

**CITY OF URBANA**  
**COMMUNITY DEVELOPMENT COMMISSION**  
**Tuesday, January 25, 2000, City Council Chambers**

**APPROVED AT MEETING FEB. 22**

**Commission Members Present:** Fred Cobb, Chris Diana, Robert Lewis, Jon Liebman, Gigi Paquin, Dennis Vidoni

**Commission Members Absent:** Anne Heinze Silvis, Carol Westfield

**Others Present:** April Getchius, Mike Loschen, Karen Rasmussen, and Connie Eldridge, Grants Management Division; Bud Mesker, Greater Champaign County AMBUCS,; Jeffrey Ford, Habitat for Humanity of Champaign County; Shirley Liggett; Jean Algee, Urban League of Champaign County; John L. Johnson, Illinois Center for Citizen Involvement.

**Call to Order:** Chairperson Cobb called the meeting to order at 7:09 p.m. A quorum was present.

**Approval of Minutes:** *Chairperson Cobb asked for approval or corrections to the November 23, 1999 minutes. Commissioner Diana moved to approve the minutes. Commissioner Liebman seconded the motion. The motion carried unanimously.*

**Staff Report:** Ms. Getchius updated commissioners on the process of hiring a manager for Grants Management Division. She thanked Grants Management Division staff for helping during the division manager's absence. Ms. Getchius has hired two staff planners for the Planning Division of Community Development.

**Petitions and Communications:** Mrs. Liggett described problems caring for her severely disabled daughter in their bi-level house. The Liggetts want to purchase an accessible house to ease the burden of caring for their daughter. She stated the Assist Urbana first-time homebuyer program will not help them since they currently own a house. She suggested modifying the homebuyer program to allow families with disabled members to participate. In response to Chairperson Cobb, Ms. Liggett said they will need to build a house to meet their needs. She also supports the concept of Visitability.

**CDBG Applicants: Greater Champaign County AMBUCS – Project Ramp – Bud Mesker, President** – Mr. Mesker thanked the CD Commission for last year's grant of \$2,000. AMBUCS used this grant to purchase supplies to build two ramps in Urbana. They used volunteer labor. AMBUCS has built 225 ramps over the last 14 years. They have an annual raffle to raise funds to purchase supplies. Commissioner Paquin watched AMBUCS build a ramp in her neighborhood. She felt this was a good program. Commissioner Vidoni asked how AMBUCS learns about citizens' needs. Mr. Mesker replied that PACE, hospital social workers, caseworkers, city and county staff refer clients to AMBUCS.

**Urban League of Champaign County – Paint Program – Jean Algee, Director of Housing Programs and Services** – This successful program has existed for several years. City of Urbana staff refers clients who are elderly and/or disabled. Urban League will provide exterior house painting for 15 households this year. In response to Chairperson Cobb’s question, Ms. Algee said the program runs smoothly.

**CDBG/HOME Applicants: A Woman’s Fund – A Woman’s Place Expansion – Johnna Parker, Program Director** – Ms. Parker thanked commissioners for considering this proposal. A Woman’s Place is considering purchasing and renovating a vacant property just west of their current shelter (corner of Main and Poplar Streets). There are two programs: an emergency shelter program that allows clients to stay for eight weeks, and an extended stay program funded by HUD. The extended stay program, which teaches skills for independent living, is open only to women with children. Staff believes many women return to an abusive situation because they can’t find housing. The adjacent property could provide transitional housing, additional case management and more office space.

Chairperson Cobb asked how many additional clients could be served. Ms. Parker answered up to five families, depending on their size. In response to Commissioner Diana, Ms. Parker said the architect would have to determine the actual number of families. She was not certain what percentage of the new building would be office space for case management. Commissioner Vidoni asked if A Woman’s Fund addressed the auditor’s questions concerning internal controls. Ms. Parker answered yes, to the best of her knowledge.

Staff at A Woman’s Place just learned IDHS will be providing matching funds. Next step is to get architectural drawings made. Ms. Parker anticipated they would work with the same architects who designed the current building. Commissioner Diana asked how firm the total project cost is since architectural drawings have not been made. Ms. Parker answered that the operations manager provided the figures.

Commissioner Paquin is familiar with the proposed property and knows it has been gutted. In response to Ms. Getchius, Ms. Parker clarified IDPA has committed \$40,000, with an additional \$17,000 in private group donations available.

Ms. Rasmussen asked what would happen to the \$40,000 grant if this project is not funded. Ms. Parker responded it would be used to expand the current shelter. Ms. Getchius asked for a letter of confirmation regarding leverage amounts.

**HOME Applicants: Habitat for Humanity of Champaign County – Lot and Infrastructure Procurement for Five Habitat Homes – Jeff Ford, President** – Habitat plans to build ten homes next year to celebrate its tenth anniversary. Habitat has built 17 homes over the past nine years, 11 of which are in Urbana. Mr. Ford thanked City Council and City of Urbana staff for identifying, securing and preparing lots for Habitat. Mr. Ford summarized Habitat’s criteria for acceptance. Mr. Ford noted Habitat now builds homes that meet visitability standards. If applicants meet the criteria, Habitat will build a completely accessible home. He discussed building costs and a family’s projected monthly payment. Their grant request is to secure and clear five lots. Matching funds come from Habitat Partners (churches and local businesses).

Commissioner Vidoni asked about Habitat's default numbers. Mr. Ford answered there has been only one default since the first home was built in 1992. The national default rate is less than one percent. Mr. Ford summarized Habitat's mentoring program for participants.

**Illinois Center for Citizen Involvement – Eads at Lincoln Closeout – John L. Johnson, Housing Program Manager** – According to Fannie Mae data, Mr. Johnson stated the default rate for low income families is far less than for families that exceed 80 percent median family income. Mr. Johnson felt low income families do not have enough access to affordable housing.

Mr. Johnson then summarized the grant application. After a bid process, ICfCI selected Harco Construction Company to complete the Eads at Lincoln subdivision. ICfCI plans to build five or six newly designed 1200 square foot homes with garages. ICfCI is committing \$30,000 of its own funds to provide nonreturnable grants to eligible families. ICfCI will submit other grant applications to lower construction costs. He discussed projected cost of the houses. Two houses will be offered to families in the 60-75 percent MFI; the remaining properties will be offered to families in the 75-80 percent MFI. In response to Commissioner Diana, Mr. Johnson explained that one family potentially needs two lots to build their home. Mr. Loschen added there is a possibility of adding another lot to the subdivision. Commissioner Vidoni asked if the houses were visitable. Mr. Johnson answered yes; the houses also meet the FEMA wind mitigating standards. Ms. Getchius elaborated on the wind mitigating standards and the grant program. Due to recognition of that program, the City of Urbana is a Project Impact Community. Mr. Johnson added ICfCI went one step further than the federal standards and now builds their houses on a crawl space rather than a cement slab. This provides homeowners with a wind shelter.

**Illinois Center for Citizen Involvement – HomeBuild III – John L. Johnson, Housing Program Manager** – The original HomeBuild III is a two year grant authorized by Cities of Urbana, Champaign and Champaign County. This is the second year of the grant. ICfCI is requesting a six month extension to complete construction of 20 homes, 10 in Champaign and 10 in Urbana. Mr. Johnson said the Urban League no longer constructs these homes. ICfCI provides construction administration, and Harco Construction Company builds the homes. Harco has been meeting the projected timetable of six homes every 90 days. Mr. Johnson summarized the project's status. These homes also meet visitability and wind mitigating standards.

Chairperson Cobb wondered how ICfCI selects potential homeowners. Mr. Johnson answered homeowners select ICfCI. ICfCI refers interested persons to the participating lending institutions, which make the final decision. ICfCI then has the borrower chose a lot, meet with the architect, and set up a construction schedule with Harco. ICfCI is required by law to serve the lowest income family first.

In response to Commissioner Lewis, Mr. Johnson said 15 lots are not under construction. Because ICfCI was not able to produce homes in a timely fashion, they decided to change builders. ICfCI is the first program in the State of Illinois to directly receive construction funds

in a non-interest relationship. Mr. Johnson thanked Bruce Stoffel and the City of Urbana for presenting this program to the Illinois Housing Development Authority board.

**Old Business:** None.

**New Business:** **Draft City of Urbana/Urbana HOME Consortium Consolidated Plan FY2000-2004 and Draft FY2000-2001 Annual Action Plan (CDBG and HOME budgets)** – Ms. Getchius reminded commissioners that anything they want to accomplish (or have other agencies accomplish) over the next five years should be included in this plan. Staff is still working on the CDBG/HOME budgets. One problem is determining how HOME dollars will be allocated with the addition of the Village of Rantoul to the Consortium.

Ms. Rasmussen said the Consolidated Plan is based on 1990 census data. When 2000 census data is available, the Consolidated Plan will be amended. Staff has updated the plan through local surveys and discussions with organizations, social service agencies and citizens. Staff found there is a need to continue the same programs from the earlier Consolidated Plan. A historic preservation section was added to the plan. The economic development and opportunity section will be updated to address current needs. Ms. Rasmussen explained that the City can support and put forward strategies; however, specific objectives must have a quantifiable accounting and must be met. HUD will grade the city on meeting specific objectives and will adjust funding if those are not met. Ms. Rasmussen stressed the importance of setting and striving to meet realistic objectives. She also discussed subgrantees' need to be certified as consistent with the Consolidated Plan. Due to federal and state funding requirements, Commissioner Lewis remarked all public agencies are creating development plans that relate to each other.

Commissioner Diana asked if the right to amend the Consolidated Plan included the right to amend the strategies and specific objectives or just the numbers within those. Ms. Getchius answered the city can amend the strategies if other needs arise from the census. Ms. Rasmussen sees the city addressing the specific objectives during the Annual Action Plan process. She summarized the following regulations: 15 percent cap for public service; 100 percent of HOME funds must assist families at 80 percent median family income or below; and not less than 70 percent of the aggregate of CDBG fund expenditures shall benefit low and moderate income persons. In response to Commissioner Diana, Ms. Rasmussen said the plan is reviewed and adjusted annually. Discussion continued on potential problems accomplishing goals. Commissioner Diana inquired about penalties from HUD for not meeting objectives. Although HUD has annual objectives, Ms. Rasmussen replied the penalty comes at the end of the five year period.

Ms. Getchius felt the transition from the Community Development Division to the Grants Management Division (GMD) worked very well. GMD now manages and monitors other agencies that provide services.

Ms. Getchius referred to Strategy D5 regarding the HOPE VI application. HUD is trying to divest itself of public housing and establish more mixed income developments. Staff added language that several methods for one-for-one replacement of units shall include any

combination of the following: housing units on-site, scattered site housing, and distribution of Section 8 certificates and vouchers. Ms. Getchius asked commissioners to consider balancing somewhat contradictory goals of one-for-one replacement versus reducing density by rebuilding in the same location. Commissioner Lewis believes the federal government is pressuring housing authorities to reduce housing stock. The housing authorities will need to be more independent. In response to Chairperson Cobb, Ms. Getchius said the majority of the City Council felt strongly that a Section 8 certificate was not a sufficient replacement for losing a unit of public housing. Discussion continued on Section 8 certificates. Due to the number of people needing affordable housing, Commissioner Lewis added that any reduction of housing is a loss. Ms. Getchius felt the issue is not just reducing density but also bringing in a wide mix of income into public housing. This will cause a net loss of units available for the very low-income households. Commissioner Lewis agreed the federal government does not want to house very low income persons in one area. Ms. Getchius added a mixture of market-rate units would provide more revenue for housing authorities. Commissioner Lewis felt a creative approach will be needed to solve these issues.

Ms. Rasmussen gave a brief history on the City of Urbana's Transitional Housing (TH) Program. In 1991 the city applied for Supportive Housing funding to begin the Transitional Housing Program. Although federal funding stopped after seven years, the City of Urbana was contractually bound to operate the TH program for ten years. An additional requirement is even if the funding stops, the three housing units acquired and renovated with federal funds must be maintained as transitional housing for an additional ten year period. If not, the city must payback a percentage of the funds. The houses need to be repaired, and the house which had a fire needs to be rehabilitated. For the last three years the TH Program has been funded from the 15 percent cap on Public Service funds, with the balance added to the Consolidated Social Service Program. Ms. Rasmussen explained regulations concerning the 15 percent cap on social service funding. There is no regulation that requires public service funding. Staff has considered other sources of funding for the TH Program, but it only fits under public service. Ms. Getchius added in the past City Council and the CD Commission have chosen to provide the full 15 percent for public service funding.

Chairperson Cobb asked about the shorter life span for TH houses. Ms. Rasmussen reminded commissioners the houses receive a lot of stress. Commissioner Lewis mentioned a program through IHDA to purchase refrigerators for \$150.

Ms. Rasmussen stated HUD is stressing the need to address lead based paint abatement. Staff is working the Public Health District and the school districts on requiring lead testing of children entering their programs. Although this testing was not enforced in the past, HUD indicates it will be in the near future. Staff has yet to determine how this issue will be addressed in the housing rehabilitation programs. In response to Chairperson Cobb, Ms. Rasmussen said houses built before 1978 have lead based paint. Commissioner Lewis asked if the Public Health District has set up a specific program to determine which children have been exposed to lead paint. Ms. Rasmussen answered no. There is a need to gather data so agencies may apply for funds for abatement programs.

Ms. Getchius asked for the Consolidated Plan to be a continuing agenda item. Ms. Rasmussen said the public review period ends March 15.

Commissioner Lewis observed the Consolidated Plan included many items that the CD Commission has discussed in the past.

Ms. Rasmussen requested commissioners consider whether or not they wanted to continue with long-term encumbrance of project funds. Should there be a time limit or some criteria? Commissioner Lewis felt an intergovernmental agreement might be a possible solution. Ms. Rasmussen noted some subgrantees have requested funds be carried over for a number of years. HUD does permit this. If the project does not happen, the funds can be recovered and reprogrammed. Staff is now indicating the fiscal year that program funds were first encumbered in the obligated carryover section of the Annual Action Plan. Ms. Getchius reminded commissioners there may be situations where funds should be encumbered. Commissioner Lewis suggested setting up review criteria. Different possibilities were discussed.

Commissioner Vidoni inquired about neighborhood input at the three hearings December 13, 14, and 15. Mr. Loschen answered that no one attended the hearings. Ms. Getchius added staff is re-evaluating the public participation process. She noted there is a lot of dialog among staff, other governments, and social service agencies. Discussion continued on different ways of reaching citizens.

*Commissioner Lewis moved to place on file for public review the Draft City of Urbana/Urbana HOME Consortium Consolidated Plan FY2000-2004 and Draft FY2000-2001 Annual Action Plan. Commissioner Liebman seconded the motion. The motion carried unanimously.*

**Adjournment:** Chairperson Cobb adjourned the meeting at 9:04 p.m.

Recorded by Connie Eldridge