



APPROVED by CD Commission 4-6-04
MINUTES
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, February 24, 2004, City Council Chambers

Call to Order: Chairperson Cobb called the meeting to order at 7:02 p.m.

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

Commission Members Present: Fred Cobb, Robert Lewis, Carl Perry, Nancy Quisenberry (arrived 7:05), Joanna Shisler, Anne Heinze Silvis, Umesh Thakkar, Dennis Vidoni

Commission Members Absent: Chris Diana

Others Present: Bob Grewe, Karen Rasmussen and Connie Eldridge, Community Development Services; Wendy Sage, Developmental Services Center.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the January 27, 2004 minutes. Commissioner Thakkar moved to approve the minutes, and Commissioner Lewis seconded the motion. The motion carried unanimously.*

Commissioner Thakkar asked if commissioners raised the issue about a community computer center at Lakeside Terrace during the Joint Study Session with City Council on January 28. Chairperson Cobb replied that the issue was not specifically raised. Commissioner Thakkar was concerned that the Community Development (CD) Commission's concerns were not addressed. Commissioner Silvis noted the timing was not right and suggested finding a more effective way to present the issue. Chairperson Cobb commented that the CD Commission's concerns on infrastructure needs at Lakeside Terrace were important.

In response to Chairperson Cobb, Mr. Grewe stated that the City Council received a copy of the CD Commission minutes. He did not believe there was any action.

Chairperson Cobb asked for approval or corrections to the January 28, 2004 Joint Study Session minutes. Commissioner Shisler moved to approve the minutes, and Commissioner Vidoni seconded the motion. The motion carried unanimously.

Petitions and Communications: None.

Staff Report: Mr. Grewe announced that City Council approved the Urban League's CHDO Agreement for the Lease-Purchase Program.

Ed Bland, Executive Director of the Housing Authority of Champaign County, had provided a video on redevelopment of public housing for the CD Commission to view. Commissioners watched the video, *HOPE VI: A Promise Realized*. Mr. Grewe noted this video is also airing on

UPTV. Last year staff from the Housing Authority and City of Urbana visited HOPE VI communities.

Mr. Grewe briefly reviewed the City Council packet information on the Proposed Redevelopment Alternatives for Lakeside Terrace. Included were answers to earlier questions, additional information, and a new proposed alternative that built in more flexibility. The Housing Authority's voucher system and resources are essential. A development agreement with the Housing Authority is a good step to creating this framework for future redevelopment planning efforts. City staff is charged with creating this document. He noted the City of Urbana wants enhanced levels of surety that certain things would happen. However, there are many constraints within the federal environment.

Commissioner Shisler requested a copy of the minutes from the February 23, 2004 Committee of the Whole meeting.

Commissioner Lewis noted that the federal government rewards collaboration among different entities. Chairperson Cobb asked about adjustments to the time schedule. Mr. Grewe mentioned the timing was not as critical now since the tax credit application will now be submitted in December. He anticipated the redevelopment would continue moving forward.

Commissioner Vidoni asked what was the CD Commission's next role in the Lakeside Terrace Redevelopment Project. Mr. Grewe answered that the pending Annual Action Plan, which is scheduled on March's agenda, would have bearing on this. Also subsequent development agreements will be routed through the CD Commission. Commissioner Vidoni mentioned City Council's discussions to divert Community Development Block Grant (CDBG) and HOME funds to the Lakeside Terrace Redevelopment Project. He stated this would not provide diversity for Grants Management Division staff and the community as a whole to participate in CDBG and HOME funding. Although there is good rationale for both sides, Commissioner Vidoni felt that funding only one major activity would lose synergy for other city programs. He preferred to maintain the current programs for the greater good.

Commissioner Lewis mentioned the rationale for funding one major project and added this would encompass and solve many general housing issues. Mr. Grewe said that Councilperson Patt referenced last year's Annual Action Plan about producing housing units, which would count toward replacement units. He added this was a potential "not a given." Commissioner Lewis said that although the Community Housing Development Organizations (CHDOs) could not do the entire redevelopment, they had potential to add to the housing stock. Commissioner Vidoni thought this would be possible; however, he felt this was a big leap and is concerned about net gains. Commissioner Lewis expected critical planning and specific timelines to be in place. He felt the City of Urbana should contribute funds in order to have a voice in the redevelopment.

Chairperson Cobb agreed there were opportunities within the redevelopment process and asked city staff to identify and advertise those opportunities to the CHDOs. Mr. Grewe agreed there were opportunities; however, the City of Urbana might have to forego other capacities. The course of budgeting and planning will sort this out.

Commissioner Vidoni inquired about reconfiguring funds and incorporating CHDOs and staff to continue with current activities. He was concerned about shifting funds rather than seeking out additional funding. Commissioner Lewis responded that the Housing Authority was looking for other funding opportunities and noted the CHDOs also had opportunities to seek other funds.

Commissioner Shisler requested a color graph for Alternative 4 and asked about another study session. Mr. Grewe said that a development agreement would be the next item for consideration. He felt there would likely be another study session to brief commissioners on all tools, vouchers, etc. Commissioner Shisler questioned the CD Commission's weight in this matter and asked how to let City Council know of their concerns. Mr. Grewe responded that the CD Commission is an advisory commission to the City Council and may advise through memos, analysis and presentations. Commissioner Shisler requested data on the number of families in Champaign County under 40, 50 and 60 percent Area Median Income (AMI) to compare with the number of units being allocated. Mr. Grewe noted that the University of Illinois student population affects local demographics.

Commissioner Thakkar requested that future study sessions be announced a few weeks in advance and be held on the same date as CD Commission meetings. Mr. Grewe responded that in the past some meetings have been scheduled before the regular CD Commission meetings.

Commissioner Vidoni requested a copy of the Alternative 4 spreadsheet and the resolution before City Council. Mr. Grewe will e-mail this when the packet information is created.

Commissioner Thakkar asked if City Council received and reviewed CD Commission minutes. Chairperson Cobb requested that City Council respond to the issues raised in the CD Commission minutes.

Concerning the Annual Action Plan, Mr. Grewe shared Councilperson Patt's perspective that some of the city's longstanding programs might be revisited. Some programs may not have the same impact that other uses of the money might provide.

Mr. Grewe noted that the Annual Action Plan is due at the Department of Housing and Urban Development (HUD) by May 15. Although HOME funding increased by \$1,900, Mr. Grewe said that HOME funds come with "HOME strings attached." The Urbana HOME Consortium received additional funds for the new homeownership program, American Dream Downpayment Initiative, and is considering how to run this program. Staff will attend the HUD workshop in June to learn more about this program.

Mr. Grewe described the HOME setasides, with the remainder prorated between the City of Champaign, Champaign County and the City of Urbana. If the City of Urbana keeps the owner-occupied Whole House Rehabilitation Program, then \$132,000 is available for new programming and property acquisition.

CDBG funding was reduced by \$12,000. After setasides, there is a remainder of \$367,000. If the City funds the same programs as last year (Emergency Grant, Access Grant, Senior Repair

Service Programs) the remainder is \$88,000. Mr. Grewe noted that the Sunset Drive project has been delayed for sometime. Illinois Center for Citizen Involvement (ICFCI) built homes on Sunset Drive, and the street needs curbs and gutters.

Mr. Grewe announced that HOME and CDBG applications are due March 11. The Urbana HOME Consortium will meet regarding disposition of HOME funds. There is a possibility that the CD Commission will need to have a special meeting in April.

Mr. Grewe mentioned the Affordable Housing Fair, Habitat for Humanity's Open House, closeout of the Eads at Lincoln subdivision, and recruitment for a new HOME Grants Coordinator. In response to Commissioner Thakkar, Mr. Grewe said the Affordable Housing Fair, which is sponsored by the Champaign-Urbana Community Reinvestment Group, is held once a year.

Commissioner Thakkar also requested the minutes from the Housing Authority concerning on the Don Moyer Boys and Girls Club at Lakeside Terrace.

Old Business: Commissioner Thakkar suggested inviting residents from Lakeside Terrace to the CD Commission meetings. In response to Commissioner Quisenberry, he wanted residents to share their thoughts from the Housing Authority's meeting on March 19. Karen Rasmussen indicated that she would attend the Housing Authority's meetings for Lakeside Terrace residents, invite residents to the CD Commission meetings, and report to the commissioners. Commissioner Shisler will also try to attend these meetings to get more familiar with the issues. Commissioner Quisenberry remarked that commissioners must consider the residents' schedules. Commissioner Perry asked about the turnout and resident participation at the last Lakeside Terrace meeting. Ms. Rasmussen did not attend that meeting.

Commissioner Thakkar suggested inviting local artists to create a collage representing the community's cultural diversity for the wall in the City Council Chambers. Chairperson Cobb noted that the City Council would need to make this decision. Mr. Grewe mentioned that city administration should also be involved, and that there were many issues to consider. Chairperson Cobb said this should be an agenda item for the next meeting.

New Business: **CDBG Consolidated Service Funding as part of the Consolidated Social Service Funding Pool** – Ms. Rasmussen explained that federal regulations permit a maximum of 15 percent of CDBG funds to be used for public service activities. The City of Urbana does not have to allocate this, but Urbana chooses to do so. \$50,000 is to support the City's Transitional Housing Program, and \$15,000 is for Neighborhood Cleanup in the spring and fall. This leaves a balance of \$20,000 for the Consolidated Social Service Funding Pool, which also includes City of Urbana general funds and Cunningham Township funds. Applications will be available March 15 and are due April 16. Ms. Rasmussen asked the CD Commission to set funding priorities. The list of priorities remains the same, but the order of the priority may change.

CDBG funds are currently used to fund a staff position at Don Moyer Boys and Girls Club (youth) and to fund job training for the developmentally disabled through the East Central

Illinois Food Bank (special needs and job training). After City Council approves the grant applications, Ms. Rasmussen reviews them and selects applications for CDBG funding based on the CD Commission's priorities. Commissioner Perry asked if last year's order of priorities was effective and successful. Ms. Rasmussen answered that she was able to fund the first two priorities—one for youth and one for job training. Commissioner Thakkar asked if there were any applications for community facilities. Ms. Rasmussen answered no. Mr. Grewe noted that the biggest funding constraint was the limited amount of money.

Chairperson Cobb asked if an organization that received past funding would automatically receive funding this year. Ms. Rasmussen explained that City Council and Cunningham Township Board usually fund certain programs every year. She added that there are more requests than available funds. Commissioner Quisenberry inquired if staff will only accept applications for the funding priorities. Ms. Rasmussen answered no, the agencies submit applications based on their program needs. The CD Commission's priorities are used to determine which programs might be funded under CDBG. Because CDBG public service funds and Cunningham Township funds have restraints, some programs are funded with City of Urbana general funds.

Commissioner Quisenberry wondered if the City received requests for getting rid of lead based paint. Ms. Rasmussen replied no, the requests are for social service programs. In response to Commissioner Thakkar, Ms. Rasmussen said that infrastructure was a capital improvement project and would need to be funded under CDBG or HOME Program funding. In response to Commissioner Thakkar, Ms. Rasmussen said that job training is under economic development. Construction of a community facility would be under public facilities, while public service funds could be used for operating or programming. Commissioner Lewis mentioned past discussions on community centers and facilities for training. Ms. Rasmussen explained for a building to be built or rehabilitated with CDBG funds, that facility must be a public facility and be open to the public during general operating hours.

In response to Commissioner Shisler, Ms. Rasmussen said a job training program would be listed under public service. Commissioner Shisler wondered if there were any needs identified last year or if there were any areas that the City could not provide funding. Ms. Rasmussen replied no; public service monies have traditionally funded many youth activities and job training programs. Most were educational or recreational and were for youth.

Referencing Hispanic communities, Commissioner Thakkar wondered about training for cultural diversity. Ms. Rasmussen described a new umbrella organization for the Latino community and noted that she is the City of Urbana's representative. The group is drafting by-laws and nominating officers. She anticipated the group would request funding next year to provide a telephone line so Latinos may call for information.

Chairperson Cobb inquired if the anti-poverty strategy would include seniors. Ms. Rasmussen answered yes, although it would depend on which programs apply. Because there have been reductions in volunteer transportation for seniors, she anticipated several agencies would apply for funding for these programs.

Chairperson Cobb suggested including seniors under anti-poverty strategy. Commissioner Thakkar preferred to separate the priorities while Commissioner Shisler suggested including it. Commissioner Silvis remarked that having many priorities for a limited amount of funding did not make sense. She suggested having only two priorities to give staff direction. Commissioner Silvis asked (1) what are the community needs, (2) what is an effective use of funds, and (3) what are the most critical needs. She then suggested anti-poverty and homelessness. Commissioner Perry asked if this would eliminate the staff position at the Don Moyer Boys and Girls Club. Ms. Rasmussen answered no; if City Council decided to fund this, the program would be eligible under city or township funds.

Discussion continued on whether to include youth, families and/or seniors under the anti-poverty strategy. Commissioner Lewis suggested being less specific to allow for more flexibility. Commissioner Silvis remarked that if there were only two priorities, they should be more flexible. In response to Commissioner Lewis, Ms. Rasmussen noted the homelessness setaside of \$3,000 is a necessary match to purchase the Homeless Information System. The program did not receive renewal funding, so the Cities of Champaign and Urbana must provide funding.

Commissioner Thakkar requested that youth and families be included under the anti-poverty strategy. Ms. Rasmussen noted that the Consolidated Plan includes a strategy for youth but not families. Chairperson Cobb suggested having two strategies and including youth. He noted there was consensus among the commissioners at this point.

Commissioner Silvis moved to recommend to City Council that the priorities for the CDBG Consolidated Service Funding be antipoverty and homelessness, with an emphasis on youth. Commissioner Thakkar seconded the motion. The motion carried unanimously.

Amendment to a Community Development Block Grant Subrecipient Agreement (Disabled Citizens Foundation Project No. 0304-06) – Mr. Grewe explained the Disabled Citizens Foundation is a fund raising branch related to the Developmental Services Center (DCS). The City and DSC have discussed the rehabilitation of a large employment training facility. The CD Commission approved an investment of \$99,172 of FY 2003-2004 CDBG funds for this project. The standard agreement was recently executed with an understanding that it would be amended to allow more time for the Developmental Citizens Foundation to put their financing in order.

Wendy Sage said that DSC was requesting an extension of their agreements with the Cities of Champaign and Urbana. DSC is also negotiating with lenders to fund the remainder of the project since the \$300,000 grant from Illinois First funds has not been released. DSC wants to move forward with the rehabilitation project so it will not forfeit funding. DSC has also been soliciting other foundations for funding; however, the Developmental Services Foundation plans to debt-finance the remaining \$500,000 to renovate the facility.

Chairperson Cobb asked what would happen if the Developmental Services Foundation received too much money. Ms. Sage answered there are estimates on the renovation costs. If they received the Illinois First funds after debt-financing it, she was not certain what the foundation would decide. Mr. Grewe added that the City of Urbana has prorated its share to 10 percent ratio of funding just in case there is a windfall.

Commissioner Lewis asked if there were any other issues. Mr. Grewe answered that timeliness is always a consideration. Currently the City of Urbana does not have any timeliness issues with HUD. The City is planning to do some property acquisitions in the near term. In response to Chairperson Cobb, Mr. Grewe noted this project and the Center for Women in Transition's project were on similar timelines. There should be no timeliness issues.

Chairperson Cobb inquired if the Disabled Citizens Foundation would inform the City of Urbana if it received extra funding. Ms. Sage noted that DSC does a quarterly report and would inform the Cities of Champaign and Urbana about any extra funds. Mr. Grewe added that DSC is in contact with city staff.

Commissioner Quisenberry moved to recommend to City Council approval of the Amendment to a Community Development Block Grant Subrecipient Agreement (Disabled Citizens Foundation Project No. 0304-06). Commissioner Shisler seconded the motion. The motion carried unanimously.

Adjournment: Chairperson Cobb adjourned the meeting at 8:38 p.m.

Recorded by Connie Eldridge

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