



OFFICE OF THE CITY MANAGER



Date: October 20, 2017

To: Mayor Ardis
City Council Members

From: Patrick Urich
City Manager

Subject: Community Conversations on Race and Economic Opportunity Update

Background

In October 2016, the website *24/7 Wall Street* published a report that listed Peoria tops among its 10 “Worst Cities for Black Americans.” *24/7 Wall Street* is an online financial news outlet but is not affiliated or related to the *Wall Street Journal*. The article’s authors primarily utilized US Census data at a metropolitan area level and state data extrapolated to a metro area level to compare particular outcomes of black residents against white residents.

The City of Peoria was also the recipient of a six-month technical assistance engagement by the National Resource Network, a federal grant program. The NRN engagement recommendations included the following recommendation:

There are three approaches Peoria can take to reduce the concentration of poverty in the Southside: 1) Increase the income of existing residents through improved access to opportunity, 2) Provide options for residents to move to higher opportunity areas if desired, and 3) Increase socio-economic diversity through building mixed-income communities. To reduce the concentration of poverty in the Southside, Peoria will need to utilize all three of these strategies, but we recommend priority be placed on the first approach, to ensure existing residents benefit from increasing investment in the Southside.

What is the City Doing?

In December 2016 and January 2017, the City held 2 Community Conversations on Race and Economic Opportunity. After the meetings, City Staff established working groups in a number of areas to develop actionable items to improve economic opportunity:

Asset Development – the committee established short and long term goals. Short term goals included:

- Establishing a Landlord Licensure program that would include mandatory inspections and grade properties based on condition, which would in turn determine the frequency of future inspections;
- Devoting resources to a program that would provide energy efficiency rehab work (insulation, windows, etc.) for rental properties in order to lower what have often become astronomical utility bill payments for renters with low and moderate incomes;
- Looking at the equitable distribution of affordable housing sites across the City through:
 - a) An inclusionary zoning ordinance requiring developers to set aside a certain portion of units for affordable housing in an otherwise market rate development. This could include an opt-out payment option to a local housing trust fund for other affordable housing funding efforts.
 - b) Allowing affordable housing developments to be located in higher-income areas of the City.

Long term goals included:

- Develop long-term funding and strategies for housing development supported by a more equitable distribution of local funding.
- Increase the supply of affordable housing in the following ways: a) Encouraging mixed-income development, b) Building new, c) Rehabbing existing housing, d) Well-designed and managed multifamily affordable housing, e) Improving access to homeownership f) Energy efficiency.
- Facilitate the formation of a tenant's union in Peoria.

Economic Development – The economic development work group has been looking at two initiatives:

- Develop business loans and grants for minority entrepreneurs and develop programs to repair credit. Recently, the City of Peoria in conjunction with Peoria County awarded \$15,000 to six minority owned businesses through the M-BIG program. The City is looking to continue that program by soliciting contributions from local banks and other corporations. The City revised the rules for its Revolving Loan Fund to increase access to capital. While firms can be loaned \$25,000 per job created, minority owned businesses can be loaned up to \$35,000 per job created. In partnership with the Greater Peoria Economic Development Council (GPEDC), the City is launching the www.gpsourcelink.com, an online guide to resources available in the community for starting a business. The resource navigator is a great tool for learning about what exists, but also for determining where gaps in service exist. The City's Economic Development Department will take the lead in this area.
- Create a "Shop Local" strategy for minority-owned businesses. The City's Economic Development Department is doing research into existing minority-owned businesses in Peoria. The Minority Business Development Center (MBDC) has created a directory of minority-owned businesses and is developing a self-employment training program. The

Peoria Journal Star has been profiling minority-owned businesses who received an M-BIG grant (Lindsay's Cleaners, Riley's Cupcakes, Reign Construction, Creativity Uncorked).

Education – In addition to Alignment Peoria, Dr Kherat attended the last education subcommittee meeting and encouraged the group to assist the District with the Social Emotional Learning initiative and the funding. In addition, with the encouragement of the subcommittee, Glen Oak is piloting the alternative school schedule this fall.

Health – The “Healthy Southside” meeting was held 7/20 at the Lincoln Branch Library. Invitations were mailed to residents of the Near Southside (MacArthur, King, Jefferson, Western). Other individuals with an interest in community health were also invited to the meeting. Approximately 50 people attended the meeting. Of the total attendees, around 40 were residents of the Southside. The meeting attendees were asked, “WHAT DOES THE SOUTHSIDE NEED TO BE A HEALTHIER COMMUNITY?” “Need” was defined as basic required needs, and not something that is “wanted,” but not needed. One may “want” a new car, but one “needs” reliable transportation, etc. “Health” was defined as not just the absence of physical illness, but an overall feeling of wellness in the community. The “WHAT” Question – attendees were asked to suggest what would be needed to make the Southside a healthier community. Various suggestions were made and written on individual sheets of paper by City staff. The attendees were invited to vote on what they thought the most important “wants” were by using sticky dots. Residents of the Southside were given 4 votes each (distributed as they wanted). All other attendees were given 1 vote. After voting, the “wants” were put in order of popularity based on the total number of votes. The “HOW” Question – attendees were asked to suggest how the top few want statements could be implemented. The input was again written down by City Staff. Going Forward – a follow-up meeting will be scheduled in September to review the results of the July 20, meeting and to continue the conversation on health.

The City, in partnership with the Health Department, ICC, Peoria School District, and the EDC was selected as one of fifty Invest Health Cities in 2016. This designation and supporting grant will cause the introduction of a built environment project that will combat negative community health outcomes on the South Side of Peoria. This planning work has continued throughout 2017.

Infrastructure – The working group also identified 6 priorities: 1) safe and affordable housing, 2) comprehensive assessment of housing assets, 3) Improving technology access, 4) increasing neighborhood revitalization through infrastructure investments, 5) surveying the wants of the residents, and 6) incentives for employment and training linked with infrastructure.

Justice – This group is exploring issues of procedural justice, restorative justice, reentry, expungements, training for police and police outreach. There is an intersection here with the Partnership to Reduce Violence and the grant from the Justice Department. The Partnership to Reduce Violence has been working to determine the root causes of violent crime in the

community and improving the trust and working relationships between communities and law enforcement as well as strengthening governmental collaboration.

Workforce Development – The EDC has taken the lead in convening a working group on employment and workforce development. In concert with this group, the City subcommittee has been looking at developing a baseline set of metrics for success. Moving 10% of the population of 61605 and 61603 that live under the poverty line from Part Time to Full Time employment, or into employment. Further, the Subcommittee embraced the efforts of Agbarra Bryson to encourage job readiness in the community.

The working groups will reconvene prior to the end of the year to continue the planning efforts and to integrate with the other entities working in their respective areas.

Police and Fire Recruitment

The NAACP approached the City in 2015 and presented findings on the efforts of the City to hire minorities into the Police and Fire Departments. A task force was formed and a working group made up of Police and Fire management and staff, City Staff and NAACP representatives explored the issue and presented several recommendations to the City Council. On June 14, 2016, the Peoria City Council adopted an ordinance containing 10 recommendations to accelerate the hiring of minorities to commissioned police and fire positions. The vision is that *hiring pools and selection processes are in place that consistently provide a qualified, diverse workforce that mirrors the city's demographics for the Police and Fire Departments*. Several activities occurred before and after the adoption of the ordinance in support of the recommendations and this vision. These activities included increased outreach and recruitment, more frequent testing of candidates, adjustments to the point system to include points for City of Peoria residency, the establishment of a public safety explorers' program within Peoria Public Schools, and diverse interview panels. The City has established Cadet programs for Police and Fire that bridge the gap from the high school Explorer programs to full time commissioned employment. City staff will present their accomplishments to date at the November 14 City Council meeting.

Peoria Area Diversity and Employment Action Team (PADEAT)

Since 2012, the City of Peoria has partnered with the West Central Building Trades Council (which represents 15 trade unions in a 13-county area of west central Illinois), the local chapter of the NAACP, several African-American ministers, local union contractors, IDOT, and Illinois Central College to discuss how to diversify the construction trades. The 2012 data from the building trades showed that of 577 apprentices in 2012, 86 or 14.9% were minorities. The 2010 Census indicates that 40% of Peoria's population is minority, Peoria County's population is 24.9% minority, and the entire 13-county area served by the West Central Building Trades Council is 11.3% minority. Thus, while the apprentices entering the construction trades were more than representative of the 13-county area they serve, the results reflected a significant underperformance relative to the diverse population of Peoria.

The group recently held their annual planning meeting at validated their vision statement, mission statement, and goals. The vision statement, “A well-prepared, well-trained diverse union construction workforce that reflects our community,” was validated by the group. The group also confirmed their mission: “Facilitate education, communication, and training to enhance opportunity for union construction employment that reflects the demographics of the greater Peoria region as covered by the West Central Illinois Building and Construction Trades.” New action plans have been developed in the areas of communication; recruitment; and preparation enhancement. Five unions (Laborers, Operating Engineers, IBEW, Bricklayers, and Sheet Metal Workers) have submitted their employment data to date. In 2017, 34 apprentices have been selected and 13 were minority, 38% of the total. Of concern is the fact that total apprentices hired are down 60% in these five unions for 2017, a reflection of the sluggish local economy.

Mayor’s Youth Group

Nineteen young people completed the 2017 Mayor’s Youth Program, a collaboration between the City of Peoria, Greater Peoria EDC and Peoria Public Schools. The 8 week program was designed to provide opportunities for Peoria-area youth in the Public Service sector. The program focused on career pathway development and civic engagement by employing Peoria area youth to assist in infrastructure improvements, beautification and clean-up projects throughout the City. The projects included:

- 1 rain garden @ Peoria Public School Administration
- 1 rain garden @ Peoria Public Works
- 1 Urban garden – Weeding and maintenance
- Debris pickup throughout the City of Peoria
- Mulching – Tree wells, downtown landscape
- Mulching and beautification throughout the City of Peoria (Sterling, Main Street, etc)
- Tire pick-up & alley clean-ups

Participants interacted with various City Departments while learning about operations and projects. Additional components of the program included life skills development, learning workshops, career pathway lectures and business tours. The schools represented included Manual, Central, Woodruff and Richwoods.

CSO Investments

The City of Peoria is in negotiations with the Federal Government over the combined sewers in the older part of the City. These combined sewers overflow during significant wet weather and the City is mandated to comply with the Federal Clean Water Act. The City is proposing a 100% green solution that would invest in infrastructure above ground as opposed to new underground sewer lines. The predominant investment will be made above the bluff from Forrest Hill south and below the bluff from Abington to Laramie. The infrastructure investments are estimated over \$160-230 million and will occur over 18 years.

Earlier this year it was announced that the City of Peoria was the recipient of federal funding designated for an Illinois AmeriCorps Program. The City of Peoria program, entitled Peoria Corps, was co-created by Peoria's Innovation Team and the department of Public Works.

Using the proposed green infrastructure solution to the combined sewer overflow problem as a catalyst, the City's Peoria Corps program proposes to address two areas of need: maintenance of the green infrastructure installations and job training for opportunity youth. This opportunity is directed to young adults ages 18 to 24 who have been unemployed and out of school for at least six months. The training will create a pipeline to full-time employment within related fields or additional education.

City staff worked with a community advisory panel to develop an outline of the program. Grant applications were submitted to assist in funding the program. The city has been allotted partial funding of \$138,295 through the AmeriCorps Program. The \$58,150 in education awards will be given to program graduates to assist in additional educational opportunities.

Conclusions

The high concentration of poverty within the City should be a concern for all residents of the region. The City and other regional leaders have been working to develop strategies that address this imbalance within the region and to provide economic opportunity for all residents of the region and the City. The City did not get to this point overnight, and it will take continued effort and diligence to ensure that progress is made in improving economic opportunity.