

COMMITTEE ON ADMINISTRATION AND FINANCE

January 10, 1994

Committee Members Present:

Michael Pollock (Chairman), James Hayes, Marya Ryan, Clifford Singer, John Taylor, Joseph Whelan

Committee Members Absent:

None

Staff Members Present:

Bruce Walden, Jack Waaler, Bill Gray, April Getchius, Bill Schlieter, Bruce Stoffel, Mayor Satterthwaite, Phyllis Clark

Others Present:

Ken Beth, Bob Anderson, Theresa Grenier, Jim Payne, Esther Patt, Members of the News Media

Meeting Location:

City Council Chambers

There being a quorum, the meeting was called to order at 7:35 p.m. by Chairman Pollock.

Additions to the Agenda and Staff Report

Mr. Pollock requested that the order of the agenda after Minutes of Previous Meeting be changed as follows: Village Community Development Corporation Economic Development Review Bond Inducement Resolution; County Fringe Development Resolution; Annual Presentation by City Auditors; Informational Memo-Update on Railroad Right-of-Way; CHAS Discussion; Plan Case 1518-S-93-Wildberry Acres Subdivision; Sale of 1105 North Gregory; XL Settlement Agreement, Budget Amendment; WILL Alley Vacation. There were no objections.

Minutes of Previous Meetings

Mr. Singer moved to approve the minutes of December 13, 1994. The motion was seconded by Ms. Ryan and carried by a voice vote.

Village Community Development Corporation Economic Development Review Bond Inducement Resolution

Chief Administrative Officer Bruce Walden stated that staff recommends approval of a resolution authorizing the execution of a memorandum of agreement with Village Housing Corporation.

Ken Beth, Special Bond Counsel, explained the financing arrangements proposed and answered questions regarding the City's liability. Robert A. Anderson, a representative of Ice, Miller, Donadio & Ryan, answered questions regarding the bond issue and proposed memorandum of agreement.

Theresa Grenier, Village Housing Corporation, described the proposed project which could consist of 56 one, two and three bedroom apartments of which 40% would be available to low to moderate income families.

Mr. Whelan moved to send A Resolution Authorizing The Execution Of A Memorandum Of Agreement (Village Housing Corporation) to Council. The motion was seconded by Mr. Taylor and carried by a voice vote.

County Fringe Development Resolution

City Attorney Jack Waaler stated that the proposed resolution acknowledges budgetary implications for Champaign County when property is annexed by the City. He said the proposed agreement would provide compensation to Champaign County for ten years following annexation of a business if such business existed on January 1, 1994.

Mr. Singer moved that An Agreement Between The City And County Regarding Fringe Development And Annexation be presented to Council for consideration with the inclusion of Attachment A, a list of business/property addresses to which the agreement would apply. The motion was seconded by Mr. Taylor and carried by a voice vote.

Annual Presentation By Auditors

Chief Administrative Officer Bruce Walden presented the Comprehensive Annual Financial Report for the year ending June 30, 1993. He noted that the auditors submitted an extremely clean management letter.

Mr. Pollock pointed out that the document includes a Certificate of Achievement for Excellence in Financial Reporting for the 1991-92 report and commended the Comptroller and his staff for their efforts.

Informational Memo - Update on Railroad Right-of-Way

Jim Payne, representing the Conservation Group of Champaign County, addressed the committee in response to a memorandum from Ms. Getchius regarding railroad right-of-way disposition. He noted that projected costs of the project have increased by 213% since September which has increased the local share required to be raised by the Conservation Group from \$32,000 to \$69,860. In connection with the proposed survey costs, he questioned whether it would be legal or ethical to use donated funds for the purpose of transferring property to private individuals. Mr. Payne proposed that the conservation group undertake raising \$32,000 which would equal the local share of the project less costs of platting and surveying and that the grant application process be allowed to proceed while the funds are being raised.

Mr. Whelan emphasized his concern for the safety and security of residents in the neighborhood where the abandoned railroad property is located. He asked Richard J. Rebman, 1617 Ivanhoe Way, to share an incident where young men escaped police by running between two houses to the abandoned property. Mr. Whelan maintained that costs of purchasing the property for the purpose of conveying ownership to residents and costs of siting a bicycle path on the property are relatively comparable and raised the question of whether the solution proposed is better than granting security to residents of the neighborhood. He suggested that the City establish a program designed to set aside funds over a period of time to purchase the property and convey parcels to property owners.

Mr. Taylor moved that the Council proceed with implementing a Special Service District or a Special Assessment Program. The motion was seconded by Mr. Whelan.

After discussion, Mr. Singer moved a substitute motion to send to Council an agreement establishing a Rails To Trails fund for the purpose of accepting contributions for expenditures except surveying costs. The motion was seconded by Ms. Ryan.

The substitute motion failed by a voice vote.

The original motion for staff to begin the process of implementing a Special Service District or a Special Assessment Program failed 2-4 by roll call vote. Voting aye were Members of

the Council: Taylor and Whelan - 2; voting nay: Hayes, Pollock, Ryan and Singer - 4.

Mr. Pollock moved to send to Council a resolution authorizing approval of an agreement with The Conservation Group of Champaign County to raise the local share . The motion was seconded by Ms. Ryan.

Mr. Pollock explained that his motion's intent is for the conservation group to be responsible for raising funds including surveying costs.

Following further discussion, *the motion failed 3-3 by roll call vote. Voting aye were Council Members: Hayes, Pollock and Ryan - 3; voting nay: Singer, Taylor and Whelan - 3.*

Mr. Singer requested that Railroad Right-of-Way be placed on the agenda of the January 18, 1994 Council meeting. Mr. Whelan objected.

The Committee recessed at 9:40 p.m. and reconvened at 9:53 p.m. with all members previously in attendance still present.

CHAS Discussion

Esther Patt, C-U Tenant Union, addressed the Committee regarding the City's Comprehensive Housing Affordability Study (CHAS). She said the CHAS document contains very little that targets the truly poor and suggested that the City work with the Champaign County Housing Authority encouraging them to pursue federal funding for the community.

Mr. Pollock recalled that the City's CHAS was approved with the proviso that public comment would be held at a later time.

Community Development Manager Bruce Stoffel provided staff comments on themes that were raised in the public comment period of the CHAS process. He stated that the concern most often mentioned was affordability of rental housing in Urbana. He noted that federal funding of Section 8 housing provided through the Champaign County Housing Authority does not currently meet the need of the community. He mentioned that tax credit projects such as that proposed by the Village Community Development Corporation are important for low-moderate income housing and are encouraged in CHAS. He said the CHAS also recommends that the City become more involved in Housing Authority projects and programs.

Regarding leverage of funds, Mr. Stoffel said the CHAS includes a recommendation for the City to utilize federal funding differently than just providing direct services as has been done in the past.

Another subject raised during discussions was the role of other not for profit agencies in future housing programs. The CHAS recommendation is for the City to work cooperatively with such organizations and provide funding assistance, if possible.

Regarding funding, Mr. Stoffel stated that he anticipates stabilization of Community Development Block Grant funds in the next three to four years. The CHAS recommends establishment of a trust fund through repayment of rental rehab funds and that the City work with other municipalities and Champaign County in requesting a Consortium designation under the Home Program which could provide eligibility for federal funds.

Mr. Singer stated that two areas the City needs to address in connection with affordable housing is development of a comprehensive financial plan and breaking the poverty cycle.

Wildberry Acres Subdivision (Plan Case No. 1518-S-93)

In response to a question regarding the City's involvement in the subdivision approval, City Attorney Jack Waaler stated that if the plans meet the requirements of the City Land Development Code, the City is obligated to approve the plats.

Mr. Singer moved to send discussion of Wilberry Acres Subdivision to the January 24, 1994 Committee on Environment and Public Safety Committee for further discussion when the property owner can be present. The motion was seconded by Mr. Hayes and carried by a voice vote.

Sale of 1105 North Gregory

Mr. Singer moved to send an ordinance to Council that would authorize the sale of 1105 North Gregory Street to the Urbana School District. The motion was seconded by Mr. Whelan and carried by a voice vote.

XL Settlement Agreement, XL Budget Amendment

Mr. Pollock related that Mr. Walden has indicated that the XL topics should be discussed in closed session later in the meeting.

WILL Alley Vacation

Mr. Walden requested a policy decision on whether to waive a requirement for two appraisals to vacate an alley for the University of Illinois in connection with expansion of WILL Television studio.

Mr. Whelan moved to waive the requirement that two appraisals be obtained in the

vacation of an alley east of Goodwin Avenue between Clark and Main Streets and that Mr. Walden determine the amount of compensation to be paid by the University of Illinois. The motion was seconded by Mr. Taylor and carried by a voice vote.

Closed Meeting

Mr. Singer moved that the Committee go into closed meeting for the purpose of discussing probable or imminent litigation. The motion was seconded by Ms. Ryan and carried 6-0 by roll call vote. Voting aye were Members of the Council: Hayes, Pollock, Ryan, Singer, Taylor and Whelan - 6; voting nay: none

The Council went into closed meeting at 11:00 p.m. and reconvened at 11:35 p.m. with all Members previously in attendance still present.

Adjournment

There being no further business to come before the Committee, Chairman Pollock declared the meeting adjourned at 11:37 p.m.

Respectfully Submitted,

Sharon Menges, Secretary

**This meeting was broadcast on cable television