



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management Division*

### **m e m o r a n d u m**

**TO:** Laurel Lunt Prussing, Mayor, City of Urbana

**FROM:** Elizabeth H. Tyler, FAICP, Director, Community Development Services

**DATE:** January 24, 2013

**SUBJECT: AN ORDINANCE APPROVING A SECOND AMENDMENT TO THE CITY OF URBANA AND URBANA HOME CONSORTIUM ANNUAL ACTION PLANS FY 2011-2012 and FY 2012-2013**

---

### **Description**

Included on the agenda of the January 28, 2013 meeting of the Urbana City Council are proposed amendments to the City of Urbana and Urbana HOME Consortium Annual Action Plans (AAPs) for Fiscal Year 2011-2012 and Fiscal Year 2012-2013. The amendment would revise the Community Development Block Grant (CDBG) budget in the Annual Action Plans for FY 2011-2012 and FY 2012-2013 to provide more funds toward the “Census Tract 53 Street Lighting” project, as noted in the FY 2011-2012 Annual Action Plan under City Infrastructure Projects and shown as carryover in the FY 2012-2013 Annual Action Plan.

The City of Urbana proposed to amend the CDBG budget to re-allocate “Property Acquisition Demolition” funds (including carryover from previous years), combining the funds with unprogrammed funds, to “City Infrastructure Projects”, and to rename a “Public Facilities and Improvements” project from “Neighborhood Sidewalks” to the “Lanore/Adams/Fairlawn Multi-Use Path” project, increasing the funding with remaining unprogrammed funds.

The proposed amendment was on display and available for public review and comment at the City Clerk’s office, the Department of Community Development Services office, the Urbana Free Library and on the City website from December 21, 2012 through January 22, 2013.

### **Issue**

The issue is whether the Urbana City Council should approve the Ordinance approving an Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and 2012-2013.

## Background

The proposed amendments are needed to reflect project funding and program changes that have occurred since the approval of the AAPs and subsequent Amendments for FY 2011-2012 and 2012-2013. HUD regulations require that in the event significant changes occur to projects or programs described in the Annual Action Plans, the plans shall be amended to reflect the changes.

The City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2010-2014 sets forth a process that must be followed in order to amend Annual Action Plans. The City is required to give notice of the public hearing regarding a substantial amendment. In order to provide an opportunity for the public comment, a public hearing regarding the proposed amendments was held in the Urbana City Council Chambers on January 8, 2013. (Minutes attached)

The amendment to the CDBG budget proposes: (1) to increase the Property Acquisition Demolition carryover allocation from \$54,698 to \$107,647.50, and then re-allocate \$107,647.50 plus \$17,352.50 of unprogrammed funds for a total amount of \$125,000 to City Infrastructure Projects, increasing the total amount of Infrastructure funding from \$56,000 to \$181,000, and (2) to rename the Neighborhood Sidewalks Project to the Lanore/Adams/Fairlawn Multi-Use Path Project, re-allocating the original funding amount of \$43,000 from Neighborhood Sidewalks to the Lanore/Adams/Fairlawn Multi-Use Path Project, plus the remainder of unprogrammed funding (\$6,910.50), for a total allocation of \$49,910.50, as shown in the following charts.

### **CITY OF URBANA PROPOSED CDBG AMENDMENT:**

<u>City of Urbana CDBG Budget</u>	<u>Current</u>	<u>Proposed Amended</u>
Property Acq./Demo/New Construct. (c.o.)	\$107,647.50	-0-
Unprogrammed Funds (total)	\$ 24,263.00	-0-
Total Funds	-0-	\$131,910.50
Property Acq./Demo/New Construct. (c.o.)	\$107,647.50	-0-
City Infrastructure (FY 11-12 c.o.)	-0-	\$107,647.50
City Infrastructure (FY 11-12 c.o.)	\$107,647.50	-0-
City Infrastructure (FY 11-12 c.o.)	\$ 56,000.00	-0-
Unprogrammed Funds	\$ 17,352.50	-0-
Total Project Funds (c.o)	-0-	\$181,000.00
<u>City of Urbana CDBG Budget</u>	<u>Current</u>	<u>Proposed Amended</u>
Neighborhood Sidewalks (FY 11-12 c.o.)	\$ 43,000.00	-0-
Lanore/Adams/Fairlawn Multi-Use Path	-0-	\$ 43,000.00
Lanore/Adams/Fairlawn Multi-Use Path	\$ 43,000.00	-0-
Unprogrammed Funds	\$ 6,910.50	-0-
Total Project Funds	-0-	\$ 49,910.50

At its January 22, 2013 regular meeting, the Urbana Community Development Commission (CDC) voted unanimously to not forward for approval the Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013 to the Urbana City Council, as the Commissioners expressed a variety of opinions on how the CDBG and other City funds should be allocated and used.

## **Options**

1. Approve the Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013
2. Approve the Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013, with suggested changes.
3. Do not approve the Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013.

## **Fiscal Impacts**

There is no impact to the City budget with respect to the Lanore/Adams/Fairlawn Multi-Use Path project, as the CDBG funds were previously allocated in the FY 2011-2012 AAP under Neighborhood Sidewalks, and are being reallocated to the Multi-Use Path project.

With regard to the Census Tract 53 Street Lighting Project, the impact to the City budget would be that CDBG funds will provide more funds to a City Infrastructure project already included in the Annual Action Plans for FY 2011-2012 and shown as carryover in FY 2012-2013, thus allowing more City funds to be used for other City-funded projects.

The changes to the CDBG budget for both projects will also assist with the timeliness in spending CDBG funds, as required by HUD.

## **Recommendations**

Staff continues to recommend approval of the Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013, as neighborhood residents have strongly advocated for the street lights and multi-use path for several years. There is an immediate need to fund these projects due to construction schedules and the availability of other funding sources. The amendment would ensure that the City's timeliness requests will be met and therefore avert the potential loss of CDBG funds. Furthermore the amendment would allow for more efficient use of City funds and indirectly assists in the planned demolition of the Urbana Town Homes Project, another project that has been strongly advocated for by the surrounding neighborhood.

**Memorandum Prepared By:**

---

Kelly H. Mierkowski, Manager  
Grants Management Division

**Attachments:**

1. An Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 & FY 2012-2013 (Winter 2012 CDBG Amendment)
2. Proposed Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 & FY 2012-2013 (Winter 2012 CDBG Amendment).
3. Minutes from Public Hearing held January 8, 2013 on Proposed Amendments to CDBG (and HOME) budgets.
4. Unapproved minutes from January 22, 2013 Community Development Commission meeting.

**ORDINANCE NO. 2013-01-007**

**AN ORDINANCE APPROVING A SECOND AMENDMENT TO THE CITY OF URBANA AND URBANA HOME CONSORTIUM FY 2011-2012 AND FY 2012-2013 ANNUAL ACTION PLANS (Winter 2012 CDBG Amendment)**

WHEREAS, the City of Urbana has been designated an entitlement city under the Federal Housing and Community Development Act of 1974, as amended, and as such is eligible for Community Development Block (hereinafter "CDBG") and Home Investment Partnership Funds (hereinafter "HOME") funds upon proper submittal being made to the United States Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, the Urbana City Council previously approved ordinances authorizing submittal to HUD of the Annual Action Plans for FY 2011-2012 and FY 2012-2013 that included proposed budgets for the CDBG Program, and HUD subsequently approved the said Annual Action Plans; and

WHEREAS, the Urbana City Council previously approved ordinances approving amendments to the FY 2011-2012 and FY 2012-2013 Annual Action Plans; and

WHEREAS, on December 21, 2012, the City of Urbana published on the City website a notice of a 30-day public review period regarding said proposed budgetary amendments to the Annual Action Plans for FY 2011-2012 and FY 2012-2013; and

WHEREAS, on January 8, 2013, the City of Urbana, the Grants Management Division of the Community Development Services Department held a public hearing on the proposed CDBG amendments; and

WHEREAS, the City Council now finds it necessary and appropriate to further amend the City of Urbana and Urbana HOME Consortium Annual Action Plans for FY 2011-2012 and FY 2012-2013.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the City of Urbana hereby approves the amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans for FY 2011-2012 and FY 2012-2013, in substantially the form of the copy of said amendments attached hereto and hereby incorporated by reference.

Section 2. That the Mayor of the City of Urbana is hereby designated as the authorized representative of the City of Urbana to take any action necessary in conjunction with said attached amendments to the Annual Action Plans for FY 2011-2012 and FY 2012-2013, and any prior approved Annual Action Plan or Amendment, including, without limitations, to execute any documents necessary to commit applicable CDBG funds to the projects, submittal of the Annual Action Plan Amendment to the HUD Regional Field Office and provision of such additional information as may be required.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor

# **City of Urbana and Urbana HOME Consortium**



## **Proposed Amendments to Annual Action Plans FY 2011-2012 & FY 2012-2013**

*(Winter 2012 CDBG Amendment)*

Prepared by:  
City of Urbana  
Community Development Services  
Grants Management Division  
400 South Vine Street  
Urbana, IL 61801  
217.384.2447

Approved by Urbana City Council Ordinance No. \_\_\_\_\_

**PROPOSED AMENDMENT TO CITY OF URBANA and URBANA HOME CONSORTIUM  
FY 2011-2012 & 2012-2013 ANNUAL ACTION PLANS**

---

The City of Urbana proposes to amend the Community Development Block Grant (CDBG) budget of the FY 2011-2012 and 2012-2013 Annual Action Plans (AAPs) to re-allocate City of Urbana Property Acquisition funds (cumulative carryover from previous years unaccounted), combining the funds with unprogrammed funds, to City Infrastructure Projects, as outlined below, and to rename a Public Facilities and Improvements project from Neighborhood Sidewalks to the Lanore/Adams/Fairlawn Multi-Use Path Project, increasing the funding with remaining unprogrammed funds.

The amendment proposes to increase the Property Acquisition carryover allocation from \$54,689 (estimated) to \$107,647.50, and then re-allocate the funding of \$107,647.50 plus \$17,352.50 of unprogrammed funds for a total amount of \$125,000 to City Infrastructure Projects, increasing the amount of funding from \$56,000 to \$181,000 (see chart below). The amendment will also rename the Neighborhood Sidewalks Project to the Lanore/Adams/Fairlawn Multi-Use Path Project, re-allocating the original funding amount of \$43,000 from the Neighborhood Sidewalks to the Multi-Use Path Project, plus the remainder of the unprogrammed funding (\$24,263 minus \$17,352.50 equals \$6,910.50) for a total of \$49,910.50.

*Following are the proposed City of Urbana CDBG Program budget changes for existing projects and programs to be changed or renamed in the FY 2011-2012, and FY 2012-2013 Annual Action Plans (AAPs), as shown in the FY 2012-2013 AAP budget as carryover.*

**CITY OF URBANA PROPOSED CDBG AMENDMENT:**

<u>City of Urbana CDBG Budget</u>	<u>Current</u>	<u>Proposed Amended</u>
Property Acq./Demo/New Construct. (c.o.)	\$107, 647.50	-0-
Unprogrammed Funds (total)	\$ 24, 263.00	-0-
Total Funds	-0-	\$131,910.50
Property Acq./Demo/New Construct. (c.o.)	\$107,647.50	-0-
City Infrastructure (FY 11-12 c.o.)	-0-	\$107,647.50
City Infrastructure (FY 11-12 c.o.)	\$107,647.50	-0-
City Infrastructure (FY 11-12 c.o.)	\$ 56,000.00	-0-
Unprogrammed Funds	\$ 17,352.50	-0-
Total Project Funds (c.o)		\$181,000.00
Neighborhood Sidewalks (FY 11-12 c.o.)	\$ 43,000.00	-0-
Lanore/Adams/Fairlawn Multi-Use Path	-0-	\$ 43,000.00
Lanore/Adams/Fairlawn Multi-Use Path	\$ 43,000.00	-0-
Unprogrammed Funds	\$ 6,910.50	-0-
Total Project Funds	-0-	\$49,910.50



### 3. CARRYOVER ACTIVITIES (ESTIMATED)

#### a. Housing Activities

##### Property Acquisition in Support of New Construction and Relocation/ Clearance/ Disposition Activities (Cumulative Carryover)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, 55, and 56 Block Group 1. Projects and utilization of the properties may include the following:

- Donation to non-profit housing developers to build affordable housing.
- City sponsored rehabilitation and re-sale to qualified homebuyers.
- Donation to other organizations to support CDBG-eligible programs.

Funds may also be used for the purchase of homes previously assisted with Urbana CDBG or HOME Consortium funds subject to possible foreclosure or related events that jeopardize the project benefit to low/moderate income persons. Lots will be cleared of substandard structures, vegetation or debris as needed. The Federal Uniform Relocation Act will govern any necessary relocation activities. Properties may also be acquired and cleared for blight abatement purposes only. City owned properties for the program will be properly maintained.

~~\$54,689 (estimated)~~ **\$107,647.50**

Goal 1, Strategy 1; Goal 9, Strategy 1; Goal 9, Strategy 2

Citation - [24 CFR 570.201(a)(b)(d)(f)(1)(ii)&(i)]

Environmental - ASSESSMENT

**Objective:** Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median.

**Outcome:** Affordability for the purpose of providing decent affordable housing.

**Outcome Indicators:** Number of rehabilitated owner-occupied units with household incomes at or below 80% MFI. Number of parcels donated to CHDOs and non-profits for affordable housing development.

#### b. Public Facilities and Improvements

##### 2. CITY INFRASTRUCTURE PROJECTS (FY 11-12/c.o.)

Funds will be used toward the construction or reconstruction of City infrastructure in one or more of the following projects in the City's Target areas:

Neighborhood Sidewalks: Division (Oakland-Thompson); Busey (south of Sunset) CT 54
Census Tract 53 Street Lighting
Division Street Reconstruction (South of Kerr)
Mathews Street Reconstruction (Church - Ellis) CT 53
Kerr Project Subdivision Infrastructure CT 54

**\$56,000 + \$125,000 (\$107,647.50 + \$17,352.50) = \$181,000**

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

**Objective:** Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

**Outcomes:** Accessibility for the purpose of providing a suitable living environment

**Outcome Indicators:** Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

## **b. Public Facilities and Improvements (continued)**

### **3. Neighborhood Sidewalks (FY 11-12/c.o.)**

~~Funds are proposed to be used to construct new sidewalks or reconstruct existing sidewalks in target area neighborhoods.~~

~~**\$43,000.00**~~

~~Goal 8, Strategy 1; Goal 8, Strategy 2~~

~~Citation - [24 CFR 92.205(a)(1)]~~

~~Environmental – ASSESSMENT~~

~~**Objective:** Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.~~

~~**Outcomes:** Accessibility for the purpose of providing a suitable living environment~~

~~**Outcome Indicators:** Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.~~

### **3. Lanore/Adams/Fairlawn Multi-Use Path Project (FY 11-12/c.o.)**

Funds will be used to construct a concrete sidewalk, new pedestrian lights, and landscaping for a multi-use path located in Census Tract 56 Block 1.

**\$43,000.00 + \$6,910.50 (unprogrammed funds) = \$49,910.50**

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

**Objective:** Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

**Outcomes:** Accessibility for the purpose of providing a suitable living environment

**Outcome Indicators:** Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.



**CITY OF URBANA & URBANA HOME CONSORTIUM  
PROPOSED AMENDMENTS  
TO FY 2011-2012 & FY 2012-2013 ANNUAL ACTION PLANS  
(Winter 2012 CDBG Amendment & Winter 2012 HOME CHDO Amendment)  
PUBLIC HEARING MINUTES**

**Tuesday, January 8, 2013, 7:00 p.m.  
City Council Chambers, 400 S. Vine Street, Urbana, IL**

Present:

- City of Urbana Grants Management Division: Kelly H. Mierkowski, Connie Eldridge, Jennifer Gonzalez, Jenell Hardy
- Esther Patt, Champaign-Urbana Tenant Union; Lisa Benson, Community Elements (see attached sign-in sheet)

Ms. Mierkowski called the public hearing to order at 7:41p.m., immediately following the public hearing for the Draft FY 2013-2014 Annual Action Plan. The purpose of this public hearing was to provide an opportunity for the public to provide input and for the City to accept comments regarding the proposed amendments to the FY 2011-2012 and FY 2012-2013 City of Urbana and Urbana HOME Consortium Annual Action Plans.

The City of Urbana receives Community Development Block Grant (CDBG) funding from the Department of Housing and Urban Development (HUD) to benefit low- and moderate-income citizens within the City of Urbana. The Urbana HOME Consortium, of which the City of Urbana is the lead entity, receives HOME funding allocations from HUD for the purpose of building affordable housing.

Notice of this public hearing was placed on the City's website on December 21, 2012; faxed, mailed and emailed to various social service agencies and citizens; and published on Friday, December 21, 2012 in Champaign-Urbana's local newspaper, *The News-Gazette*. Questions and comments may also be directed in writing, beginning December 21, 2012 and ending before the close of business on Tuesday, January 22, 2013 to Kelly H. Mierkowski, Manager, Grants Management Division, City of Urbana, 44 S. Vine St, Urbana, IL 61801 or [khmierkowski@urbanaininois.us](mailto:khmierkowski@urbanaininois.us).

Ms. Mierkowski explained these amendments were placing unobligated and carryover funds into projects. The CDBG amendment also renamed the project *Neighborhood Sidewalks (FY 11-12 c.o.)* to *Lanore/Adams/Fairlawn Multi-Use Path Project (FY 11-12 c.o.)*. The HOME amendment allocated reserved HOME funds to a specific Community Housing Development Organization (CHDO). Neighborhood Alliance, which is the CHDO for Habitat for Humanity of Champaign County, will build four houses in Champaign County.

Lisa Benson, Community Elements, asked about green development. Jen Gonzalez reviewed the Ecological Construction Laboratory's current project at 1302 West Dublin Street, Urbana. Eco-lab would like to provide consulting services to Brinshore Development and Homestead Corporation on the City's Kerr Avenue Redevelopment project.

Esther Patt, Champaign-Urbana Tenant Union, inquired if the Kerr Avenue Redevelopment project would serve extremely low income persons. Ms. Gonzalez believed the regulations usually require four percent of the persons to be at 30% or below Median Family Income (MFI). There was discussion if this federal requirement was directed at persons with physical disabilities who would need accessible units. Ms. Patt added that new construction has been very expensive, and many persons with disabilities cannot afford wheelchair accessible units. An exception is new Tax Credit Housing, which may be less expensive for renters.

In response to Ms. Benson and Ms. Patt, Ms. Gonzalez explained the Kerr Avenue Redevelopment project still needs to receive funding. Brinshore Development and Homestead Corporation submitted a two-phased project, a mixture of rental and owner-occupied townhomes. Ms. Patt discussed the Housing Authority's redevelopment of the former Dunbar Court and Joanne Dorsey Homes sites and the number of project based rental subsidies. These are partnerships between the non-profit developer, which receives the tax credits, and the Housing Authority. Ms. Patt is concerned the majority of tax credit housing units will not be affordable to people who really need the help.

Ms. Mierkowski adjourned the public hearing at 7:48 p.m.

Respectfully Submitted

---

Connie Eldridge, Recording Secretary



**UNAPPROVED  
MINUTES  
COMMUNITY DEVELOPMENT COMMISSION MEETING  
Tuesday, January 22, 2013, City Council Chambers  
400 South Vine Street, Urbana, IL 61801**

**Call to Order:** Chairperson Cobb called the meeting to order at 7:08 p.m.

**Roll Call:** Connie Eldridge called the roll. A quorum was present.

**Commission Members Present:** Fred Cobb, Janice Bengtson, Chris Diana, Jerry Moreland, Brad Roof, Anne Heinze Silvis

**Commission Members Absent:** George Francis, Gregory Hayes

**Others Present:** Kelly H. Mierkowski and Connie Eldridge, Community Development Services; Bishop King James Underwood, Samuel Johnson, Franki M. Johnson.

**Approval of Minutes:** *Chairperson Cobb asked for approval or corrections to the November 27, 2012 minutes. Commissioner Silvis moved to approve the minutes, and Commissioner Bengtson seconded the motion. The motion carried unanimously.*

**Petitions and Communications:** Bishop King James Underwood asked if there were any grants to help update the sewer infrastructure in the Dr. Ellis Subdivision (see attached request). Some residents are having problems with tree roots in their sewer lines. Because the lateral main sewer is on the north side of the street, any repair or replacement on the south side must cross under the street and into the other neighbor's yard. The street may need to be torn up, and the homeowner must pay for all costs. He felt it was unfair that all properties do not have equal access to the main sewer. Because homeowners are still having issues, Bishop Underwood has approached the City to request help.

Kelly Mierkowski reviewed the housing rehabilitation programs currently available with the City of Urbana. Those programs are not designed to address major sewer repairs. Commissioner Roof inquired about using Community Development Block Grant (CDBG) public facility funds for sewer infrastructure projects. Ms. Mierkowski will review Department of Housing and Urban Development (HUD) regulations and contact the Public Works Department regarding this. Commissioner Moreland wanted staff to expedite this and contact the affected residents soon. Ms. Mierkowski noted that the issue of sewer line placement was not unique to Dr. Ellis Subdivision but was throughout the City.

Commissioner Diana asked if the subdivision had a neighborhood association, and Bishop Underwood answered no. There was discussion on past Neighborhood Organization Grants (NOG) and CDBG public facility infrastructure projects. Commissioner Silvis stated the Public Works Department issues a Capital Improvement Plan (CIP), and they would be knowledgeable about sewer issues.

Samuel Johnson remarked that he was a City employee when the sewer lines were installed in the 1960s. Noting there have been on-going problems since 1967, he felt the work was not done well. He mentioned issues with quicksand and problems with individual sewer lines tapping into the main sewer. His suggestion was to run an additional new main sewer line on the opposite side of the street from the current main. He was concerned that the neighborhood residents, many of whom are elderly or lower income, could not afford sewer line repairs or replacement of very long sewer lines.

Ms. Mierkowski will research this issue, report to the Community Development (CD) Commission, and contact the residents.

**Staff Report:** Ms. Mierkowski reviewed the staff briefing memorandum dated January 22, 2013. The City submitted its response to HUD regarding the City's Consolidated Annual Performance and Evaluation Report (CAPER). Staff held public hearings on the Fiscal Year (FY) 2013-2013 Annual Action Plan during January 7-10, 2013 at different sites. Ms. Mierkowski announced that Connie Eldridge, Grants Management Division's (GMD) administrative assistant, was retiring on January 28. Due to anticipated federal budget cuts, GMD is waiting until the next fiscal year to see if there will be funds to hire a part-time replacement.

In response to Commissioner Moreland, Ms. Mierkowski distributed the City of Urbana's Home Improvement Programs flyer and reviewed those programs and the Whole House Rehabilitation Program. Commissioners Roof and Diana discussed sewer repair, reinforcement, and costs to install a new sewer line. Commissioner Diana noted the angles of some sewer lines may not allow preventative measures. Referencing a streetlight project initiated by residents in his neighborhood, Commissioner Roof encouraged these residents to be persistent.

Bishop Underwood stated the City code indicates the homeowner is responsible for the cost of repairing or installing a sewer line from the house to the main sewer. Commissioner Moreland questioned how the City could justify this ordinance. Chairperson Cobb said probably no one had opposed this or raised a serious concern. In response to Commissioner Moreland, Mr. Johnson described the boundaries of the affected neighborhood.

**Old Business:** None.

**New Business:** **An Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013 (Winter 012 CDBG Amendment)** – Ms. Mierkowski stated the amendment proposes to reallocate "Property Acquisition Demolition" funds (including carryover from previous years) and combine them with unprogrammed funds to "City Infrastructure Projects." The amendment also renames a Public Facilities and Improvements Project from "Neighborhood Sidewalks" to the "Lanore/Adams/Fairlawn Multi-Use Path."

The amendments were initiated at the request of the City. Ms. Mierkowski reviewed the eligible projects listed in the AAP and worked with staff to locate all possible carryover and unprogrammed funds. It was determined the Census Tract 53 Streetlighting project was an

eligible project. Using CDBG funds would then free up City funds for other City projects. Because of the change of scope and dollar amount, AAP amendments were required. This would also help with the timely expenditure of CDBG funds.

In response to Chairperson Cobb and Commissioner Bengtson, Ms. Mierkowski explained that funds were already in place for Neighborhood Sidewalks. The amendment changes the scope of work and increases the funding. The multi-use path would be used by pedestrians and bicyclists and also includes new lighting. Many persons already cut through this area on their way to Philo Road.

Commissioner Roof questioned the repurposing of the CDBG funds to displace current City funds. Ms. Mierkowski clarified the project, which includes City and Tax Increment Finance (TIF) funds, will cost over \$1,000,000. The City is using unprogrammed and carryover CDBG funds for only a portion of this project. Chairperson Cobb agreed the City had to have a purpose in mind for this request concerning the City funds. Commissioner Roof stated without knowing the City's plans for the funds, he could not approve the amendment.

While he agreed the CDBG funds were being allocated into an approved project, Commissioner Diana shared the same concern. He questioned why CDBG funds were being used for this particular project rather than Property Acquisition Demolition or another program. He was concerned this would diminish funds for property acquisition next year.

Commissioner Silvis inquired if the budget for the Census Tract 53 Street Lighting project was short of funds. Commissioners Diana and Roof noted the City is trying to free up City money. Mr. Johnson wondered why the City did not use funds from other projects to help Dr. Ellis subdivision with its sewer issues.

Chairperson Cobb asked about timeframes for using the CDBG and City funds. Ms. Mierkowski replied the Lanore/Adams/Fairlawn Multi-Use Path was on Monday night's City Council agenda, and the project would start soon. Public Works is still working on the bid packet for the CT53 Streetlighting project. Commissioner Diana believed these projects would still be done, regardless of funding. Ms. Mierkowski clarified the Lanore/Adams/Fairlawn Multi-Use Path was completely funded by CDBG.

Commissioner Silvis asked where the path was located. There was discussion on its location. Connie Eldridge mentioned that a citizen's annual request for this sidewalk has been included in the last several Annual Action Plans. Commissioner Moreland felt it was more important to use funds for the sewer issues rather than the multi-use path.

Referencing the fiscal impacts paragraph in the memorandum, Chairperson Cobb disagreed with the wording. He stated there was a fiscal impact to the City budget.

*Commissioner Roof moved that the CD Commission not recommend approval to City Council of an Ordinance Approving a Second Amendment to the City of Urbana and Urbana HOME Consortium Annual Action Plans FY 2011-2012 and FY 2012-2013 (Winter 012 CDBG Amendment).*

*Since the City requested this action, there should be an explanation on how the City funds would be used. Commissioner Bengtson seconded the motion. Commissioner Diana noted the fiscal impact statement in the memorandum was not entirely correct. If approved, there would be no fiscal impact. If not approved, there would be an adjustment of \$175,000. The motion carried unanimously.*

**Adjournment:** Chairperson Cobb adjourned the meeting at 8:10 p.m.

Recorded by Connie Eldridge

---

H:\Grants Management\CDC\CDC Minutes\2013\1-22-13 UNAPPROVED CDC Minutes.docx

**Attachment:** Request from Bishop King James Underwood and Dr. Ellis Subdivision Homeowners/Residents dated January 22, 2013

**UNAPPROVED**