



*APPROVED with corrections by CDC 10-25-05*  
**MINUTES of RESCHEDULED REGULAR MEETING  
COMMUNITY DEVELOPMENT COMMISSION  
Tuesday, August 2, 2005, City Council Chambers**

**Call to Order:** Chairperson Cobb called the meeting to order at 7:06 p.m.

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

**Commission Members Present:** Fred Cobb, Nancy Quisenberry, Joanna Shisler, Anne Heinze Silvis, Umesh Thakkar, Dennis Vidoni

**Commission Members Absent:** Chris Diana, Theresa Michelson

**Others Present:** Erin Bullok, Randy Burgett and Connie Eldridge, Community Development Services.

**Approval of Minutes:** *Chairperson Cobb asked for approval or corrections to the June 28, 2005 minutes. On page 3, last paragraph, Commissioner Thakkar said the sentence should read, "Ms. Bullok shared with commissioners that the Intergovernmental Agreement for the HOME Consortium is a three year agreement, and it is still current and valid." Commissioner Shisler moved to approve the corrected minutes, and Commissioner Quisenberry seconded the motion. The motion carried unanimously.*

**Petitions and Communications:** None.

**Staff Report:** Ms. Bullok distributed a correction to the agenda and a resolution amending the Housing Rehabilitation Program Guidelines. She stated that adopting the Rehabilitation Manual required a resolution rather than an ordinance. Also, the Rehabilitation Specialist/Technician Services contract with Urban League did not need a resolution. It was sufficient for the Community Development (CD) Commission to approve the contract, and the mayor to execute it.

Ms. Bullok distributed and reviewed the staff report memorandum. On July 6-7, 2005 Nora Mackin, from the Department of Housing and Urban Development (HUD) in Chicago, monitored the City of Urbana's Supportive Housing Program (SHP), specifically the *Homeless Families In Transition Program*. The City of Urbana is the grantee; agency sponsors are A Woman's Place (AWP), Center for Women in Transition (CWIT), and the Salvation Army. The audit and review went smoothly, and Ms. Mackin made suggestions to improve program delivery and financial tracking. HUD will provide an official letter 45 days after the visit, and the City of Urbana will then learn if there are any concerns or findings. Ms. Bullok noted that a concern, which is a recommendation, is not as serious as a finding. A finding means that HUD will require corrective action. Ms. Bullok believed there would be one finding for documentation. Ms. Mackin has indicated that she is not interested in punitive action; however, she is requiring a better documentation process from this point forward.

On July 18-20, 2005 Amy Hudson-Davis, from HUD in Chicago, monitored the Community Development Block Grant (CDBG) and HOME Programs. This was a more comprehensive monitoring visit that HUD does every three years for all grantees. The exit conference will be a conference call later in the week, with HUD's official letter due in 45 days. This was a productive visit, and staff received feedback on the City's programs.

On July 29, 2005 Ms. Bullok noted that the CD Commission held site visits at Center For Women In Transition and A Woman's Place. The tour of CWIT included two buildings currently in use and the new building under construction. Rooms in the new building will be finished and furnished by volunteers and sponsor organizations. During the tour of AWP, it was revealed that AWP was among the first, if not the first, domestic violence shelter in the country. Their 35<sup>th</sup> anniversary will be in October.

Ms. Bullok said that staff was reviewing and updating information in IDIS, which is HUD's project database, for the Consolidated Annual Performance Evaluation and Report (CAPER). HUD uses the report to evaluate performance measures. The CAPER is due in HUD on September 30.

Randy Burgett, Housing Rehabilitation Coordinator, will operate the Get the Lead Out (GLO) Program in conjunction with Whole House Rehabilitation Program. The program briefing and workshop will be held August 31, with funding available soon after.

The mayor reappointed Joanna Shisler for another three year term to the CD Commission.

The last item distributed was a press release from the US Senate Committee on Appropriations regarding HUD funding allocations.

Commissioner Thakkar thanked staff for arranging the site visits. CWIT's new building will focus on educational programs. He noted one of the current buildings had a computer connected to the network for residents' use. Referencing the Analysis of Impediments to Fair Housing Choice, Commissioner Thakkar mentioned providing resources to community-based housing so that residents may have access to computers.

Commissioner Thakkar suggested presenting an Urbana-Champaign social justice award to AWP and CWIT. He asked if the City of Urbana was contributing more funding to CWIT than the City of Champaign. Ms. Bullok was not sure about Champaign's contribution; however, the City of Urbana has contributed \$128,000 to the new construction. As part of the history of Urbana, Commissioner Thakkar suggested presenting a plaque to the two organizations.

Referencing HUD's monitoring visit of the SHP, Commissioner Vidoni requested that the CD Commission be informed of HUD's suggestions and findings. Ms. Bullok said these would be summarized once the City received HUD's official letter. The exit interview is an oral summary of the findings. After the exit interview, the monitor prepares a summary, which is reviewed by a HUD supervisor. Based on HUD regulations, HUD staff determines if there are areas of

concern or findings. City staff will share the results with the CDC for the SHP, CDBG and HOME monitoring visits.

Chairperson Cobb asked if the City would be graded and ranked among cities of similar size. Ms. Bullok answered there are performance measures used by HUD to rank communities within the State of Illinois.

Referencing CWIT's construction project, Chairperson Cobb noted that if the new building was finished too quickly, CWIT would lose funding. Ms. Bullok explained this was an eligible expense issue. If funding is provided for bricks and mortar expenses, the City cannot reimburse an agency for a construction project that has already incurred costs and paid for construction after the grant period has started. Similarly, if funds are used for services (soft costs such as staff salaries), the City cannot reimburse salaries incurred and paid out prior to the grant eligibility period. That is the issue in CWIT's case. In order to open the building, CWIT must expand staff. CWIT cannot hire staff until there are funds to pay them. Ms. Bullok noted that Amy Hudson Davis, HUD representative, made a site visit to CWIT, and this problem was brought to her attention. Nora Mackin, another HUD representative, was also made aware of this. Staff is working through the system to accomplish these goals in a timely fashion.

**Discussion Item: Community Development Commission By-Laws** – Chairperson Cobb stated the by-laws were passed on October 7, 1974. He asked commissioners how they wanted to proceed to address comments and issues. Commissioner Silvis noted one issue was in Section 2 concerning appointment of the chairperson for only two terms, since Chairperson Cobb has served for many terms. Also, when the chairperson is absent, traditionally the commissioner with the longest service serves as acting chairperson. However, the by-laws indicate the CD Commission should elect an acting chairperson.

Commissioner Vidoni suggested the following change to the by-laws: “In the temporary absence of the Chairperson, an Acting Chairperson shall be recommended and selected based on the greatest number of years of service on the CD Commission to act as the Interim Chairperson.” Commissioner Silvis suggested leaving the by-laws as originally written so that a vote is required to determine Acting Chairperson. She mentioned that a commissioner may not want to chair the meeting. Commissioner Vidoni then proposed the following: “If that person declines, the commissioner with the next number of years of service can act as temporary chair.” Commissioner Thakkar recommended having a rotating chair. Commissioner Vidoni responded that the commission would need to keep track of who last served as acting chairperson.

Commissioner Shisler proposed voting if the second or third in succession chose not to act as chairperson. Commissioner Vidoni noted that the CD Commission has never voted on a chairperson. Commissioner Quisenberry offered the following: “In the temporary absence of the Chairperson, an Acting Chairperson will be appointed based on seniority.” Commissioner Silvis felt the word “appoint” was not correct. Commissioner Thakkar proposed “having seniority and interest in serving as Acting Chairperson.” Commissioner Shisler agreed. After discussion, Chairperson Cobb stated that it was the consensus of the CD Commission to incorporate the following statement: *“In the temporary absence of the Chairperson, an Acting Chairperson shall be recommended and selected based on seniority and interest.”*

Ms. Bullok suggested the revisions be compiled for official adoption at the next CD Commission meeting.

Connie Eldridge, recording secretary, asked if commissioners would wait until the meeting to select the Acting Chairperson. Commissioner Silvis felt it was still appropriate to give advance notice to the commissioner who would likely be Acting Chairperson. Commissioner Quisenberry added if that commissioner declined, then the recording secretary would call the next commissioner. Commissioner Silvis stated the process would work as it had historically, rather than as it was written in the by-laws. Ms. Bullok said this was the purpose of reviewing the by-laws—to ensure that what works and what is in the by-laws are the same.

Referencing the Chairperson serving for a three-year term, Commissioner Vidoni suggested changing the wording to...”the Chairperson may be appointed to subsequent three-year terms.” Commissioner Vidoni supported Chairperson Cobb’s continued appointment. Chairperson Cobb mentioned that he had planned to resign as Chairperson a couple of times to give others the privilege. Commissioner Quisenberry noted that the mayor appoints the Chairperson, and the mayor apparently was not concerned with the term limits.

Discussion continued on how long the Chairperson should serve. Commissioner Shisler supported allowing subsequent terms by the same Chairperson. She suggested allowing a Chairperson to step down for a term and then return as Chairperson, if so desired. Commissioner Quisenberry remarked there would be no limitations with this wording. Commissioners Vidoni and Silvis were concerned with a Chairperson who would not relinquish the position. Commissioner Shisler said the check and balance was provided by the mayor appointing the Chairperson. Commissioner Quisenberry wondered if the mayor would know how other commissioners felt about the Chairperson.

Chairperson Cobb felt that the Chairperson should be elected by majority vote. Because the CD Commission makes recommendations to the mayor, and the mayor appoints the Chairperson, there may be a conflict of interest. In response to Commissioner Quisenberry, Ms. Bullok had checked with city staff and reviewed resolutions and ordinances to determine precedence with other boards and commissions. The mayor appoints a Chairperson to a majority of the boards and commissions. The Human Relations Commission, however, does elect a Chairperson. Each board and commission makes this decision through their by-laws. Ms. Bullok stated the Plan Commission was created by an ordinance that outlined which positions were appointed by the mayor. Because this did not apply to the CD Commission, the CD Commission would be free to decide how the Chairperson position is filled.

Commissioner Quisenberry asked if the CD Commission elected a Chairperson, would the Chairperson still need to be approved by City Council? She noted the current by-laws indicate that City Council must approve any mayoral appointments for Chairperson. Ms. Bullok did not think so, but she would check if this is a precedence that the Human Relations Commission set. She added that once a commissioner is seated on the CD Commission, that appointment has been recommended by the mayor and approved by City Council.

Commissioner Thakkar preferred the rotating chairperson concept because it gave people opportunities and prevented conflicts of interest. Commissioner Shisler agreed. However, her schedule is hectic, and she prefers having a constant chair. Commissioner Silvis felt there was a risk making rules based on what commissioners are comfortable with now. If problems arise, the by-laws would protect the community's ability to influence the CD Commission. Commissioner Quisenberry was concerned that electing a chairperson might result in political divisiveness if the Chairperson could be extended beyond two terms.

Commissioner Shisler asked if the mayor should appoint the Chairperson with consent from the CD Commission. Commissioner Quisenberry answered no. She felt commissioners should either have the mayor appoint the Chairperson, or have the CD Commission elect the Chairperson.

Chairperson Cobb remarked there appeared to be interest in an election process. He asked if commissioners supported the mayor appointing the Chairperson. Commissioner Shisler felt there could be problems with either process. Commissioner Quisenberry did not feel strongly either way and felt the decision should be whether to limit the Chairperson to two terms. Commissioner Silvis said if the mayor appointed the Chairperson, it would make sense to limit the position to two terms. If commissioners elected a Chairperson, the limit would not mean as much.

Commissioner Thakkar proposed the Chairperson being appointed by the mayor with consultation of the CD Commission. Commissioners Silvis and Shisler supported either the CD Commission electing a Chairperson, or limiting the position to two terms if the mayor appoints. Commissioner Vidoni liked the mayor appointing the Chairperson in consultation with CD Commission. Chairperson Cobb asked how much weight the consultation would have. Commissioner Vidoni felt it was not a matter of weight, but he liked it being on record that the CD Commission should be consulted. Current by-laws do not mention consulting commissioners.

Chairperson Cobb said commissioners did not support rotating the Chairperson.

Ms. Bullok proposed maintaining the mayor appointing the Chairperson and adding the restriction of two consecutive terms. Subsequent terms would be subject to approval by other CD Commissioners. She noted that commissioners fully supported the current Chairperson and wanted Chairperson Cobb to continue in this role. Commissioners supported this proposal. Commissioner Silvis asked if staff would confirm if all three items were possible and legal.

Commissioner Vidoni viewed the CD Commission's preamble as a mission statement. He felt the historical statement should be moved to the end of the first paragraph or later. Commissioner Vidoni proposed the following: *"The purpose of the Community Development Commission is to advise the City Council on community development goals, objectives, and resource allocations; monitor and evaluate community development activities; receive citizen input; and represent the population in community development activities. The Community Development Commission may from time to time recommend a community development plan."*

Commissioner Vidoni said the CD Commission has not submitted a plan in many years. Commissioner Thakkar agreed and stressed that citizen input provides valuable insight. Commissioner Shisler said the CD Commission should do more than monitor community development activities.

Commissioner Silvis asked if the language was taken from HUD requirements. Ms. Bullok responded there is a citizen participation and evaluation component to the City's Annual Action Plan and Consolidated Plan. This is achieved through public disclosure of draft documents. Commissioner Silvis wanted to know if the CD Commission was fulfilling a HUD requirement and, if so, would changing the language affect this. Ms. Bullok answered no. Chairperson Cobb commented that the City of Champaign did not have a Community Development Commission. Ms. Bullok stated that their equivalent is the Neighborhood Services Board.

Commissioner Quisenberry felt one purpose of the CD Commission is to monitor and evaluate community development activities. The CD Commission does this by listening to agency presentations and requests for funding. Commissioner Thakkar proposed the phrase "review and build relationships with community development partners." Commissioner Silvis said this was very different from monitoring and evaluating. She saw the CD Commission's role as partly to build the community through resources but also to be the watchdogs. The CD Commission should determine if proposals from City staff and community agencies are good for the community. Commissioner Silvis said the language is to protect CD Commission's role when this role is not easy. The CD Commission must be prepared to do the difficult work, if needed. She felt building relationships was an objective but not a role. Commissioners Shisler and Vidoni agreed. Commissioner Vidoni added that when he asked about HUD monitoring visits, he was monitoring and evaluating.

Commissioner Shisler said one of her goals as commissioner is not just to listen to people but to find out about programs that the CD Commission is sponsoring. She did not know if this should be included in the by-laws or just expected as part of being a commissioner. Is this personal growth or a requirement of being a commissioner? In response to Commissioner Vidoni, Commissioner Shisler clarified that being a CD Commissioner should be more than coming to CD Commission meetings. It should include site visits to agencies that receive funding, attending meetings that involve the community (such as redevelopment of Lakeside Terrace). Commissioner Shisler asked if these outside activities should be mandatory or if this was inappropriate to include in the by-laws.

Commissioner Silvis saw "receive citizen input" as passive and proposed "seek out and receive citizen input." This would acknowledge that commissioners should actively discover what is going on in the programs and in the community. Commissioner Shisler agreed, and Commissioner Quisenberry said this was more proactive. Noting that Grants Management Division holds public hearings, Chairperson Cobb asked what the CD Commission's role would be. Commissioner Silvis said commissioners should attend. Commissioner Quisenberry added that commissioner have received invitations to many different kinds of meetings. These provide an opportunity to learn more.

Referencing “seek out and receive citizen input,” Commissioner Silvis noted that not everyone is a citizen and asked how others felt about this term. She proposed the phrase “community input.”

Chairperson Cobb stated that the CD Commission reviews, discusses and makes recommendations to the mayor and City Council. Commissioner Silvis proposed changing the phrase “monitor and evaluate community development activities” to “*monitor, evaluate and recommend community development activities.*” Commissioner Quisenberry said the CD Commission definitely does this. The reference to developing and recommending a community development plan would come later in the paragraph. Chairperson Cobb said there was consensus to place the paragraph referencing the history of the CD Commission later in the by-laws.

Referencing the phrase “advise the City Council on community development goals, objectives, and resource allocations,” Commissioner Vidoni asked if this was sufficient. Commissioners Quisenberry and Silvis responded that is what the CD Commission does. Commissioner Vidoni added that the CD Commission also makes recommendations to the City Council.

Chairperson Cobb stated there was consensus with the re-arrangement of the phrases in the preamble.

Commissioner Thakkar observed the by-laws did not include a statement about working with Grants Management Division staff. While the CD Commission provided guidance, it also received guidance from City staff. Chairperson Cobb suggested the phrase “in collaboration with the Grants Management Division.” Commissioner Quisenberry proposed a sentence such as, “The Community Development Commission is staffed by the Grants Management Division.” Commissioner Vidoni suggested “*advise the City Council and the Grants Management Division on community development goals, objectives and resource allocations...*” Commissioners Thakkar and Quisenberry and Chairperson Cobb agreed.

Referencing the section on declaring a vacancy if a member missed three consecutive meetings, Commissioner Thakkar said the CD Commission has not followed this. Chairperson Cobb responded that this has been done in the past and asked if commissioners wanted to keep this requirement. Commissioner Thakkar suggested changing this to missing any four regular meetings in a year. Chairperson Cobb proposed three unexcused absences. Commissioner Silvis noted the phrase said “may request,” and said this is left to the Chairperson’s judgment. She felt this was appropriate. Commissioner Quisenberry said this section was needed when a commissioner did not attend the meetings and did not have a good excuse. If a person has a good reason, such as hospitalization, or is out of town, then the Chairperson would probably not request the Mayor declare a vacancy. Commissioner Shisler added this section was probably designed to address issues when things were not going well.

Commissioner Thakkar said the section should include the requirement not to miss three consecutive meetings or not miss more than four meetings out of 12. He felt attendance indicated whether a commissioner was not interested or too busy to serve. Commissioner Silvis suggested removing the word “consecutive.” This would give the Chairperson the option of declaring a vacancy, but it is not required.

Chairperson Cobb remembered the CD Commission did not ask the mayor to declare a vacancy. Rather, he requested the commissioner submit a resignation. Commissioner Silvis was concerned that, if the commissioner could not be reached, there would be no letter of resignation. She supported giving the Chairperson the freedom to use his/her judgment in case of extenuating circumstances.

There was discussion whether the number of missed meetings should be three or more. Commissioner Quisenberry said a commissioner might be a very good contributing member; however, circumstances may cause a commissioner to miss three times during a year. She felt this was different from missing consecutive meetings. Commissioner Silvis stated this section gave the Chairperson the option of declaring a vacancy. It did not mean this would happen automatically. Commissioner Quisenberry still felt the term “consecutive” should be included. Commissioner Thakkar wanted to include when a commissioner missed five meetings in a year.

Commissioner Shisler supported leaving the by-laws as currently stated. She noted that some years a commissioner must be gone more than usual. Did commissioners want to average out their attendance? The section gives protection in case something is going wrong. Removing the word “consecutive” would make it stronger, but she did not feel strongly enough to do this. Commissioner Vidoni agreed and said this section should be open and leave as much latitude as possible.

Chairperson Cobb stated that most commissioners were leaning toward leaving this section as currently written. He noted this is a good set of by-laws that has lasted for a while.

Commissioner Thakkar stated the CD Commission is the only commission that has used telephone conferencing during a meeting when a commissioner was absent. He suggested adding this because City staff had to get approval from the City’s Legal Department and the Chairperson. Teleconferencing helps to avoid the consecutive meeting issues because the commissioner has the option of calling in for the meeting. Commissioner Thakkar has done this several times.

Chairperson Cobb wondered about adding the phrase that attendance may be electronic through telecommunication. Commissioners Quisenberry and Silvis felt this did not need to be stated. The issue was whether a commissioner was counted as present. Commissioner Shisler suggested including the following in the history of the CD Commission: “*The Community Development Commission was the first commission to hold a teleconference on October 28, 2003.*” Noting there was nothing in the by-laws that precluded attendance electronically, Chairperson Cobb felt including this in the history was appropriate. Commissioner Thakkar added this took a lot of work to get approval and set up the teleconference.

Chairperson Cobb stated the CD Commission will vote on the by-laws at its next regularly scheduled meeting.



**Old Business: An Ordinance Approving and Authorizing the Adoption of the Housing Rehabilitation Program Manual (Program Years 2005-2009)** – Ms. Bullok reminded commissioners this item should be changed from an ordinance to a resolution.

Randy Burgett, Housing Rehabilitation Coordinator, stated this manual was similar to the Housing Rehabilitation Program Manual for Program Years 2000-2004, which had been revised to include funding from the Federal Home Loan Bank (FHLB) and Get the Lead Out (GLO). That manual ended June 30, 2005. The new manual, which is for the same time period as the new Consolidated Plan, will be in effect for five years.

Mr. Burgett reviewed the changes to the new Housing Rehabilitation Program. Two new programs were added: the Secondary Structure Demolition Program (SSDP) and the Purchase/Rehab/Resale Program (PRRP). Other changes are program guidelines and sources of additional funding for programs. All housing rehabilitation programs in the previous plan are still included.

The new manual increases the grant amount for the Senior Repair Service Grant Program from \$550 to \$850. It has been several years since this amount was increased. Mr. Burgett said the CD Commission could review this grant amount annually, if so desired.

In response to Chairperson Cobb, Mr. Burgett said there would be an affordability period for the Purchase/Rehab/Resale Program. If the City uses up to \$14,999 of HOME funds on a project, then that home must remain affordable five years. Up to \$40,000 of HOME funds triggers a 10 year affordability period. Above \$40,000 results in a 15 year affordability period. Mr. Burgett noted that language was added to allow staff to apply for new funding sources as they become available.

The Secondary Structure Demolition Program is similar to the former Shedaway program, where the City demolished 22 dilapidated garages and outbuildings in the CD Target Area. The City continues to receive calls about this program, so staff incorporated this into the Housing Rehabilitation Program Manual. This program would now be city-wide on a case-by-case basis as long as the homeowner is below 80% of Median Family Income. Commissioner Shisler asked about the budgeted funds. Mr. Burgett answered that staff could access the carryover funds from the Emergency Grant (EG) and Access Grant (AG) funds.

HUD provides an annual update to the Median Family Income limits. The most recent update is included in the manual.

Staff added language to clarify the loan terms for the Grant/Installment Loans (GIL). Homeowners in the 50-80% income range may receive up to \$25,000 of housing rehabilitation. Half is a grant from the City of Urbana, and half is the homeowner's responsibility. Years ago the City had an agreement with a local bank to loan funds for the homeowner's portion. Now with lower interest rates, it is often better for homeowners to refinance their original mortgages with their own lenders to get funding for their portion of the program.

Contractors are required to have additional insurance. Non-profit agencies such as empty tomb and AMBUCS must also carry their own insurance.

Chairperson Cobb noted the summary sheet did not match the pages in the Rehabilitation Manual. Ms. Bullok explained that the draft manual was longer due to including the strikeout text.

The CD Target Area has been expanded to include Census Tract 56, Block Group 1. The map has been updated.

Commissioner Vidoni asked about the principal drawback being administrative in nature. He wanted to know which programs will require additional staff time. Mr. Burgett stated that the new SSDP and PRR programs will take more staff time. Also, applying for and receiving additional funds requires more administrative time and effort. There are more monthly or quarterly reports. Commissioner Vidoni asked if there was a plan to address this. Mr. Burgett said more interns might be hired. Ms. Bullok said each new task requires a re-evaluation and re-shuffling of responsibilities. Mr. Burgett said the FHLB and Illinois Housing Development Authority (IHDA) provide funds only for the programs; there are no funds for administration. He added the City of Urbana has an agreement with the Urban League to provide a Rehabilitation Specialist for part of the City's Whole House Rehabilitation Programs. Ms. Bullok explained that staff tries to find a balance among programs with administrative funds and those without. If administrative funds are tied up for other projects, staff cannot take on new funding sources for project expenses only.

Referencing language added to allow staff to pursue grant funds for rehabilitation, Commissioner Vidoni wondered why staff did not do this previously. Ms. Bullok explained that when a grant opportunity arose, staff had to go through an approval process to apply for funds. For example, if FHLB opened a grant proposal cycle, staff would need to get CD Commission, Committee of the Whole, and City Council approval to apply. In response to Commissioner Vidoni, Ms. Bullok said because manual listed specific sources of funding, any new sources required this process. Mr. Burgett added that two years ago staff created resolutions to amend the manual to incorporate GLO and FHLB funding.

Commissioner Thakkar wondered about adding a requirement to add additional personnel if additional staff time is needed. Mr. Burgett said there was no opportunity to hire additional part-time personnel. Commissioner Thakkar asked if interns qualified as personnel. Mr. Burgett answered yes. He did not want to include a requirement to hire additional staff if the City received additional funding. He saw the main goals as (1) improving the neighborhood so residents are happy and (2) spending funds in a timely manner so that HUD is happy.

Chairperson Cobb asked about any new program restrictions. Mr. Burgett answered that the Access Grant Program is now restricted to single family residents and structures with four units or less. In the past the residents in large apartment units could apply for an AG. However, large apartments have their own maintenance crews, while the City bids work to contractors. Also, another program is determining the owners and property managers who need to sign the

contracts. AGs are still available to smaller rental units and homeowners, based on household income.

Commissioner Vidoni found that reviewing each point in this manual was a little overwhelming.

*Commissioner Quisenberry moved to recommend to City Council approval of the Resolution Approving and Authorizing the Adoption of the Housing Rehabilitation Program Manual for Program Years 2005-2009. Commissioner Thakkar seconded the motion. The motion carried unanimously.*

**New Business: A Contract Approving and Authorizing the Execution of a Rehabilitation Specialist/Technician Services Agreement with Urban League of Champaign County Development Corporation** – Ms. Bullok said the CD Commission would review and approve the contract and recommend the mayor execute it. It does not require a resolution.

Mr. Burgett stated this contract is almost identical to previous contracts with Urban League. He worked with Jean Algee of the Urban League and noted their prices are the same. The agreement will pay for up to five completed Whole House Rehabilitation cases at \$2,500 per case. For projects that fall through, the Urban League will charge an hourly rate of \$15, up to \$300. Every program year there are a few projects that fall through. The contract is for the period July 1, 2005 through December 31, 2006. The City has budgeted funds for six projects. He noted that 22 households applied for the next round of Whole House Rehabilitation programs; however, many will fall through. Mr. Burgett hopes to complete as many Whole House Rehabilitation projects as soon as possible.

Commissioner Vidoni asked for clarification on how the City and Urban League worked together. Mr. Burgett explained that Urban League's part-time Rehabilitation Specialist is Joe Lewis. Mr. Lewis has the same qualifications as Mr. Burgett, such as Lead Risk Assessor. After the City approves the rehab project, Mr. Lewis works with the homeowner to create the work description, oversees the work, and coordinates inspections with the City's Building Safety Division.

Chairperson Cobb asked if the project locations should be included. Mr. Burgett answered at this time staff did not know where the projects would be. All residences are single-family, owner-occupied units in the CD Target Area. 40 households expressed interest, with 20 households actually applying. Staff is currently inspecting the houses and reviewing the applications to determine the prioritization list.

*Commissioner Vidoni moved to recommend to the Mayor approval of the Contract for Technical and Advisory Services with the Urban League of Champaign County. Commissioner Shisler seconded the motion. Commissioner Shisler asked if there was a cap on the dollar amount spent for incomplete cases. Mr. Burgett answered no; the City predetermines which cases are incomplete and will not give these to the Urban League. Only a few approved projects have fallen through later. The motion carried unanimously.*

**An Ordinance Approving an Amendment to an Urbana HOME Consortium Community Housing Development Organization (CHDO) Agreement – Homestead Affordable Homeownership Program FY 2003-2004** – Ms. Bullok stated in the 03-04 program year Homestead proposed and was approved to build three single-family homes marketed to income-eligible homeowners. The project has not moved forward for a number of reasons. Ms. Bullok has been working very closely with Jim Rose, Executive Director of Homestead. At this point the property acquisition issues have been addressed, and the funding sources are in place.

The original contract indicated that Homestead would acquire three properties and build homes on them. Instead the Cities of Urbana and Champaign have donated two properties. Another change is Homestead will build two homes in Urbana and one in Champaign, rather than the reverse. The affordability period has changed from 10 to 15 years due to HUD's mandate that the affordability period be linked to the amount of subsidy. Of the three houses, one homebuyer has been identified, and the level of subsidy required may need a 15 year affordability period. Ms. Bullok included language to allow flexibility so the contract would not need to be amended to include the appropriate affordability period.

Chairperson Cobb asked if the affordability period was a sliding scale between 10 and 15 years. Ms. Bullok answered it was either 10 or 15 years. The funding threshold for HOME funds is \$14,999 equals five years, \$15,000 to \$40,000 equals ten years, and over \$40,000 is 15 years. The property requiring the largest subsidy is because (1) Homestead purchased the lot, rather than receiving a donated lot, and (2) the amount of subsidy as related to the homebuyer's income.

Chairperson Cobb commented that this was a long time; however, this is a HUD requirement. Ms. Bullok agreed. The affordability period is secured by recording a lien against the property. The subsidy is awarded as a deferred loan rather than a grant. As long as the property is maintained as the recipient's primary place of residence, there is no interest or repayment required. Once the affordability period expires, the lien is released. If the property is sold, there is a prorated payment of the subsidy amount.

Another change to the amendment is reporting on the project's progress. The project started in FY 2003-2004, and FY 2005-2006 is starting without any ground being broken. Staff is requiring monthly rather than quarterly reports and included a more comprehensive document on the type of reports. Ms. Bullok worked very closely with Mr. Rose on Homestead's timetable and budget, and tightened up language in the mortgage and note to secure the affordability period.

Chairperson Cobb asked for the rationale for changing from quarterly to monthly reports. Ms. Bullok replied that HUD requires the City account for the rate of expenditure of funds. Once funds are committed to a project, there is a timeliness issue. CDBG and HOME funds provide only a limited amount of time from award of grant money to expenditure of funds. HUD wants well planned projects that are ready to go, with contingencies already anticipated. Since this particular project has not progressed in a timely fashion and HUD has questioned the lack of progress, it seemed appropriate to use more frequent reporting requirement. This will help

identify snags and address them to proceed. Commissioner Vidoni endorsed and supported this change.

*Commissioner Silvis moved to recommend to City Council approval of an Ordinance Approving an Amendment to an Urbana HOME Consortium Community Housing Development Organization Agreement – Affordable Homeownership Program FY 2003-2004, as written. Commissioner Thakkar seconded the motion. The motion carried unanimously.*

Ms. Bullok asked commissioners if they had any thoughts or comments about the upcoming fall cleanup. Staff continues to review and assess the City's programs in comparison to time and resources.

Chairperson Cobb reminded commissioners at the next meeting there will be list of ideas concerning the by-laws and requested they think about them.

**Adjournment:** Chairperson Cobb adjourned the meeting at 8:55 p.m.

Recorded by Connie Eldridge

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*APPROVED with corrections by CDC 10-25-05*