



APPROVED with corrections by CDC 2-24-09
MINUTES
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, January 27, 2009, City Council Chambers
400 South Vine Street, Urbana, IL 61801

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, Janice Bengtson, Chris Diana, Theresa Michelson, Jerry Moreland, Brad Roof, Anne Heinze Silvis, Dennis Vidoni

Commission Members Absent: George Francis

Others Present: John Schneider, Kelly Hartford, Janel Gomez and Connie Eldridge, Community Development Services Department; Aaron Smith, Homestead Corporation; Tami Tunnell and Roberta Morris, A Woman's Fund (AWF); Lisa Benson, Mental Health Center (MHC); Janice McAteer, Developmental Services Center (DSC); John Sullivan, Center for Women in Transition (CWIT); Katrin Klingenberg, Elise Pflederer and Jean Ascoli, Ecological Construction Laboratory (e-co lab).

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the November 25, 2008 minutes. Commissioner Michelson moved to approve the minutes, and Commissioner Roof seconded the motion. The motion carried unanimously. In response to Commissioner Vidoni, Mr. Schneider said the financial information for the Crystal View Townhomes project is changing daily. He will forward a copy to the Community Development (CD) Commission.*

Petitions and Communications: None.

Staff Report: Mr. Schneider provided updates and distributed a staff briefing memorandum dated January 27, 2009. The City of Urbana is preparing a response to the Department of Housing and Urban Development's (HUD) program year review letter regarding older Community Housing Development Organization (CHDO) money.

As requested by the CD Commission, first-time homebuyer statistics for the Assist Program were included on page 3. Average household income for a two person household is \$49,500, with \$54,125 the average for households of three or more. These fall between 80-100% of HUD's Median Family Income (MFI). Due to the market conditions, Stern Brothers is developing new programs for first-time homebuyers that will better fit within the current housing market. Mr. Schneider noted the Illinois Housing Development Authority (IHDA) Mortgage Credit Certificate (MCC) Programs were popular in 2007 and 2008.

Mr. Schneider distributed a January 27, 2009 letter from Homestead Corporation requesting \$40,000 in additional HOME CHDO Reserve Project funds for Fiscal Year (FY) 2009-2010. If approved, Homestead would use the funds to construct one new single family residence on a lot

the City of Champaign was holding as a result of the Urban League of Champaign County Development Corporation (ULCCDC) closing.

Mr. Schneider also distributed a January 5, 2009 letter from e-co lab requesting an additional \$15,000 in HOME funds to reduce the price of their house at 1007 West Fairview Avenue, Urbana. The HOME Consortium would like to reallocate older funds rather than use FY 09-10 funds.

Old Business: Commissioner Roof asked if the bond cap allocation could be used for other activities besides first-time homebuyer programs and whether the City of Urbana has done this. Mr. Schneider responded in some instances the funds can be used for new industrial development; however, to his knowledge, the City of Urbana has not done this. There was discussion on involving the City's Economic Development Division Manager, steps to consider funding small manufacturing, and competition for affordable housing funds. If there was a delay, the funds could be lost. Due to the economy, Commissioner Roof felt it might be timely to divert the bond cap funds from housing to job development. Mr. Schneider indicated that this would be a Council decision.

In response to Chairperson Cobb, Aaron Smith will forward the most recent pro forma to Mr. Schneider, who will then forward it to the CD Commissioners.

New Business: **An Ordinance Approving Further Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2004-2005, FY 2006-2007, FY 2007-2008 Annual Action Plans and Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2008-2009 Annual Action Plan** – Mr. Schneider discussed CWIT's request to reallocate Community Development Block Grant (CDBG) funds from their single woman duplex renovation to the Evans House HVAC installation project. CWIT initially believed they could fund both projects; however, most of the work was finished at the Fifth Street duplex. If CDBG funds were used late in the project, the entire project would need to meet Davis Bacon requirements. Upon realizing the additional Davis Bacon costs for both projects, CWIT requested that CDBG funds be reallocated to the Evans House HVAC project.

In response to Commissioner Roof and Chairperson Cobb, Mr. Schneider and Ms. Hartford provided the following information: (1) \$15,500 was CWIT's original request; (2) CWIT is requesting reallocation of \$11,000 in CDBG funds; (3) The total estimated projected cost of the HVAC installation at the Evans House is \$28,500; (4) Total CDBG project funding would be \$26,500. (4) The City of Urbana will only pay 75% of the project cost. CWIT must provide match funds of 25%.

Mr. Schneider discussed the HOME Program amendments. The City of Urbana is still adjusting to the loss of the ULCCDC, which was a high performer as a CHDO. Staff is discussing Urban League's contracts and reallocation of CHDO funds with HUD, which indicated that it is best to allocate CHDO funds to a project that can use the funds in a timely manner.

In December Homestead Corporation, the non-profit partner with Brinshore Development for Crystal View Townhomes Project, requested any available HOME funding for that project. Chase

Bank, which was providing Federal Home Loan Bank (FHLB) funds, will no longer fund affordable housing projects such as Crystal View. Because of some changes in the financing structure, Brinshore Development's application will be rescored by IHDA. However, Brinshore believes the project will still go. In response to Homestead's request, the HOME Consortium Technical Committee recommended reallocating the remaining balance of \$276,004 of CHDO reserve funds from the Urban League's Lease Purchase Program, Affordable Six Program, and cumulative carryover from Lease Purchase to the Crystal View project.

Champaign County, which moved HOME funds from housing rehabilitation to Tenant Based Rent Assistance (TBRA), decided to reallocate up to \$55,000 of its remaining FY 2004-2005 HOME entitlement share of funds to the Crystal View project.

In response to Chairperson Cobb, Mr. Schneider confirmed this would not affect other current projects. Commissioner Roof asked about public input, and Mr. Schneider noted that Aaron Smith of Homestead was the only attendee. Mr. Smith supports this reallocation.

Commissioner Roof inquired about using these funds to reduce the cost of e-co lab's house for sale at 1007 West Fairview Avenue, Urbana. Mr. Schneider said that although this was possible, the HOME Consortium Technical Committee decided the Crystal View project was the best allocation. Rather, staff is working to identify available City of Urbana HOME entitlement funds to allocate to 1007 West Fairview.

Katrin Klingenberg, Executive Director for e-co lab, discussed their concerns about finding a qualified buyer for 1007 West Fairview. In response to Commissioner Roof, Ms. Klingenberg stated that because e-co lab is holding a construction loan, they cannot move forward on their other projects until the house is sold. Commissioner Roof felt it was beneficial to reallocate some ULCCDC funds to this project.

There was further discussion about allocating additional funds to e-co lab to reduce the price to the homebuyer. Mr. Schneider mentioned the timing of the requests. In addition, if the amendment amount were to change, the amendment process would have to start over, including the need to convene an additional HOME Consortium Technical Committee meeting to gain consensus of the other Consortium members. Staff will continue to meet with e-co lab concerning additional funds for 1007 West Fairview. Commissioner Roof was concerned that now one CHDO had closed, and another CHDO was hindered by not selling. Ms. Gomez discussed additional funding may increase the affordability period associated with the e-co lab project. Further, the ULCCDC found that potential buyers were reluctant to buy a home with longer affordability periods, which are based on the amount of HOME funds in a project.

In response to Commissioner Roof, e-co lab felt the "sweet spot" for the price of their house would be between \$110,000 - \$100,000. Mr. Schneider noted the last American Dream Downpayment Initiative (ADDI) downpayment assistance of \$6,000 was also available for the e-co lab homebuyer. This would further reduce the current sales price of \$117,000. Commissioner Roof asked which buyers would qualify. Mr. Schneider discussed qualifications and noted that ADDI funds are used for first-time homebuyers. HOME funds limit potential buyers to 80% of MFI.

Commissioner Vidoni moved to recommend to City Council approval of an Ordinance Approving Further Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2004-2005, FY 2006-2007, FY 2007-2008 Annual Action Plans and Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2008-2009 Annual Action Plan. The motion also included approval of the contracts associated with these modifications, provided the contracts are consistent with this ordinance. Commissioner Diana seconded the motion, and the motion carried unanimously

Review Community Development Block Grant (CDBG) Grant Applications for Funding for Fiscal Year 2009-2010 to be Included in the FY 2009-2010 Draft Annual Action Plan: HUD anticipates the City of Urbana will receive CDBG and HOME funding at the FY 08-09 level.

1. A Woman's Fund (AWF) – Bathroom Repairs – Tami Tunnell, Executive Director, and Roberta Morris, a licensed plumber, discussed AWF's application. Although A Woman's Place (AWP) shelter is only 13 years old, every year 350 clients pass through the facility. This takes a toll on the building, with the bathrooms bearing the brunt. AWF wants to tear out two bathrooms down the studs, make them sturdier and more accessible. Ms. Morris noted the original bathrooms were not built to institutional standards. There was discussion about extending the life of the building, using marine grades, union plumbing scale, and newer accessibility standards. The project should take 15 weeks to complete, and AWF is aware of Davis Bacon requirements. The rest of the shelter is in good shape. Chairperson Cobb felt this was a worthy project.

2. Disabled Citizens Foundation (DCF) – Developmental Services Center (DSC) Scovill Group Home – Janice McAteer, Director of Development, stated that the foundation owns and operates group homes for the DSC. There have been no major renovations since the Scovill home was purchased in 1992. A year ago DSC installed new Pella windows, but now funds are needed to upgrade the interior and exterior. There are water drainage issues, disintegrating wood siding, and kitchen and bathroom flooring needs. DCF's request includes Davis Bacon wages.

In response to Commissioner Vidoni, Ms. Hartford reviewed the future monitoring. Ms. McAteer stated that DCF will provide matching funds. Mr. Schneider asked about the progress on DCF's sprinkler project from last fiscal year. Ms. McAteer stated all funds were appointed, and the project is moving forward. In response to Chairperson Cobb, Ms. McAteer said DCF tries to balance a home feeling with commercial strength projects. They recently built two group homes in Champaign, so they have experience on what products work well for their clients.

Commissioner Michelson moved to recommend to City Council approval of the CDBG Public Facilities Grant Applications: A Woman's Fund \$19,012.50, and Disabled Citizens Foundation \$32,821.48. There was discussion on whether the CD Commission would review and approve first or revised contracts. Commissioner Vidoni stated the CD Commission should review any revised contracts. Commissioner Michelson withdrew her motion.

Commissioner Vidoni asked about the remaining CDBG funds in carryover. Ms. Hartford replied those are usually used for the City's infrastructure projects and property acquisition. Mr. Schneider mentioned traditional CDBG projects and reviewed how staff determines amounts for public service projects, such as Neighborhood Cleanup, Transitional Housing (TH), and Consolidated Social Service Funding (CSSF). HUD has reduced the amount of CDBG funds over

the years. Grants Management Division tries to partially fund target-area projects in the City's Capital Improvement Program. If CDBG funds are used for infrastructure projects in the CD Target Area, then the City provides required cash match for the City's HOME projects, such as housing rehabilitation.

Commissioner Vidoni asked about priorities for the CDBG carryover funds. Mr. Schneider answered there were many projects to consider: Kerr Avenue set-aside, requests from residents for driveway aprons along Church Street, replacing streetlights in Census Tract (CT) 53. Staff must consider whether or not a project is eligible for CDBG funds.

In response to Commissioner Roof, Ms. Hartford said the City received only two CDBG Public Facility applications. She reviewed the application's rating system, which lists criteria and points awarded for particular activities. Mr. Schneider added that HUD provided the scoring system. Commissioner Roof noted that AWP received the maximum number of points. Ms. Hartford added that both CDBG applicants received good scores.

Commissioner Vidoni moved to recommend to City Council approval of the Community Development Block Grant applications in the amounts recommended by staff: A Woman's Fund \$19,012.50; Disabled Citizens Foundation \$32,821.48. Commissioner Diana seconded the motion, and the motion carried unanimously.

Review HOME Program Grant Applications for Funding for Fiscal Year 2009-2010 to be Included in the FY 2009-2010 Draft Annual Action Plan: Ms. Gomez gave an overview of the HOME Program and applications. Although the City is interested in all projects, FY 09-10 funds may not be used for every project. A minimum of 15% of HOME funds must be spent on Community Housing Development Organization (CHDO) projects. There are four applications for these funds. A maximum of 5% (estimated at \$50,500) is allowed for CHDO operating funds. E-co lab and Homestead have both applied for these funds. The remainder makes up the HOME entitlement funds, which are divided among the City of Urbana (32.5%), City of Champaign (54.9%), and Champaign County (12.6%). The Urbana HOME Consortium Technical Committee reviewed, scored and made recommendations.

Mr. Schneider said the City of Urbana uses its HOME entitlement funds for housing rehabilitation and other local projects, such as the Kerr Avenue Project.

HOME Entitlement Funds Grant Application: Mr. Schneider noted that funding this project would reduce the amount of entitlement funds for the Cities of Urbana, Champaign and Champaign County. He discussed potential funding options. For example, the City of Champaign or Champaign County could use their older HOME entitlement moneys to fund this program

1. Mental Health Center (MHC) of Champaign County – Tenant Based Rental Assistance (TBRA) – Lisa Benson, Director of Residential Services, reviewed their application. The proposal is for a total 24 housing vouchers, 12 for homeless individuals and 12 for those with children. Rent assistance would average six months, but could last 12 months. Clients, who have substance abuse issues, would receive supportive services and eventually take on their own lease.

In response to Commissioner Vidoni, Ms. Benson said the MHC owns all properties but one. She gave an overview of the facilities in the MHC and reviewed their services. Ms. Gomez said the main focus of a CHDO has to be the development of affordable housing. The MHC would have to develop a related organization, similar to the Urban League creating the Urban League Development Corporation. In response to Commissioner Diana, Ms. Benson said the MHC has considered becoming a CHDO; however, they must evaluate their programs, resources and manpower. The MHC does have experience with HUD.

In response to Commissioner Michelson, Ms. Benson said the monthly rent would be \$581 for one bedroom and \$622 for two bedrooms. Ms. Gomez added the TBRA Program pays Fair Market Rent. The subsidy to the landlord is based on the client's ability to pay.

In response to Commissioner Michelson, Ms. Benson clarified the TBRA Program provides assistance to help clients become more self-sufficient. This program would support two current MHC programs which are in operation but have limited housing options.

Mr. Schneider asked about the impact of reduced state funding. Ms. Benson replied these two programs receive federal funding and are not impacted by the state. In response to Chairperson Cobb and Commissioner Roof, Ms. Benson said rental assistance would be provided up to 12 months. Staff tries to work intensively with clients to prevent them from repeating programs.

Ms. Benson noted this was similar to Section 8 voucher, except this program requires supportive services. 60% of clients are women

Commissioners Moreland and Roof inquired about the success rate. Ms. Benson answered that one program has been operating for four years. Of the six persons receiving vouchers, two have transitioned into independent living with their own leases, and four are being housed. Success is measured by the clients no longer being homeless and their ability to sustain independent living.

HOME Community Housing Development Organization (CHDO) Reserve and Operating:

1. Homestead Corporation – Aaron Smith, Executive Director of Homestead, summarized their programs. Homestead Apartments, a 25 unit apartment building for formerly homeless adults, is in its 12th year of operation and provides on-site management. The Affordable Homeownership Program built 11 homes in Champaign/Urbana since 2002. They are currently completing the 12th house. Homestead is also a co-developer with Brinshore Development for the Crystal Lake Townhomes project at Lakeside Terrace, a former public housing site.

With the closing of Urban League, Homestead is requesting \$30,000 in CHDO Operating for administration and operating costs and to expand capacity or explore new programs. Homestead is also requesting \$40,000 in CHDO Project funds to build two new single family homes in Urbana, plus donation of lots on North Gregory Street. Mr. Schneider said the owner of Peter Pan Daycare is willing to forego her option on these last two lots in the Eads Subdivision. Homestead has built six houses in Eads Subdivision, so their proposed design is consistent with Eads Subdivision designs.

Mr. Smith stated that, based on recent experience and the market, Homestead recently had total subsidies of approximately \$60,000 to make their home affordable. This includes a direct subsidy to the buyer for downpayment and closing costs, plus a development subsidy to Homestead. He mentioned increases in the cost of construction, older price quotes, and the need for more subsidy than the Douglass Park In-Fill Project.

In response to Commissioner Roof, Mr. Smith anticipated the cost per square foot would be \$90, with the 2007 cost per square foot at \$87. The cost is higher due to higher quality of materials and higher energy efficiency.

Mr. Smith referenced Homestead's January 27, 2009 letter requesting an additional \$40,000 in FY 09-10 HOME funds to provide more subsidies, for a total of \$80,000. There was discussion about how many houses Homestead would be constructing with additional HOME funds of \$12,500 from the City of Champaign. Homestead will apply for Federal Home Loan Bank (FHLB) and Department of Commerce and Economic Opportunity (DCEO) funds. In response to Commissioner Diana, Mr. Smith stated he was comfortable that this funding would allow Homestead to construct three homes, two in Urbana and one in Champaign.

In response to Commissioner Vidoni, Mr. Schneider explained that CHDO funds may be used for affordable housing anywhere in Champaign County. HOME Consortium members work together to leverage funds to benefit the community. Ms. Gomez added that one major mission is to support capacity of not-for-profit organizations. The Cities of Champaign and Urbana, which are entitlement communities, have federal funds to buy lots.

Mr. Schneider clarified that the CD Commission allocates the City of Urbana's HOME entitlement funds, which stay in Urbana. HUD looks closely at CHDO averages. The HOME Consortium could choose to give all funds to the CHDOs. Commissioner Vidoni reaffirmed his support for affordable housing in Champaign.

There was discussion on the number of houses to be built, available properties, and whether HOME funds were used to purchase a lot. Mr. Schneider clarified that the property at 1302 West Dublin will go to the first CHDO which needs it. He also mentioned the City of Urbana's obligation to provide four lots to Habitat for Humanity, and he discussed problems with current lots.

2. Ecological Construction Laboratory – Elise Pflederer, Assistant Director of e-co lab, and Jean Ascoli, a consulting architect, reviewed their application. Ms. Gomez noted that e-co lab has submitted three applications. Staff recommends allocating \$14,000 to be added to FY 07-08 funds for the Super Energy Efficient Modular Home at 1007 West Fairview, Urbana. Staff also recommends allocating \$90,000 for the Super Energy Efficient Modular Duplex. Staff does not recommend using FY 09-10 funds for e-co lab's request of \$120,000 for its Passive House Retrofit. Rather, staff recommends using unexpended funds from older projects, after it is determined what type of house will be retrofitted.

Ms. Ascoli reviewed e-co lab's request for \$78,000 in CHDO Operating Funds to expand e-co lab's capacity as a CHDO developer. There is a growing need to improve and increase affordable housing, due to the loss of Urban League and increased energy costs.

Chairperson Cobb asked how many people were on e-co lab's staff. Ms. Ascoli replied that she is a consultant, with Katrin Klingenberg and Elise Pflederer on staff. Ms. Pflederer added that e-co lab wants to offer credit counseling to help potential homebuyers, and thus sell projects more quickly. E-co lab is working with Homeway Homes, a modular builder in Deer Creek, Illinois. This will allow e-co lab to construct passive solar houses more quickly and efficiently.

E-co lab is also working with Homeway Homes on the Super Energy Efficient Modular Duplex project, which is similar to their single family home project. This will be the first multi-family project that e-co lab has done. E-co lab will presell the duplex before construction. Ms. Ascoli noted this could serve as a model home for the Kerr Avenue projects.

E-co lab's third project, Passive House Retrofit, would provide a deep energy retrofit on structurally sound existing houses. The first project will require a substantial amount, and depends on the configuration of the house.

In response to Commissioner Michelson, Ms. Ascoli said the wages and salaries are distributed in different places. The construction costs include labor and materials. Chairperson Cobb asked about the energy efficiency on a retrofit. Ms. Ascoli said it would be very close to passive house standards through enclosing the existing house in a new envelope. The building would be wrapped, with a new outside finish and new windows. Ms. Gomez added when e-co lab has an actual property, staff will be able to calculate costs.

Noting e-co lab's request for \$78,000 in CHDO Operating Funds, Commissioner Roof asked about staff's lower recommendation. Ms. Gomez stated the CHDO Operating Funds has reached its 5% cap. HOME Consortium policy is to cap requests at \$25,000, with \$35,000 for new CHDOs. In this case the HOME Consortium went over its cap to assist the CHDOs.

Commissioner Roof asked what e-co lab needed to offer energy consulting for low income families. Ms. Ascoli said the business plan includes that, but e-co lab would like to expand to provide energy audit counseling. The utility companies used to provide this service. Also, e-co lab will do consulting work not specific for low-income households to meet its mission for experimentation and research.

There was discussion on the amount of funds needed to add additional staff and provide credit counseling. When Commissioner Roof asked about staff at Urban League, Mr. Schneider replied that ULDC had other funding resources. Ms. Ascoli added that e-co lab is researching additional funding options.

In response to Commissioner Roof, Mr. Smith stated he was the only full-time employee at Homestead. There are three part-time employees.

Commissioner Roof wondered about e-co lab's next step, after their house at 1007 West Fairview is sold. Ms. Ascoli said e-co lab would keep moving forward. Commissioner Roof liked e-co lab working with a modular homebuilder. There was discussion about the burdens of an unsold house.

Noting that the HOME Consortium lost one CHDO, Commissioner Roof was concerned that the unsold property was holding back e-co lab. Mr. Schneider noted that the banks are just now recognizing the value of passive solar housing. Ms. Ascoli stated that e-co lab was ready to build three project houses, which is a big leap for them. Mr. Schneider noted the development partner takes the financial risk, which is hard with property values going down.

There was discussion on whether to further reduce the cost of 1007 West Fairview. In response to Commissioner Vidoni, Ms. Pflederer said each unit of the duplex would be sold separately. The total project cost would be \$280,000, with each unit targeted at \$120,000 or lower. Ms. Gomez noted that e-co lab helps buyers find other assistance to reduce the price. Commissioner Vidoni suggested being careful with the price for duplex units.

Commissioner Diana remembered earlier discussions on the selling price for e-co lab's houses. He asked if e-co lab is working with real estate professionals, and Ms. Pflederer said no. E-co lab does not have money to offer a realtor, even at a reduced fee. Commissioner Diana noted that e-co lab could have afforded a realtor, rather than keep reducing the price of the house. He strongly suggested putting the sale of this property into the hands of people who professionally sell real estate.

Ms. Gomez summarized staff and HOME Consortium funding recommendations. Chairperson Cobb questioned why the MHC was not recommended for funding. Ms. Gomez said the HOME Consortium is discussing rental assistance and will meet with the MHC soon for additional sources of funds. Mr. Schneider added each member of the HOME Consortium may choose to provide unexpended HOME entitlement funds for the MHC's project. The City of Urbana will use its entitlement funds for its Housing Rehabilitation Program and the Kerr Avenue project. Due to the current real estate market, the City may reallocate Kerr funds to e-co lab.

Commissioner Vidoni moved to recommend to City Council approval of the funding amounts recommended by staff and the Urbana HOME Consortium:

<u>CHDO Reserve and Entitlement Funds</u>	<u>Recommended Funding</u>
Homestead Corporation – Affordable Homeownership Program	\$ 40,000
Ecological Construction Laboratory – Super Energy Efficient Modular Home	\$ 14,000
Ecological Construction Laboratory – Modular Duplex	\$ 90,000
Ecological Construction Laboratory – Passive House Retrofit	\$ 0
Mental Health Center – Homeless to Housing TBRA Program	\$ 0
<i>Total</i>	<u>\$144,000</u>

<u>CHDO Operating</u>	<u>Recommended Funding</u>
Ecological Construction Laboratory – Operating	\$ 25,250
Homestead Corporation – Operating	<u>\$ 25,250</u>
<i>Total</i>	\$ 50,500

An additional \$40,000 for Homestead Corporation is to be allocated for FY 2009-2010 CHDO Project Funds for their Affordable Homeownership Program. Commissioner Vidoni clarified this was contingent upon approval by the Urbana HOME Consortium Technical Committee. Commissioner Michelson seconded the motion, and the motion carried unanimously.

There was further discussion about providing additional assistance to e-co lab for Fairview. Ms. Gomez will check on HOME-eligible expenses. Mr. Schneider stated the issue is for e-co lab to presell its houses. In response to Commissioner Roof, Mr. Smith said the price of Homestead's houses at Douglass Park was \$110,000 and \$115,000. Homestead does not use a realtor, but they do presell their homes. The City of Urbana must verify that homebuyers qualify for HOME funds. In response to Commissioner Bengtson, Mr. Schneider stated that renting the house would require changing the agreement, amending the Annual Action Plan, and adding a 20-year affordability period. Chairperson Cobb requested an update at the next CD Commission meeting.

Adjournment: Chairperson Cobb adjourned the meeting at 10:02 p.m.

Recorded by Connie Eldridge

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APPROVED with corrections by CDC 2-24-09