



City of Urbana

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DATE: February 18, 2004

TO: Urbana City Council Members

FR: Esther Patt, Council Member

RE: Resolution Clarifying the Urbana City Council's Position on
Redevelopment of Lakeside Terrace

On the agenda for the February 23 Committee meeting is a discussion about Lakeside Terrace redevelopment. I have asked that the agenda also include the attached resolution reaffirming the City Council's commitment to replacement housing as part of the redevelopment of Lakeside Terrace. Without any formal input from the City Council, approvals are already being sought for redevelopment. The position of "the City" that is being represented to other agencies is not consistent with any vote ever cast by the City Council.

As you know, last month the City Council and Community Development Commission held a joint meeting at which representatives from the Housing Authority and from Brinshore Development presented three options for redevelopment of Lakeside Terrace. One option proposed 80 public housing replacement units, which would be consistent with the requirement of our Consolidated Plan, but only 48 of the units would be provided on-site. No specific plan was presented for provision of the remaining 32 units. The other two plans proposed only 24 public housing replacement units.

It was my understanding after that meeting that council members' questions would be answered, more discussions would be held, and at some point in the next few months, the City Council would vote on a redevelopment plan.

Instead, the Housing Authority has proceeded to submit an application to HUD for demolition of Lakeside Terrace. Mayor Satterthwaite provided the Housing Authority with a letter of support for the demolition dated December 22, 2003.

The Housing Authority requested that the Regional Planning Commission (RPC) submit the application to HUD. The memo to the RPC Board, which RPC staff based on the information provided by the Housing Authority states: "The vision of the Housing Authority of Champaign County, the City of Urbana, the residents of Lakeside Terrace, and the surrounding neighborhood includes a mixed-income development to be constructed on the site of Lakeside Terrace after demolition. The proposed development would replace the current 99 public housing units with 76 affordable units and 24 replacement very low-income units for a total of 100 rental units."



Every city council for the last nine years has adopted a Consolidated Plan or Annual Action Plan that specifically states we support redevelopment of Lakeside Terrace only if at least 80 percent of the public housing units are replaced (from 1995-98 city council required 100% replacement of public housing units). Representation is being made that "the City of Urbana" shares a vision that has never been voted on by the City Council, and in fact, is contrary to the long-standing policy adopted by the City Council.

Good planning would involve the Housing Authority and City Council first coming to an agreement about redevelopment and then requesting demolition funds from HUD. I respectfully request your support for this resolution to clarify the position of the City Council.

RESOLUTION NO. 2004-02-003R

**RESOLUTION CLARIFYING THE URBANA CITY COUNCIL'S POSITION ON
REDEVELOPMENT OF LAKESIDE TERRACE**

WHEREAS, lack of affordable housing for extremely low income families with children is a serious problem in Urbana and surrounding communities; and

WHEREAS, the Champaign County Continuum of Care's most recent homeless survey found that more than 100 children are homeless in Champaign County every night; and

WHEREAS, the City of Urbana's Consolidated Plan and Annual Action Plans state:

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

and

WHEREAS, the Housing Authority of Champaign County has submitted an application to the Department of Housing and Urban Development for demolition of Lakeside Terrace proposing replacement of only 24% of the housing units; and

WHEREAS, the Housing Authority of Champaign County's proposal for redevelopment of Lakeside Terrace is not consistent with the City of Urbana's Consolidated Plan; and

WHEREAS, the City of Urbana and the Housing Authority of Champaign County are currently engaged in discussions about redevelopment options.

NOW, THEREFORE, BE IT RESOLVED that the Urbana City Council opposes demolition of Lakeside Terrace until the Housing Authority of Champaign County and the City of Urbana approve a redevelopment plan that is consistent with the City of Urbana's Consolidated Plan 2000-2004.

BE IT FURTHER RESOLVED, that a copy of this resolution be submitted to the U.S. Department of Housing and Urban Development with the application submitted by the Housing Authority of Champaign County for funds for demolition of Lakeside Terrace public housing complex.

PASSED by the City Council this _____ day of _____

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____

Tod Satterthwaite, Mayor