



Proposed Prairie Vista Purchase Q & A

What kind of project is being proposed?

- Integrity Housing is applying for \$65M tax-exempt revenue bond financing for the acquisition/rehabilitation and conversion of Prairie Vista Apartments, located at 2401 W. Alta Road in Peoria, IL into affordable rental units. There are 304 units that consist of:
 - 1 bed/1 bath (80)
 - 2 bed/1 bath (112)
 - 2 bed/2.5 bath (112)

How do you define “affordable” rental units?

- Prairie Vista Apartments will not be Government Subsidized Housing, nor a Low-Income Housing Tax Credit (LIHTC) project. Those programs fall under different federal income qualifications and guidelines that govern bond financing for those specific types of projects.

What is the financial eligibility breakdown for units within this proposal?

- In the proposed project, 20% (or 61 units) would be available to community members making 50% of the area median income (three-person family making \$34,350), 55% (167 units) for those making 80% of the area median income (three-person family with an income of \$54,950), and 25% (76 units) at market rate.

Who will be the owner of Prairie Vista if the sale is approved?

- The property will be owned by Integrity Housing, a 501(c)3 non-profit organization, and the acquisition and renovation will be financed with 501(c)3 tax-exempt bonds subject to federal IRS guidelines.

What will be the financial requirement breakdown of the current units?

- Under the requirements of federal tax-exempt financing for 501c3 housing projects, Integrity Housing will be setting aside 20% of the units for families earning at or below 50% of area median income (61 units) and 55% of the units for families earning at or below 80% of area median income (167 units). The remaining 20% of the units will be at market rate (76 units). In area income limits increase, the affordability levels would increase as well.

How much will the rent be?

- Under IRS regulations, there is not a specific rental scale that Integrity Housing must charge at the property for the income set-aside units. Integrity Housing will work with the property management team to adjust the current rents to levels that can be afforded by the income-qualified families for whom the units are reserved.

What about current residents?

- There are not any planned displacements of current tenants. The income set-asides will be achieved by naturally occurring attrition and as vacancies occur. An income evaluation is underway to determine the current mix of tenants that qualify under the income set-asides.



Proposed Prairie Vista Purchase Q & A

Who will manage the property?

- Integrity Housing intends to maintain the same management company that is currently in-place. Funding is being set aside under the bond issuance for improvements to the apartments. These improvements will be phased in as unit vacancies occur. Planned improvements include stainless steel appliances, vinyl plank flooring, upgraded cabinet faces, upgraded lighting fixtures, upgraded countertops, upgraded plumbing fixtures, new paint scheme, and upgraded common area amenities.

Do you have examples of the types of professions and comparable salaries that would qualify for these guidelines?

- **Who qualifies at 80% AMI? (3-person household with an income of \$54,950)**
 - Dunlap Teacher with 5 years of experience - \$48,378
 - Postal Worker – US Post Office - \$39,353
 - Accounts Payable/Cashier – Brewer’s Distributing - \$35,360
 - Grant Writer – City of Peoria - \$54,851
 - Emergency Dispatcher – City of Peoria - \$46,800
- **Who qualifies at 50% AMI? (3-person household with an income of \$34,350)**
 - Entry Level Manufacturing - Peoria Production Shop \$28,000
 - Customer Service Rep – CEFCU - \$34,250
 - Pharmacy Tech – CVS - \$33,280
 - Teacher Assistant – Dunlap - \$15,525
 - Secretary, Dunlap Schools - \$31,20
 - Food Service Workers, Dunlap Schools - \$31,200
 - TSA Security Officer – Peoria Airport - \$34,200
 - Warehouse Technician – Maui Jim - \$35,000
 - Maintenance Technician – Peoria Public Library - \$32,949
 - Administrative Assistant – Bard optical - \$29,120

What is the purchase price and who is issuing the bonds?

- Integrity Housing is applying for up to \$65M in tax-exempt revenue bond financing from the Tri-County River Valley Development Authority (TRVDA). \$45M will be applied to the purchase of the property and the \$5M is marked for interior and exterior improvements and upgrades.

Who/What is TRVDA?

- The Tri-County River Valley Development Authority (TRVDA) is a regional development authority that serves Peoria, Tazewell, and Woodford Counties. Established in 1990, the organization is governed by an 11-member board of directors. TRVDA is a regional bonding agency offering double tax-exempt bond financing.

Why did Integrity Housing select TRVDA?

- TRVDA can issue Federal and State tax-exempt bonds for private and public entities to provide an interest rate that is generally 2-3% lower than conventional financing. TRVDA has issued \$18,495,000 in bonds.



Proposed Prairie Vista Purchase Q & A

Who connected TRVDA to Integrity Housing?

- Ascenda Capital Corporation out of Beverly Hills, CA (<https://ascendacap.com/>) approached the Tri County River Valley Development Authority (TRVDA) about issuing not-for-profit multi-family housing bonds for the purchase and renovation of Prairie Vista Apartments. TRVDA can issue tax-exempt private activity bonds for manufacturing, housing, local governments, education, docks and wharves, and non-profits. The debt service is the responsibility of the entity that requests the bonds, TRVDA is simply a financing conduit.

Will there be a property tax exemption?

- Property tax exemption for 501c3 organizations is not automatically granted. A 501c3 entity must apply for property tax exemption from with the County Board of Review which reviews the application and forwards it to the IL Department of Revenue for a final determination. To qualify for a property tax exemption the 501c3 must be exclusively a charitable, religious, educational, or governmental organization and the 501c3 must own the property that is used exclusively for charitable, religious, educational, or governmental purposes and not leased or used for profit.

What is the project timeline?

- Project Timeline- Application received by TRVDA on February 24, 45- day notice of intent to issue bonds sent to the City of Peoria on March 4th, TRVDA Board convened on March 10th per its Schedule of Meeting Dates established by Resolution, TRVDA Board approved a Final Bond Resolution for the issuance of multi-family housing revenue bonds not to exceed \$60,000,000 at the March 10th meeting, TEFRA hearing notice posted on March 21st, TEFRA hearing held on March 28th. Closing is anticipated around the end of April following the expiration of the 45-day notice to the City and final Governor's Office approval.

Will there be an opportunity for the public to hear from the developer?

- A public meeting at 6 pm at Hickory Grove Middle School for the public to hear from the Developer about the proposed project, and for questions to be answered that the public has about the project. The City Council is anticipated to vote on the issue at the April 12 City Council meeting.

What role does the City of Peoria play? Does this require a rezoning?

- Since the property is currently multi-family, there is no zoning change required, but there is a requirement in the financing of the project that affects the City Council. Since these bonds are being issued for a project in Peoria, the City Council has until April 18 to disapprove of the project, and then TRVDA would not issue the bonds. If the Council does not act upon it, the bonds would be issued.

The Authority shall not issue any bonds relating to the financing of a project located within the planning and subdivision control jurisdiction of any municipality or county unless: (1) notice, including a description



Proposed Prairie Vista Purchase Q & A

of the proposed project and the financing therefore, is submitted to the corporate authorities of such municipality or, in the case of a proposed project in an unincorporated area, to the county board; and (2) such corporate authorities do not, or the county board does not, adopt a resolution disapproving the project with 45 days after receipt of the notice.

Helpful Websites/Links

- **Integrity Housing**
 - <https://www.integrityhousing.org/>
- **Other properties owned by Integrity Housing:**
 - <https://www.apartmenthomeliving.com/apartment-finder/three21-belmont-Belmont-CA-94002-1946102>
 - <https://www.latitude33escondido.com/>
 - https://www.latitudeplano.com/?utm_knock=a
- **Ascenda Capital**
 - <https://ascendacap.com/>
- **Tri-County River Valley Development Authority (TRVDA)**
 - <https://trvda.com/>