell that over the last 30 years. 4,000 families have been able to stay in their home as a result of repair work. affair

But then, as Katie shared, these are older properties that require continual refreshment, and so as she shared, just with 1 property, there's 6 different sources of financing for this 1 particular property, all very complex and very come with their own sets of compliance challenges and big huge manuals like Bridget.

Stood up with earlier and so these are complex challenges that new directions is facing and trying to maintain these 900+ units that they have and add to that.

And then, the 3rd piece to that is that we know that some of the folks who are in this, 30% of area, median income, have the ability to earn more. But because of the way, the federal benefits cliff works.

There's a disincentive for them to do that. And so the, I rise program in helping the folks who are able to earn more and able to pursue educational and workforce development and earn out of and earn into self sufficiency.

But not have to suffer. suffer

The consequences of being cut off completely from their benefits and to have resources to be able to fall back on when they do transition from subsidized housing into market rate housing.

I think that 3 pronged approach is really a way that we can look at this challenge. And try to find solutions for it to help um.

Remedy these challenges that we face in our community, and I'm also sorry that we don't have the technology to be able to show the video because it is very,

very moving to hear from a current staff leader who was a former tenant and then able to then bring her experience and work forward so with that, I will turn it back over to Lori for any questions.

"Lori Flanery"

Hey, thank you all for working with me today to help make this presentation on behalf of new directions and to give the committee. An overview of who we are, and what we do, as we said, you know, we always remain open to providing tours to people or saying, if there's other ways that you would like to engage in new directions. And of course, we're here to answer questions as we're here. At this committee meeting right now so I've lost my pen.

"Chair Shanklin"

I'd like to make no okay. We do have a council person who could ask questions councilman. Do you Corey Arthur?

"Council Member Arthur"

Thank you we won't have enough time for other questions I have so I'll just try my best to get as many as I can.

Thank you for being here, your material show, 26 of your 115 employees on the maintenance department is this 26 maintenance workers for all 913 of your unit.

"Lori Flanery"

Yes.

And actually, you know, the 115 employees is spread among new directions and Saint benedict's and the maintenance workers really work for new directions. So it's really 26 out of 79. work for new directions so it's really twenty six out of seventy nine

"Council Member Arthur"

Do you have any vacancies and your maintenance department?

"Lori Flanery"

Yes. We always have vacancies?

And we would be happy if you would send people our way, because we do have good benefits.

"Council Member Arthur"

So you have 26 now, currently but how many total do you have spots for budgeted for?

"Lori Flanery"

Well, so we have 26.

yeah, so we have 20. it's a rolling thing, you know, there's then this happens, right? For different areas. And so we have very stable person at the top. the top

But the maintenance workers, there is turnover on occasion so the 26 is budgeted for and actively looking for right now,

"Council Member Arthur"

how many vacancies do you currently have?

When you said, you'll have 949 units in a few years, but how many total units where you have, including the redevelopment of the Russell apartment.

"Lori Flanery"

So that's not included in that.

So, that only includes Shawnee and the 2 Roosevelt's, and once we, because that's what we have financing secured for, at this point. So we didn't want to pie in the sky kind of stuff.

And so that will mean that everything that we're working on right now will end up being 27% of our portfolio. twenty seven percent of our portfolio

Will have been refurbished rehab or created new at that point.

W, W, Russell is next I mean, Russell really we, we know.

Russell has needed to be refurbished or be replenished for a while. Now, we are proud, like, literally, Thursday and Friday, this was just timing. We're very proud that we received a 90 out of 100 from hood on that. So, that really speaks to the fact that even though we have this really aged building, it's 100 years old, right? It was retired from being a public school decades ago, but it's been repurposed for affordable housing. affordable housing
Very proud of the fact that we receive that score from HUD, because sometimes those can be.
Pretty tough, um, but that does not negate the fact that that Russell is next, and we really need to focus on that as soon as really right now, as we're finishing out, um,
finalizing those 3 projects that Kitty talked about.
We're having internal conversations right now I would say I've probably met with 5 to 7 different people, just in 2022 developers, other organizations, other potential partners who might be interested, but there's nothing that is definitive at this point.
definitive at this point

"Council Member Arthur"

90 out of 100 yes.
So, I'm sure you've seen the courier journal article from September this year. Um.
It painted a very different picture compared to what you just said. Tenants claiming there were roaches my small broken elevators leaks in the walls, broken security cameras and a lack of response from property management. New Directions responded to this thing that you have a goal of fixing.
Maintenance issues within 14 days and that the maintenance issues you were aware of were fixed. 97% of the time within those days are those 14 days.
Period are those 14 business days that.

"Lori Flanery"

Area yeah, those are 14 days, period and that's what's required so a lot of times it's shorter than that period of time. But that is kind of the grace that we're given, depending on what issue it is. Obviously things that are health and safety are immediate.
You know, those are not 14 day type things.

"Council Member Arthur"

What's the standard for emergencies?

"Lori Flanery"

I was thinking 48 hours. Is that correct? 2824 to 48 hours, depending on what it is.
And that's not, you know, that's not business days either. That's days 24 hours.

"Council Member Arthur"

The same article went on to say that residents said that they had issues that were never addressed and even city code enforcement agent said that response was very slow to correct violations. And it referenced that new directions received for those violations. So, Where's the disconnect? Because the HUD score. Sounds different, but what the tenants are saying, and even with city enforcement agents are saying is a very different story from what we're hearing. So, what do you think the disconnect is? Because it seems like it might not be as successful as we hear.

"Lori Flanery"

I can only tell you my perspective as the CEO for new directions and so it is not the case that we had, you know, the current Journal reporter that we had an 800 dollars fine from the city. That is not the case. And we, we had an interview with the courier Journal reporter. We had 2 interviews, actually, because he had a list of questions. We spent a lot of time putting together information for him. We actually had he asked for information about. about We had received from the city for the last 2 years. We had 1200dollarfine 0800dollarfines and really even 0800dollars citations. I don't know where that came from. So that was not the case from our perspective as as being. True. that was not the case from our perspective as as being true We, we are in an urban core and we have. An aged building, so we take very proactive measures with any type of problems that we might have. With, you know, bugs or anything like that and we have people who come in monthly that was all shared with the current Journal. In addition to that. If anybody has a concern, we have a very robust work system. We have to keep all of those records for a 3rd party verification through hood and through others who regulate us. And so we were able to provide all of that information to show other times when we had access to our vendor to say, come in. Because not only is the regular. Um. You know, contract that we have working, but we have people who are making. You know, work order requests and we are 97% compliant on all of those it would be higher 1 of them was actually a vacant unit, but we really were trying to be conservative and reporting out, you know, what somebody might argue against us as far as our compliance on that and so from our perspective it is an agent building. It needs a lot of attention. of attention But it does not have the issues it is not the case that we are not responding to things. It wasn't the case that we had that 800 dollar. Fine. I don't know who the city person was it wasn't quoted in the, in the article. So, I don't know who that is. My understanding is we enjoy a good reputation with the city and with the people who enforce the local code.

I know we have a very good relationship with the state and with the federal government, which shows through with our awards and our inspection results.

"Council Member Arthur"

We'd be seeking funding from the government for the redevelopment of the rustle apartment.

"Lori Flanery"

I will be seeking funding from anybody that would be willing to help us, you know um.

A lot of the funds, for example, have gone to organizations that really support.

People who we provide wraparound services, but we don't help people who have higher needs. Right? Permanent support of housing. So I come from Kentucky housing corporation is a big part of my background, which is the statewide housing finance agency.

And so I am never going to argue with trying to help a very vulnerable population like that and for using funds like that. But boy, do I wish we had enough for the population that new directions serves? Because we need it as well it's just.

We may not be as vulnerable as vulnerable as our population is, you know, it might not be as vulnerable as the people who received the afford or the.

The funding, so anything that we can do to move these projects along. I, I remember somebody asked me last year.

What is the hardest thing about being a CEO of a nonprofit and I'm sure all nonprofits fill this way not not just new directions, but it is knowing what is wrong.

Knowing what needs to be fixed, having often the people who can do it. And not having the funds to be able to get that done.

You aware of how much funding you've received from the government in the past decade.

I could easily put that together for you we've received EA, funds every year and that fluctuates quite a bit. I think that's around 15,000 this year but it's been sometimes very high, depending on what's flowing through the city.

Of course, if you count the affordable housing trust fund, we do receive dollars from them and enjoy a great relationship with them as well. In fact, 1 of their senior people is the finance. finance Finance chair and treasurer for new directions and provides a lot of leadership for us. So that's a great relationship. But it's funding. If we had the funding, we would, we would do all of these.

I could figure out how to do the capacity to get all of these done at the same time, and then we could move forward. Right? And we could actually add to our portfolio.

"Council Member Arthur"

Speaking of funding, and just for the record, I don't see anyone else in the queue. So I'll just keep going chairwoman if that's okay.

Okay, all right you said an estimate to some council members regarding the for maintenance, and it looked about a bit over 91.3Million to address the maintenance issues at properties.

I'm curious if you have a spending plan currently to address. plan currently to address

That deferred maintenance,

"Lori Flanery"

so I would I would not call what we sent you an estimate of deferred maintenance so we don't consider.

The properties that we have to have deferred maintenance issues.

You you obviously will defer maintenance sometimes to get through, you know, spending cycle, depending on how much money you have in reserves but that's a very short term thing.

We don't need to rehab these properties because of deferred maintenance.

We have we have maintain these properties. That's why they continue to have such good scores, although it gets harder every month. Right?

I mean, anytime you have old properties like this, and you're trying to maintain them for affordable housing, it's not going to get.

Right. It's going to get worse until you fix it. The way we look at it is, it's beyond it's useful life as affordable housing. We are

maintaining it beyond. It's useful life. So it's not deferred maintenance in our view. And what we sent you was.

Our best estimate of what it would cost if you took the 3 projects that Kitty mccune talked about, that had been have secured the financing, and you looked at the rest of our portfolio and said, okay, what needs to be resolved and what level?

There's a few things that moderate levels, but most of it is needs to be redone. Right? If you looked at that, the estimate was between 72 and 90, some 1Million off the top of my head. And the reason there's such a range like that is the 97Million is if you use traditional methods.

use traditional methods

Right like income housing, tax credits and things like that because the soft costs go up substantially for that type of financing because it's so complex. And it has so many lawyers involved recovering while you're here. But that's the truth.

That just every every partner has their lawyer. And there's just a lot of soft costs. The 72Million dollar estimate was if there was some way you could find financing they did not have all of that baggage associated with it. Again.

it again

That you would not necessarily grants I mean, we would love grants, but something that would would just be simpler from a compliance standpoint.

"Council Member Arthur"

I'll jump back in the queue. Thank you. Gentlemen. Okay, thank you.

"Chair Shanklin"

Uh, councilwoman Marilyn Parker?

"Committee Member Parker"

Yes, thank you. Um, I have a question. What is the average cost per unit? Um, for you guys.

"Lori Flanery"

So, you may cost per unit, do you mean to create or do you mean rent.

"Committee Member Parker"

To create to build so that's kind of very, um, significantly. I guess Kitty could probably talk about, which is what we just closed with a 177 units because that's recent. And that would be most on on point.
most on on point

We did use traditional, affordable housing mechanisms to do that. So it's going to be a little bit higher but Katie.

"Committee Member Parker"

Well, and 1 to 1 of the reasons I'm asking is, I know you all probably do build on a much grander scale than say, for instance, the Fuller Institute or Habitat for Humanity, but they seem like they can accomplish their results. Much much less expensively than you guys. So. Can you comment on that?

"Kitty McKune"

Sure, I don't disagree and I think that this is, you know, we have in the pack and it might be interesting.

If you get a chance to look at it sort of detailed the history of the funding that we saw it in connection with the rehabilitation of the Russell portfolio and.

You're right, it seems like someone like the Fuller Center or someone like Diversity Housing. Actually, we do it with single family housing too.

It seems like you can we've done homes in smoke town that we've done got rehabs of, of, in the, um.

We sold 1 for 165,000 dollars.

I can tell you that the total unit cost.

For the shiny apartments is 235,000 dollars a unit.

406 "Brown, Marissa" (4158906880)

01:13:08.790 --> 01:13:14.010

Now, that you sit there and go what that makes no sense.

407 "Brown, Marissa" (4158906880)

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Here's the, here's the issue, the Brixton sticks portion of it.

Is 13 million dollars the other soft costs associated with it? Because we had to do it through a bond issuance. We had to do it with low income housing tax credits. We had to do it with historic credits.

We had 6 layers of financing and that's part of the problem in terms of the mechanism and tool. Not just here in Louisville, Kentucky not just here in the state of Kentucky, but across the country. country

Is through the low income housing tax credit.
Yeah, yeah, if whatever, I'm sure there are lots of people here that are better at math than I am. And there in any transaction you're going in any.
If I were a a market rate developer.
Okay, and I wanted to develop market rate units.
What I would do is, I would go to my local banker.
And I would decide how high can I charge the brands?
And what's my dad's surface payment?
And maybe what equity I can put into it and the rents what you get from the rents itself.
Are enough to pay for that debt service low income housing.
Tax credits, and our sort of affordable housing where you're, you're really just talking about rents at a low enough level and with the. The subsidy that allows our.
Tenants on average and the Russell building to pay a 177 dollars a month for rent.
The problem is, is that you don't have a cash flow that comes off of that. That's the same as the market developer. So you end up with all these different layers of financing.
That all have to go through. Some of them are.
The lenders themselves, some of them are.
Governmental agencies like Kentucky housing corporation or HUD and I can tell you that on average.
And our Shawnee project hit this, it takes 3 years.
3 years, just to get to closing where you can start thinking about, Ah, we're now going to start construction.
So, we've got 31,000 units that we need to build.
And we have a tiny a little bit of resources for them.
And that at the heart of it is the problem.

"Committee Member Parker"

Somewhat the 177 month threat that seems even for low income. That seems very.
Lo, and.
So, do you rely on any kind of private donations?
And if you've already touched it apologize, not not for rent. And again, these are very no, I mean, for construction.

"Kitty McKune"

We have not up till now, but we're looking for different ways to find this we're looking at.
Are there ways to to build affordable housing or to renovate affordable housing based upon philanthropy, as opposed to going through.
You know, bonds or low income housing, tax credits, or that type of thing.

"Committee Member Parker"

So well, we do have some big philanthropist in the city.
Humana norton's ups for.

"Kitty McKune"

So, I think what, and this is just a to, sort of put it in perspective. Council women Parker is when they did the housing needs assessment, and that's actually based on 2018 figures.

The price tag for, um, basically.

Acquiring or building 31,000 units of of new affordable housing, which is only for this would only serve the people or satisfy.

The population that are most vulnerable folks at 30 am I or less?

That price tag in 2019 was 3.5 Billion dollars.

It's now up to easily 4 with rising construction costs and rising interest rates.

So, yes, we do and we've got to find ways to work with philanthropy to find new ways of doing it and that, to me.

That's a matter of new directions trying to be true to its not only it's mission, but it's name.

We have to find new directions. We have to find new directions so it isn't this difficult.

To build, or acquire affordable housing to serve the people in Louisville who most needed.

"Committee Member Parker"

1 more question, can you negotiate? Lower lower interest rates do to make sure of your business?

"Kitty McKune"

Well, that's an interesting question. Um, there are some.

There are some of the funds that we get, for instance, a great example is through the little Metro, affordable housing, trust fund.

Um, because of that fun loans are made for that, and we did get a loan about a 1 Million dollars for a Shawnee project that is alone at 0% interest for 18 years.

And it's based upon the fact that we've got restrictions on the property that says, you know, this is only for people at a certain area, medium income level. level

That's true with some of the other sort of what I'll call government money with the investors. It's not I mean, we're, it's very difficult with shawny right now. I can tell you that the interest line item in our, in our budget.

In our development budget for shawny is astoundingly high, it's 2 Million dollars, whereas if this closed a year or 2 ago.

It wouldn't have been anything close to that. So that's really the challenge. How do we do it again? With these sorts of.

Of of challenges in front of us.

And how do we work together again? We get it.

That we're doing everything possible to try to.

Maintain our existing portfolio.

We have to find the funds and the key element of this is the new directions portfolio has these housing assistant payment contracts.

Not every landlord gets these in fact very few across the country.

We just throw out a a fact that that keeps me awake at night.

All across America, only 1 in 4 families that could qualify for what we call section 8, some form of section 8. Only 1 in 4 families actually gets it. So these units, but the last thing we need to have happen. Is for hide on the time it comes and inspects the property on Russell or shawny or whatever. And so, you know what? You don't have a 90 out of 100. You have a 50 out of a 100 because if we got a 50 out of a 100. We wouldn't have that substance anymore and again, it's not us. It's not new directions that has the subsidy that benefits the tenants. So the tenant is pain. 177 dollars a month not 900.

"Committee Member Parker"

That helps yeah, somewhere.

"Kitty McKune"

This is very complex and I'm happy, you know, I know that we're so appreciative of the fact. That we can come before you today to discuss some of these issues, but these are very, very complex issues. For what it's worth I have a background as an attorney in this area of low income housing tax credits. Been doing this for almost 35 years and I still know like, this much. So this is not something that's going to be solved tomorrow. But it's so important for us to be able to come to metro council and to be able to share what we are trying to do and find ways. To keep this to keep affordable housing and. In the best shape possible and to create more of it. That's the key mission of new directions.

"Chair Shanklin"

Didn't answer your questions counseling Parker I have someone else in the queue.

"Committee Member Parker"

Yes, yes yes. Yes. I wasn't gonna say anything else because. I knew there was probably oh, yeah.

"Chair Shanklin"

Are you sure you're okay with that?

"Committee Member Parker"

Yeah, I'm good. I'm good. Okay. Council on majority.

"Committee Member Dorsey"

Thank you 1st of all, thank you, Madam chair for allotting this time you all know, but, uh, councilman Shanklin really did a lot to make sure that we had this meeting secondly, being a board member, when I joined, I want to thank Laurie for taking on the challenge, um. Of this, because coming before this committee isn't easy and it shouldn't be it requires a level of transparency and I think councilman author for asking the tough questions.

Because these are the types of conversations and dialogues that we need to have. More of.

I think when we have these conversations about the complexities and the dynamics and understanding various perspectives, we're able to create really.

Solutions, but we don't get there unless we have difficult and hard conversations and I think both sides for not backing down for coming to the table so that we can.

Create this meaningful conflict, because it's the conflict iron sharpens iron. It's that friction. That creates the sharpness. That being said, um, and I'm full disclosure in a board meeting. I think it was Bridget. That really went into some of the acute issues that I was quite enraged with councilman author alluded to it.

When we start talking about things that I feel are flagrant, that can be addressed right away.

Bridget went into some really good detail at the board meeting regarding things like roaches and, um.

Different issues that are coming about and I thought, why can't we just solve this problem right away? This is simple. We should be able to fix it.

I don't know if Bridget is still there if Laurie can address it, but can we talk about the complexities that come with when you have an infestation of roaches or bed bugs? Can we talk about that?

Because that was something that I in my mind is simple. It's easy, you know, put some raid out and get to it, but.

But I realized after having the conversation because of some HUD requirements, it's not as easy as you think. And then, if you would, can we be a little bit more transparent?

I want to get into some of the folks that were housing and we know we have this issue.

Many, oftentimes deal with some mental health issues and so it's not like we're there there are multiple complexities when it comes to some of this.

So, I don't know how transparent you all can be, but I'd like to dig a little bit deeper and get into some more of the meat of it because I was enlightened quite a bit. So, I don't know who can speak to that.

But if you can speak to those 2 issues, I think it would add more color to this picture.

"Bridgette Johnson"

Absolutely, thank you. Council woman. Dorsey.

Yes, I do wish it, it does sound very simple. There was a wrong issue. Let's fix it.

Well, because we do, let's just take the Russell building, for instance, 82 units. If I have 1 unit that has what we call health and safety standards issues.

Right. Where they have maybe a cleaning issue, there's garbage. Their unit right. Is maybe causing this infestation.

Or may be having extreme garbage that's causing other things. This affects about 6 units around that 1 unit.

And because we are a HUD compliant organization, it's not just.

You get a breach and you need to get this fixed and it's over. There's a process.

Right. So we have to give that individual a breach and then after that breach, we have to give them time to get it completed are corrected.

Which is about 14 days after that 14 days we go back and if it's still the same issue, then we go through that process again. Right?

So, with our residents in new directions and managing a very vulnerable population, we have a 4% eviction rate,

which means the last thing we want to do is evict someone is housekeeping our health and safety standards a reason to evict someone after about 6 months to a year. year

Because we really try to work with our residents to get around that. But because of that, we have an extremely expensive pest control, external

3rd, party organization that comes in and springs on a monthly basis. And then also comes in to spray when we call them as well.

So that's 1 of our very expensive contractors that help in trying to alleviate the issue of pest control and rodents in our units. So it's not that.

It goes untreated, it's a process that we have to go through.

"Committee Member Dorsey"

And Bridget can you elude a little bit and I don't know how much you can because I know we can get into some HIPPA issues. I didn't realize that. Oftentimes you are sometimes taking folks who are dealing with a lot of mental health challenges.

Yes, absolutely. So, with that, there's no housing discrimination, there's no separate place in house. So oftentimes you get these really.

Dichotomy of parallels you may have children, but if a person is functional and X Y, Z.

There's no discrimination in the housing, you explain how you deal with some of those mental health challenges. If a person is experiencing some sort of crisis, but getting still, it is still the responsibility to house them.

And they may be housed in a multi family, multi, complex type of situation. What what do you all do and what potential threats and realistically, does that potential?

Does that often present to residents that you can't.

Necessarily say, you know, the person besides you was having a mental health crisis, but it, it.

It reveals itself as bad bugs or roaches or different things happening in the building.

"Bridgette Johnson"

Absolutely, so we are very careful and this is a very complex issue, and we want to be respectful to everyone no matter their mental illness or not. Right?

So, my staff, a lot of them are here, especially our resident services department.

Uh, we act very carefully and try to help our residents and connect them with any. And every resource that we have in the community, we work a lot with churches. We work a lot with individuals.

So, sales at times, volunteer to help, for example, I cannot, you know, give names I had an elderly resident who we needed to treat for bad bugs. The contractor couldn't do that, right? Because the elderly was hoarding. Right. So if the hourly rate is hoarding, we can't treat for bed bugs. The 6 units around this individual are being affected as well.

We contacted churches, we couldn't get help, so guess what our maintenance team suited up after hours, and we try to figure out how we can move things around. So we can get this individual treated. So Council. I'm akeesha.

Dorsey talks a lot about mental issues, 30% and under does come with some mental challenges that are both diagnosed and undiagnosed. undiagnosed And we, as an organization, as a staff have to carefully help as many residents as possible as we can.

Get the assistance that they need to get, and there's not a textbook that for each resident. Right? It's not a. this is what we do. We look at the crisis at the residents going through.

We look at the right resources that we have available and we try our best.

To match those residents with the resources they need, but again guys, it's not.

A 2 week process, right? It could take us 6 months to get a PS, which is adult protective services in to help 1 of our residents while during those 6 months our staff, including myself.

We're taking extra patrol to try to make sure that resident is safe until they can get the help. They need.

So it is, it's a very volatile environment we are very mission based, and a heart is full of helping our residents overcome these type of barriers and stay into the subsidized housing that we provide.

Because it's rare, it's rare to have the type of housing that new directions does provide within the city of Louisville.

"Committee Member Dorsey"

And within that 6 months budget, you can still have the proliferation of the roaches in the bed bugs and et cetera because.

You can't move the person you're going through the process and I will be honest with you. I haven't stepped up as as I should.

Um, because when I understood that, I realized that, um, this council does a phenomenal job with the affordability piece.

And I, thank you all for saying that, because oftentimes we, we have Christina crazy report about the affordable housing trust. She, she actually did in this very committee, but it's different to actually hear it and see how those funds are being applied.

In the real world, but also 1 thing I learned, I sat with, listened to the tenants union and I was enraged and then I sat and listened to the board meeting and then I was informed and I realized there's a whole there's a, there's a complete hole in the system, and that's where we as residents and.

And and community members have to step up and step in a little bit more, because no, the residents don't deserve that. But oftentimes, as the actual facilitators, your hands are tied. And that's when the community can kind of step in and fill that gap.

And I'm glad you all have come here for that, because I, that was the 1 thing I told Laura, I said, tell the story so that we can have more people step up and help fill those gaps. Because oftentimes you are bound by HUD, but you can call in churches.

You can call in community.

You can call and folks who can come in and help those tenants, but also help make sure that we have a health and safety health and safe environment for those other residents. That may be impacted unknowingly. So, I think you offer telling the story, and I want to commit in front of this, this board.

And on the record that I will step up as a citizen to help more, because no, 1 deserves this and we all have to get waste deep into this fight. Thank you Madam chair. And thank you for coming.

"Chair Shanklin"

Thank you, uh. Arthur

"Council Member Arthur"

Thank you so much. We just heard a lot about the housing crisis and how in 2019 we were looking at a multi 1Billion dollar need. That number's gone up to over 5Billion at this point.

So, we need partnerships at the local state and federal level with that being said we have representative Attica, Scott, and the gallery and chairwoman. I would love to have her come up just to speak from her perspective of what we need to be doing since she represents. doing since she represents

How many new directions tenants and I think used to be on their board as well.

"Chair Shanklin"

I do have another commitment to look up to 3 so if we can make it, uh. Not too long, so I appreciate that. I, it could be in there. I'd love to hear. I'll speak so adequate. We can go ahead and have you there. And I do let him abreast vice chair here to take over. So.

"Attica Scott"

Thank you so much. Thank you so much. Dr Shanklin and thank you to council Arthur for the opportunity. You're absolutely correct. I did serve on the new directions. Housing Corporation board before. Lori got there. So, Laurie and I have met, but we don't know 1 another.

Well, and 1 of the things that I will say is someone who is a renter, is that it's important for the way this conversation flowed with the dignity and respect that council members were shown for tenants to also be shown that same kind of.

Dignity and respect just a few weeks ago, when I was with tenants at the new directions headquarters. That's not what I experienced. I experienced tenants being treated with derision.

I'm not being treated with the same kind of dignity and respect and the only way that we're going to build a community, where we all get to thrive is if we're in communication with 1 another.

So, even to the point that council women, Darcy was making about hearing from the tenants and then hearing about the hearing from the board. Some of what the.

Has shared today, there are some tenants who haven't had that same kind of information shared with them. So, 1 of the paths forward is to address the issue of communication. And I see my dear friend Adam here, we're going to still be friends when this is.

Uh, over, but we have issues right now there's some conflict, and there's some tension that has to be addressed.

If you're going to come before the city requesting funding, if you're going to come before the state requesting funding new directions needs to be able to say, we've had these kinds of conversations with the tenants as well. We didn't wait until we came before elected officials to present this information.

So, again, Dr Franklin and councilman Arthur I appreciate this opportunity, but I wanted to share the reflections I have as a.

Because I know, I was extremely upset with my landlord when we didn't have heat last month and I was like a bull in a china shop. That's how you're going to be when you're in a situation that is unhealthy or unsafe.

I know as an elected official constituents come with to me, in anger and rage, upset mad. I don't laugh at their in their face.

I listened to what they have to say, and I try to address their needs as best as possible. I'm not going to always get it. Right but I'm also not going to stand before you and act like everything is perfect. So, I do appreciate new directions for acknowledging that there is work that has to be done.

If you don't acknowledge it, it won't get done and if you try to act like everything is perfect, we'll all know that. That's not true. We just heard that reinforcement from councilman Dorsey. So, again Dr Shanklin Thank you so much.

"Chair Shanklin"

Thank you, uh, you know, I don't want to rush anybody. Is there anybody I can always wait a few more minutes so it.

There is any more questions or concerns if we could just make it up.

Not too long I can still stay as I don't want to lose my audio and see the look like my Council people are starting to leave. So, uh.

Can you do we have any more questions or concerns.

"Council Member Arthur"

Chairwoman, I have some quick ones just real quick

"Chair Shanklin"

if you could make them quick. Because I know how you are you in pH, team

"Council Member Arthur"

how many units that had inspect the Russell apartments?

"Lori Flanery"

So the way head does it, they do it periodically.

And so, this time it had been 3 years. So it's December of 2019. and what they do is they put all of the units that would be in that portfolio that they were looking at.

In a random computer system, and then once the inspector gets on site. Randomly generates whatever number that is so it's random for 1 thing. There are 183 units in the Russell portfolio. So that's 82 units at the rental building that has been the topic of discussion and then 101 scattered sites.

And those would both be within that random. But I'm not sure how many were actually looked at. not sure how many were actually looked at Okay, every building was expected.

Between 30 and 40 units out of that 183.

"Council Member Arthur"

And my last question, which is a 3 quarter, I'm sorry on October 11th, there was a rally, the new directions to union March to your office to deliver a fair lease.

Correct have you seen the for lease how are you responding to some of those terms? How are you working with the new directions tenants union to address their concerns?

"Lori Flanery"

So I did receive that. That was actually in a manila folder.

I was not on site that day that I had senior staff there and so that that packet was left at the reception desk. Actually, I had a situation going on with 1 of my parents in Lexington. So I got back the next week.

I reviewed the lease. We have shared information about.

Fact, that there was the lease, because immediately wanted to come in and inspect Russell after all of that came out just to kind of get this separate from a real inspection. It was more like a snapshot. I want to get on the ground and see what's going on. They felt confident that we shared with them.

The demands that the tenant union had given them around at least, I don't believe we shared it. So, I've kind of made a note as we're sitting here today to make sure that it's formally shared at least.

The lisa's, or what? In legal words, you would call it a hidden contract if you're going to do a head program.

And you're going to implement it and do the compliance around it. You're gonna have a cut generated lease and that's the same lease around the country. So, it's not really up for change, but we do want them to know that we've received feedback on it.

I'm sure they get comments like that from around the country from time to time. So I have seen it. It is not something that we have. Um.

The purview over, or the ability to change, because we are the contractor in this situation and implementing a head program.

"Council Member Arthur"

And how are you working with the new directions today?

"Lori Flanery"

We haven't been working with it and, you know.

I, my, you know, I, I even told counsel women, keisha Dorsey that.

As she was coming onto the board, there was a 4 point plan that I would help educate her. So we had an hour and a half conversation that I would meet with you and counsel and Darcy by zoom to try to explain Russell.

And how we got, where we were.

And then the 3rd point was to work with the tenant Union. And then the 4th point was to come before metro Council.

So this would concluded, and I had every intention of meeting with the council or with the tenant Union, but it turns out that there are 3 individuals that are that are,

or were tenants of new directions that were associated with a group that showed up on October 11th or that has been talking about being a part of the new directions, tenant Union,

and 1 of those individuals has had a situation where. where

She's moving out of our housing because she's been convicted of 2 felonies and she's going to be moving.

You know, into the prison system, so she's not a long term tenant and then 1 tenant had been with us for several years. But did leave on September 30th from our premises.

And then there's another tenant that we are in litigation with.

And so, when I'm looking at trying to engage all of all of our tenants and trying to think about risk associated with all of our tenants, it felt like, and I was kind of advised. advised

By people that I go to to talk about sensitive things like this, that, you know, maybe I wouldn't do that.

"Council Member Arthur"

Thank you so much. I'm sure we'll keep talking. Yeah. Okay.

"Chair Shanklin"

That's been awesome. I've finished with you.

"Council Member Arthur"

For now, thank you, gentlemen.

"Chair Shanklin"

But now, it won't be much longer so oh, I see.

"Committee Member Dorsey"

I'm going to keep it. Short. Laurie. Why why have you and I heard a representative.

Scott what I'd like to do is offline and I want to do it sooner than later. But respectful of everyone's time.

If if we could get the commitment on the record myself, and I'm going to drive councilman author in it, and representative Scott to work with you, and the tenants union as well as your staff to create.

Some sort of consortium where we can sit down at the table, even if we need to break bread together, everything's better over food, at least in my world and really have some dynamic conversation and create come up with some solutioning and some reasonable expectations between the 2.

I am willing as I know councilman author and representative Scott, you know, to put ourselves in the middle of it because this is something we're all passionate about. And I know you all are passionate about. So, if we are willing to do that, and come to the table along the way, and I don't want to leave councilman purpose out it as well as boeings, but if we can do that, Laurie, with you, would you be willing to come to the table with us with the tenant Union.

"Lori Flanery"

I would absolutely be for more communication and for talking and sharing, you know, we're not perfect and we have said, we believe, you know, sometimes in a hurry and the rush of operational activity around a nonprofit, you know, we don't have a big marketing department. Right? We don't have legislative liaison, so we don't have some of these types of people who had this regular communication out with.

Community and so, even though the community piece of it is at the heart of everything we want to do, sometimes we, we miss a beat. Right?

We skip something we, we are, and sometimes, even when we try, you know, we're not as clear as we could be. Sometimes it takes repetition. So I absolutely am committed to new directions being.

As good as it can be when you talk about the tenant Union, you think about it.

We have the same objectives, right? We want the best for the people who live in new directions housing.

And so, to that end, absolutely I would be willing to do that. And also to include any staff that would be appropriate.

"Committee Member Dorsey"

Thank you, Gloria, I appreciate that. And and we will take you up on that and be in conversations soon. Thank you. Chairman.

"Chair Shanklin"

Thank you and I'm looking forward to next year to bring them back.

Bad beginning of next year, we'd be able to address a whole lot of problems and all lot of things and I just want to make it.

Uh, let you guys know, you know, when I started the meeting, I know it was from 130 to 230 and I gave myself an X Ray.

Maybe half an hour, and I had someone coming to work at the house and he got here a little bit earlier than I expected. So I apologize for trying to rush you guys.

But we do have time to come back, give them an opportunity to discuss and get.

Come through some of the problems that they have and be able to address them.

Uh, the beginning of next year, so, if they are willing to come back to beginning of next year, and I know I'll be with community affairs.

Uh, I'm willing to have you guys on the agenda? Pretty much the 1st. Is that okay with you? Awesome?

"Council Member Arthur"

Yes, ma'am. Thank you.

"Chair Shanklin"

Okay, thank you. Okay if we don't have any more questions.

And I do have a gas standing at the door, but that's okay. He can wait a few minutes.

This is our panel community of 1st committee meeting of the year. I want to. Thank all my colleagues. Wonderful year.

I think the committee has been able to address several critical issues affecting the community, and I'm looking forward to what we can accomplish in the new year.

I also want to wish the best of luck, the council woman, Angela, and counselor. Kevin Tripoli.

Is on the council at the end of the year it has been a pleasure.

Working with you on this committee and I wish you, well, now the future in Dallas.

That includes the business before this committee.

That objection this meeting is adjourned.

Thank you so much for everything and counsel a medal clerk. Thank you for all the work. You've done to help us do this.

Thank you. Thank you. We are adjourned.