



MINUTES
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, September 24, 2002, City Council Chambers

Call to Order: Chairperson Cobb called the meeting to order at 7:10 p.m.

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

Commission Members Present: Fred Cobb, Chris Diana, Robert Lewis, Anne Heinze Silvis, Dennis Vidoni

Commission Members Absent: Alice Englebretsen, Michael Holly, Joanna Shisler

Others Present: Bob Grewe, Connie Eldridge, Mike Loschen, and Elizabeth Tyler, Community Development Services; Esther Patt, City Council; Steve Clark and Clyde Walker, Housing Authority of Champaign County; Dan Ohrstein, ADG, Ltd. (Architectural Design Group); John L. Johnson, Eads Street Development Corporation; Robin Barrow, YWCA.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the August 27, 2002 minutes. Commissioner Silvis moved to approve the minutes, and Commissioner Diana seconded the motion. The motion carried unanimously.*

Staff Report: Mr. Grewe briefed the CD Commission on the Eads at Lincoln Homebuyer Assistance Project. He mentioned the funding arrangement with Illinois Center for Citizen Involvement (ICFCI) before the housing component was spun-off from ICFCI. There were funds spent at the front end of the project. The Department of Housing and Urban Development (HUD) indicated predevelopment costs were acceptable as long as the project was completed. Mr. Grewe noted there was a gap between organizational changes and outlined the process by which the project will be completed.

This project was funded by HOME Community Housing Development Organization (CHDO) set-aside money. The Urbana HOME Consortium decided to update the Request for Proposals (RFP) for Eads at Lincoln Project. Mr. Grewe anticipated RFPs would be submitted by mid-October, and the CD Commission would review the agreement at its next meeting. After City Council approval, a CHDO would be under contract to finish the project.

There are fiscal impacts due to project delay and reorganization. Mr. Grewe anticipated that \$5,000 per house from Federal Home Loan Bank (FHLB) and \$5,000 per house from ICFCI was forfeited. Staff will investigate other sources (such as HOME funds) to bring the financial program back to the original offer for the clients. Commissioner Vidoni asked what other HOME funding was available. Mr. Grewe replied that funds set aside for other qualified CHDOs, property acquisition, or HomeBuild4 are potentially available in this Annual Action Plan.

Commissioner Vidoni asked how the exchange of lots between the Urbana School District and ICFCI affected one client. Mr. Grewe explained the situation caused her project to be delayed.

The City of Urbana had an initial understanding about lot disposition; however, ICFCI's client requested a lot set aside for the Urbana School District. The school district had exchanged lots in the past and did not wish to do this again. After considerable delay and continued requests, the Urbana School District eventually did exchange lots.

Chairperson Cobb asked about communication between City of Urbana staff and Mr. Johnson. Mr. Grewe described earlier dialogue with Mr. Johnson about the project being funded with CHDO money and that it must be completed by a CHDO. An organization must meet certain requirements to become a CHDO. Mr. Johnson's organization is not yet certified as a CHDO.

Chairperson Cobb was concerned about ICFCI clients who have not acquired a house and if they understood the situation. Mr. Grewe replied that the clients, banks and CHDO will be involved once there is general consensus on a plan for completion. Staff has been in contact with the banks so they may inform their clients. In response to Commissioner Lewis, Mr. Grewe said the lenders indicated there are two persons on the pre-approved waiting list. Commissioner Lewis thought there were more than two people on the list. In response to Commissioner Lewis, Mr. Grewe said the revised RFP will include expectations that CHDOs (1) assist all persons previously identified as clients, (2) provide credit counseling and homebuyer assistance, and (3) apply for extra subsidies. Commissioner Vidoni was concerned about clients who were affected by this change. He asked if staff had directly communicated with the clients. Mr. Grewe replied no, there has been communication with only one person. However, staff has talked with lenders and believed the lenders would pass the information to their clients. Staff will follow-up with the other clients.

Petitions and Communications: John Lee Johnson stated there are five approved clients in the Eads at Lincoln Homebuyer Assistance Program. Busey Bank initially underwrote the development with BankIllinois underwriting one client. There was no IHDA participation, only Federal Home Loan Bank (FHLB), HOME funds and ICFCI.

Mr. Johnson said if future CHDOs or subrecipients cease operations, there should be a plan to complete those projects. He felt there has been too much time discussing ICFCI's decision to cease activities and not enough time focusing on the clients. Mr. Johnson said this resulted in lost funding. When ICFCI decided to cease activities, Mr. Johnson stated there were only two avenues (1) to closeout the program, and (2) to build homes for the clients who were pre-approved by the lenders. He felt this was not done because there was no discussion with those who packaged the applications. Mr. Johnson felt a CHDO should have been approached to complete the Eads at Lincoln closeout. He stated all the components were in place for a CHDO to do this. Mr. Johnson said all materials and clients belonged to the City of Urbana; however, the City of Urbana did not ask for this. Mr. Johnson said when ICFCI decided to cease activities, the City of Urbana was responsible for the program. He added that government exists to serve the community and carryout the Consolidated Plan and Annual Action Plans.

Mr. Johnson noted that CHDOs must do the work first before a lender will release funds. He was concerned about how the loss of FHLB funds would affect the pre-approved clients. Also due to the funding changes, many clients may not meet the re-certification process and therefore not be able to build their homes.

Commissioner Diana asked if the lending institutions' participation was continuous or would be reviewed due to non-participation of ICFCI. He noted it is rare that funding is not conditional upon a package. Mr. Grewe replied that staff had contacted the banks, and the banks understood the situation. They are waiting for a new CHDO to take on the project. Also, Busey Bank had informed staff the FHLB funding had expired. In response to Commissioner Diana, Mr. Grewe affirmed that the local banks would participate. Noting the banks must be very proactive, Mr. Grewe felt the FHLB would consider funding another CHDO.

Ms. Tyler was also concerned about the clients who were in limbo. She stated it was ICFCI's decision not to pursue the Eads at Lincoln project, and now the City of Urbana must respond and change future funding for projects. The City of Urbana's priorities are completion of HomeBuild3, formulating a separation agreement with ICFCI, and proceeding with Eads at Lincoln project. The separation agreement involves disposition of funds, which HUD takes seriously. The City of Urbana will develop an RFP through an open process, and staff expects local CHDOs will be interested in the project.

Ms. Tyler said when a subgrantee suddenly decides not to continue its programs, there is a major impact. In response to Mr. Johnson's comments on responsibility, Ms. Tyler said ICFCI has always had responsibility for its programs. Ms. Tyler felt that earlier comments were not fair criticism, and she assured the commissioners that the projects will be completed.

Ms. Tyler added that HUD's upcoming training concerns firming up subrecipient agreements. She thanked commissioners for their patience and felt staff was making good progress in this transition period. The City of Urbana will continue to work with Mr. Johnson and those in the affordable housing business.

Referencing how the city relates to CHDOs, Commissioner Lewis suggested that all learn from this experience because it may occur again. He stressed the agreement should include appropriate language about contingencies so clients will not be left out. He felt the agreement should include language about transitions, and Ms. Tyler agreed. Noting the difficulties with the separation agreement, Commissioner Diana stated there should be better monitoring and exchange of information as the project proceeds. At any given point in a project there may be a need for an exit strategy.

Old Business: None.

New Business: **Presentation on Redevelopment of Lakeside Terrace Apartments** – Steve Clark introduced Dan Ohrnstein, ADG, Ltd. (Architectural Design Group) and distributed a Proposal for Lakeside Terrace Redevelopment Project dated September 24, 2002. A documentary video of the entire redevelopment process is being made. It will include meetings with residents, council and commission meetings, and the Housing Authority's bus trip.

Mr. Clark reviewed the presentation to the City of Urbana's Committee of the Whole on the demolition and redevelopment of Lakeside Terrace. The Housing Authority would need to develop 220 units to meet the City Council's criteria that 80 percent of the units be set aside for persons at or below 30 percent of median family income and to include a mixed income design. This proposal includes alternatives based on suggestions and comments from the Urbana City Council. Mr. Clark stated the proposal is a living document that will only grow; no options will

be deleted. It will reflect the starting point, the reasons for any changes, and the costs. He hopes to reach a consensus with City Council, the Community Development Commission and the Housing Authority.

Mr. Clark stated the Housing Authority is considering two different tracks for redevelopment. One is HOPE VI funding. It may not be feasible for the Housing Authority to provide a HOPE VI application by November 29 due to the significant changes to the Notice of Funding Availability. The Department of Housing and Urban Development (HUD) requires most financing to be in place. Because HUD will only allow one site, the Housing Authority must choose between Burch Village and Lakeside Terrace. Before submitting an application, HUD also requires a developer "on board." Mr. Clark stated that 14 developers took the Request for Qualifications (RFQ); however, only one responded and has been interviewed. Mr. Clark anticipated the Housing Authority Board would reach a consensus to negotiate contracts with the developer. Mr. Clark stated the developer is very well known and has successfully completed several mixed finance developments.

The second path to redevelopment is without HOPE VI funding. Mr. Clark stated the Housing Authority is committed to the redevelopment of both Burch Village and Lakeside Terrace. The developer felt that Lakeside Terrace had the most potential for redevelopment due to the attractive site, the park, etc. Mr. Clark mentioned removing any past stigma as the project moves forward. To make the project work, the Housing Authority may request tax exempt bonds from the City of Urbana's bond cap. If this is used, the Housing Authority is automatically eligible for four percent non-competitive tax credits. Mr. Clark stated the developer is the main equity partner in this project. He referenced the City of Decatur's HOPE VI project for 260 units at \$175,000 per unit. This included demolition, relocation of residents, land clearance, new infrastructure, etc. He felt it was helpful to compare projects in other communities.

The Housing Authority is very close to completing its five-year needs assessment. To use their capital funds (\$1.3 million per year) for a redevelopment project, the Housing Authority must assure HUD there are capital funds to care for properties that will not be redeveloped. Some Housing Authority properties need substantial work, so this will affect the amount of funds available. Mr. Clark explained how the Housing Authority could borrow funds by using part of the capital funds as collateral. Because this was not allowed before 1998, not many Housing Authorities have taken this path. However, Mr. Clark believed the Housing Authority would need to pursue this, with the five-year needs assessment driving the need.

Mr. Clark thanked the CD Commission for the \$40,000 grant of CDBG funds for architectural and engineering services.

Mr. Clark discussed the public meetings held with Lakeside Terrace residents. He described persons' reluctance to attend meetings at Lakeside Terrace after dark. The meetings started as focus groups and then have developed into a core group. He referenced the meeting schedule.

The Housing Authority sponsored a bus trip for its staff, residents, and City of Urbana staff. They toured the HOPE VI Madison Park Place in Springfield and discussed the project. At St. Louis the attendees toured a totally different HOPE VI project and went to a monthly steering committee meeting with city council, aldermen, and city staff from St. Louis. Their resident council sued concerning the number of replacement units provided by the redevelopment project.

This milestone in litigation occurred in the last 45 days. Mr. Clark felt the bus trip was very helpful.

The developer's Request for Qualifications (RFQ) are due on September 16. The Housing Authority plans to prepare basic financial analysis and options for plan alternatives by October 4. On October 14 Housing Authority staff will report to the Urbana City Council Committee of the Whole and return to City Council on October 22 to finalize their selected redevelopment alternative. If delayed, the schedule would be October 28 – Committee of the Whole; October 29 – CD Commission, and November 4 – City Council. Ms. Tyler suggested commissioners attend the October 14 meeting since the developer may be present.

Dan Ohrnstein with ADG, Ltd. gave a power-point presentation on the Proposal for Lakeside Terrace Redevelopment Project. He had presented the same information to the Urbana City Council earlier.

The current aerial map of Lakeside Terrace shows 99 row house units on a 9 acre site. This results in a density of 11 percent. The Department of HUD and the HOPE VI program prefer a density of five to seven percent for national averages. Any new redevelopment must reduce the current density.

Option A – This plan is for redevelopment without any land acquisitions except for two parcels of land to the north and west that are owned by the City of Urbana. Mr. Clark assumed the Housing Authority would receive those lots from the City of Urbana. There would be 55 housing units on 9 acres for a density of 6.1 units per acre. Mr. Ohrnstein said most of the surrounding area is single-family residences. The architects preferred to stay in context with single family housing by providing a mix of free-standing, duplexes and attached row housing.

Option B – This would require the acquisition of six properties to the north to Kerr Avenue. There would be 67 housing units on 10.6 acres for a density of 6.3 units per acre. Mr. Clark added the Housing Authority would have to acquire the single-family homes and relocate the residents. The City of Urbana currently owns two structures.

Option C – With the acquisition of one property to the north and east to Kerr Avenue, there would be 68 housing units on 11.1 acres with a density of 6.12 units per acre. One new road would be needed, and the housing mix would be similar to the other plans. There is no Don Moyers Boys and Girls Club in this or earlier options. Mr. Clark explained that children from the Boys and Girls club asked about the location of their club, which is currently on-site at Lakeside Terrace. Mr. Ohrnstein added that the architects realized the importance of the club at the last meeting with residents. He felt the club should be on-site.

Mr. Clark has personally talked with each landowner who might potentially be affected by the property acquisitions. He is getting appraisals on options to purchase and is pleased that everyone is willing to participate.

Option D – This option would require acquisition of seven properties to the north to Kerr Avenue. There would be 81 units on 12.7 acres for a density of 6.4 units per acre.

Option D1 – This is the preferred option. It is similar to Option D; however there is no connection to Cunningham Avenue. This would provide a cul-de-sac for elderly residents. Chairperson Cobb asked about the clear area next to the housing units. Mr. Ohrnstein explained this is a context plan that shows what is adjacent to Lakeside Terrace. Mr. Clark added the plans were superimposed on the aerial map. This option would acquire five properties north on Division to Kerr. There are vacant properties along Kerr that have been condemned by the city. Mr. Clark mentioned the possibility for another street and additional units. This plan may acquire and demolish eight structures.

Mr. Ohrnstein discussed the proposed types of housing units. Some units look like single-family residences; however, they could also be attached in different configurations. Some units included garages and some did not. The housing units will be constructed on a slab. At City Council's request to consider the footprint, the architects will review the units.

Mr. Ohrnstein stated that residents had mentioned several amenities: garages, private driveways, common parking areas, central air conditioning, front porches, washer and dryer hookups, and pre-wiring for home security systems. Residents wanted the public housing units to not be distinguishable from the market rate units.

Chairperson Cobb asked if ADG anticipated the need for on-street parking. Mr. Ohrnstein answered yes, there were street cuts for guests. Architects must abide by the City of Urbana's codes for two spaces per unit in addition to off-street parking. All neighborhoods have that requirement.

Some housing units had garages in front of the unit. Those were two story units with two bedrooms and a lofted area. Architects tried to incorporate the front porch idea.

Commissioner Diana inquired about the proportion of one, two, three and four bedroom units in the preferred site plan. Mr. Ohrnstein answered that the plan will focus on the mix later. The developer will also have ideas. Referencing market studies, Mr. Clark said the architect must design for the market and not necessarily for what is currently there. Commissioner Diana asked how the mix of housing units would compare to current capacity. Mr. Clark replied that the mix would accommodate the current families. He added that most families would not return to the redeveloped property. Mr. Clark anticipated most units to have two to three bedrooms with some four-bedroom units. There may not be a market for the one-bedroom units. The Housing Authority is working with PACE and other agencies concerning housing needs.

Commissioner Diana remarked that if two parking spaces are provided per unit, the parking near the three and four-bedroom row houses would quickly become crowded.

Commissioner Diana asked why the Housing Authority had such a low response on its RFQ. Mr. Clark planned to contact each developer after the Housing Authority makes its selection. He supposed the size of the development, potential profit, and willingness to proceed without HOPE VI were all factors. Commissioner Diana replied that those sounded like logical reasons and requested feedback.

Commissioner Vidoni asked what was the Housing Authority's contingency plan if it had not received any proposals. Mr. Clark answered the Housing Authority would go in-house with

local developers and current staff. He did not think this was the most desirable process, because HUD looks at capacity and past accomplishments. There is a need to bring in a developer with a good history. The Housing Authority could better accomplish redevelopment with a good developer who has a good track record.

According to Mr. Ohrnstein, the architects' impression was that the area was mostly single-family residences. The photo survey of the perimeter shows two exceptions: apartment units east of Park Street and other apartments nested into Lakeside Terrace. Mr. Ohrnstein stated the architects tried to incorporate comments by the City Council. The following options are the result:

Revised Site Option A – This would eliminate all single-family units and create row housing. There would be 72 units on 9 acres for a density of 8 units per acre. This would include the Boys and Girls Club, parking and green space.

Revised Site Option D – There would be 105 units on 12.7 acres for a density of 8.2 units per acre. The site layout would be the same for the roads, which are dictated by the slopes and valleys. The majority would be attached row housing with some duplexes and triplexes. In response to Ms. Tyler, Mr. Ohrnstein said the current density is 11%. Ms. Tyler noted this option would reduce the density by about 25%. Mr. Ohrnstein agreed.

Revised Site Option D1 – This is similar to Option D1 with no connection to Cunningham Avenue. There would be 100 units on 12.7 acres with a density of 7.8 units per acre. This would include the Boys and Girls Club, and Habitat for Humanity would build homes. Mr. Clark added that the Housing Authority has had two meetings with Habitat for Humanity. The Housing Authority wants to involve different groups and incorporate their ideas. The Housing Authority will develop a memorandum of understanding with Habitat.

Commissioner Lewis asked if there were any geological concerns regarding site development that would change the configuration of the houses. Mr. Clark replied that there is a flood plain area along the creek. The architects are keeping the housing units away from it. The plan is to survey the flood plain, divorce it from the project and deed it as an out-lot. Mr. Clark mentioned there is also a property with significant fill that was not properly compacted. It will be more costly to develop on that property. Commissioner Lewis asked if the Housing Authority has started the Phase 1 Environmental. Mr. Clark answered no, since the Housing Authority did not have control of the property. The Housing Authority has received clearance from the State Housing Historic Preservation Office. The Housing Authority is conducting its own Phase 1 and submitting that to HUD. He did not anticipate needing Phase 2 on this site.

Mr. Ohrnstein explained the Lakeside Terrace Revised Context Plan shows a revised site plan of 105 units in relation to the surrounding neighborhood. This includes the Boys and Girls Club. The last page of the proposal shows an example of the row houses, which are comprised of the individual units mentioned earlier. To meet City Council's requests, the architects will compress the units, review how they are attached to each other, and consider how they lay on the site.

Mr. Clark mentioned Councilperson Whelan's remarks about the type of housing in which he grew up. Mr. Clark said this is a different era with different marketability.

The Housing Authority has considered comments from citizens who cannot afford similar quality of housing. The Housing Authority is contemplating what changes can be made so the units will not appear so palatial. However, Mr. Clark believed the Housing Authority's goal is for public housing to not be so obvious. The redevelopment will need to be consistent with other market rate housing in this time. He was concerned with Habitat for Humanity's strict rules that would make their housing stand out. While the Housing Authority is reviewing modifications and what is possible, it must still be consistent with marketability. There will be a great degree of private money invested, and this project must work for the broader community. Mr. Clark stated this is a fluid process and requested input from the CD Commission. After working with the developer and funding sources, the Housing Authority will recommend an option and request funds.

Commissioner Diana wondered if the Housing Authority has contacted the mass transit district concerning changes or access to the area. Mr. Clark answered no. Once there is a consensus on the project, the Housing Authority will consider off-street pullovers for loading and unloading buses. Mr. Clark has talked with the Urbana School District because acquisition, demolition and relocation will impact the schools. The Housing Authority will also talk with Champaign County. At this point the focus is to reach a consensus with the Housing Authority and the City of Urbana.

Commissioner Vidoni asked why the density was being increased. Mr. Clark answered the purpose was to replace as many of the to-be-demolished units as possible. The Housing Authority is committed to meeting the criteria set forth by the Urbana City Council. The subsidy needed to do this will drive the process. It is very costly to house the poorest of the poor. It will require a substantial subsidy to provide housing for 80 households at 30 percent or below of median family income. The Housing Authority is committed to providing a scenario that meets this requirement without a resulting heavy concentration of poverty. HUD will not allow this. Currently there is a de-concentration regulation in effect. It may require 220 units to get the proper mix of mixed income housing units. One way to lower this is to buy and rehabilitate existing housing in the community to add as permanent housing units. Another challenge is finding vacant property to build on. The Housing Authority will need the City of Urbana's assistance to achieve this.

Commissioner Vidoni remarked that the Housing Authority was trying to balance maximum housing units for affordable housing that is also saleable and meets other criteria. He sensed the Housing Authority was not as excited about the last proposal. Mr. Clark disagreed and felt the street elevation of the townhouses was attractive. However, it was not consistent with other neighborhood housing. While he believed this option would work, his concern was whether persons with a mix of incomes would want to live there. Commissioner Vidoni asked if Mr. Clark was comfortable with this option. Mr. Clark replied this was a higher density than he would prefer. The developer will provide very direct input since they will be providing a considerable amount of equity. Mr. Clark stressed finding the middle ground.

Commissioner Vidoni asked Mr. Ohrnstein if he was comfortable with the increased density. Mr. Ohrnstein felt the townhouses would be nice; however, the row houses are different than the surrounding neighborhood. He believed the Housing Authority's and HOPE VI's vision is to create housing that blends into the neighborhood. It should not be easily identified as another public housing site. Mr. Ohrnstein stated the project could be done; the question is should it be done. He suggested slightly increasing the density and being more sensitive to placement of

single-family homes. When comparing the two plans, Commissioner Vidoni felt the options went from one extreme to another. Mr. Ohrnstein agreed and hoped these meetings would find the middle ground.

Chairperson Cobb inquired how much influence potential residents would have on the redevelopment. Mr. Clark responded that residents have been involved with all public meetings. The Housing Authority has tried to include the residents' input, and they presented the options to the residents at the last meeting. Mr. Clark believed the residents are pleased with the plans because they are comparing them to the current situation. He felt the residents might look at the options differently since they have not seen the plans for the heavier density. Even so, Mr. Clark felt they would like the appearance of the units. The Housing Authority is incorporating most amenities (washer and dryer hookups, larger kitchens, larger closets) that residents requested. The Housing Authority Board of Directors has the final decision because they must make the guarantees. Mr. Clark's goal is for the many entities involved to reach a consensus. He stated the City of Urbana is the most significant partner. The Housing Authority and the City of Urbana must be in full partnership, so all are comfortable and the project can proceed.

Chairperson Cobb asked if the purpose was to eliminate opposition. Mr. Clark responded yes; the Housing Authority's goal is to reach consensus. The Department of HUD is concerned about opposition to projects. Everyone who has a stake in the project needs to be a player.

Chairperson Cobb restated the goal as the highest number of units with the least amount of opposition to that number. Mr. Clark said the Housing Authority is committed to meeting the goal listed in the City of Urbana's Consolidated Plan. The bottom line will be financing. There are specific sources of funds, and the question is can the City of Urbana afford the gap? The requirement is being placed on this development by the City of Urbana. The Housing Authority is in the housing business and would like to increase the number of units. The bottom line is the degree of subsidy because persons at or below 30 percent of median family income cannot pay very much rent.

Ms. Tyler summarized the considerations as: density, number of units that can be provided, the number of units to replace the goal of 80. She estimated that with 100 units, 40 would represent the replacement units. The City of Urbana's decision point will be the subsidy required to reach the 80 units. This will affect funding of other programs, and there will be tradeoffs with other housing needs. She suggested there might be a tradeoff among desirable density, locations, or unit types. The process will continue until all find a proposal that works.

Remembering a visit to Lakeside Terrace a few years ago, Commissioner Silvis asked if residents were considering density. She had talked with one resident whose concern was the large number of people in and around the apartments. Commissioner Silvis felt the last configuration of row housing represented what the resident did not like. Mr. Ohrnstein said it was a closer living arrangement but it could still be nice. Each unit will have its own address plus front and back sidewalks to the street and the parking area. Commissioner Silvis agreed it could be nice; however, she wondered how easy it would be to market higher end units with increased density. Mr. Clark discussed targeting a mix of incomes. He mentioned current problems in public housing and avoiding concentrating poverty. A good mix of incomes will help prevent some of the current problems. The Housing Authority is trying to change the social fabric along with the housing. The Housing Authority is more concerned with marketing the

Burch Village site than Lakeside Terrace. Mr. Clark stated this is also a social issue, and there are known factors that create some of the ills in public housing today. However, there are good success stories across the country. The higher density can work but will need more attention and management. There will be higher standards to re-enter the properties. The equity partners who are investing millions of dollars will have ideas on making this succeed.

Concerning the revised plan with higher density, Commissioner Diana said the housing units, sidewalks, and parking will result in less green space. Yards and neighborhood access will disappear. There will be a substantial number of children, school buses, mass transit, and traffic. There is a potential safety problem because children will play in the streets. Commissioner Diana understood the desirability for a higher number of units; however, he concurred the higher numbers can defeat what everyone is trying to accomplish.

Staff Report continued: Mr. Grewe discussed the Performance Measurement Workshops for organizations to measure the effectiveness of their programs. He also updated commissioners on Analysis of Impediments to Fair Housing, FY 2002-2003 Annual Action Plan Amendments, Federal Home Loan Bank Funding, HUD monitoring, Consolidated Annual Performance and Evaluation Review (CAPER). UCAP will help fund tents, food, etc. at the Fall Neighborhood Cleanup.

Mr. Grewe noted that AssistUrbana provided 22 home loans totaling \$1.5 million. The IHDA HELP Program did not do any loans. The IHDA Below Market Rate (BMR) program pre-qualified three loans but did not close on any. Mr. Grewe briefly discussed the homebuyer programs and added that staff needs to analyze why lenders are not using the IHDA programs. Commissioner Lewis supposed that instability within companies and the general economy has a negative impact on making substantial commitments. In response to Commissioner Silvis, Mr. Loschen said the IHDA HELP program was only for conventional loans, not FHA or VA loans. Most first-time homebuyers use FHA loans. Commissioner Diana asked why the IHDA BMR pre-qualified loans did not close. Mr. Grewe mentioned IHDA requirements and the banks' participation. Commissioner Diana felt clients might apply and qualify for both programs and then chose one.

Mr. Grewe announced the Urbana School District's meeting at King School on October 5 to discuss a school construction program. There could be discussion to integrate a neighborhood center. Mr. Grewe has been attending neighborhood meetings on the King Park Community Center. The neighborhood group seems to want the community center to be a separate project. Ms. Tyler said the Urbana School District recently received an Illinois First Grant for expansion of King School. One consideration is whether there is an economy of scale to bring a multi-purpose community room into this construction process. Ms. Tyler felt this would be more achievable than a separate project. The other consideration is who will operate the neighborhood center. This is an exploratory opportunity among the Urbana School Board, Urbana Park District, City of Urbana, and citizens.

Commissioner Silvis discussed the Urbana School District's renovation of Leal School. Leal now has a community room with a kitchen and a separate entrance that is used as a lunchroom during the day.

Ms. Tyler said that the King Community Center should be a large adaptable multi-purpose room for athletics, after-school activities, and also include a stage. Commissioner Diana asked if there have been discussions about appropriate activities on school property. Commissioner Lewis mentioned past activities at King School were teen dances, senior dances, and meetings. He said it was the neighborhood's consensus there was little dialogue until recently among the Urbana Park District, Urbana School District and City of Urbana concerning activities. There was no agreement on who would run the center, pay for utilities, etc. The neighborhood community then bowed out and chose to focus on a separate facility.

In response to Ms. Tyler, Commissioner Lewis clarified this project has been discussed for a very long time. The neighbors have been discouraged about the lack of continuity among the government bodies. Ms. Tyler agreed that a lot of time has gone by; however, she added that now the school district is extending an invitation to the community, the city and the park district. Ms. Tyler felt it is an unfortunate time for the neighborhood group not to participate. According to Commissioner Lewis, neighborhood residents felt the project was too complex when the different government bodies were involved. Also, residents were not involved in all dialogue among the entities. He said it is very difficult for a community group to have access to all the data. Noting there were three different government entities, Ms. Tyler said the community group's role would be to demonstrate the need, desire and community support. Commissioner Diana added this project has been on the table for a number of years, and the school district and park district had not come forward until this time.

Mr. Grewe announced HUD's Technical Assistance orientation meeting on September 30, 2002. ICF Consulting will conduct an assessment of the Urbana HOME Consortium. There will be plans for future technical assistance to improve operations. In response to Commissioner Vidoni, Mr. Grewe said that termination agreements would be discussed.

Adjournment: Chairperson Cobb adjourned the meeting at 9:29 p.m.

Recorded by Connie Eldridge