

MINUTES
CITY OF URBANA
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, January 22, 2002
Second Floor Conference Room, Urbana City Building

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

Commission Members Absent: Gigi Paquin

Others Present: Bob Grewe, Randy Burgett, Connie Eldridge, Karen Rasmussen, and Elizabeth Tyler, Community Development Services; Ronald Harris, Francie Gilmore Harris, Leslie M. Lee, Lakeside Terrace Resident Council; Mindy Long, Developmental Services Center; Mickie Bailot, Provena Behavioral Health at the Mental Health Center; Jean Algee and Steve Clark, Housing Authority of Champaign County; Meg Miller, Scott Dossett, Scott Wyatt, and Chris Stohr, Historic East Urbana Neighborhood Association; Jim Rose, Homestead Corporation; Sheryl Bautch, Family Service; Patrick Leary, Prairie Center; Kerry Helms.

Call to Order: Chairperson Cobb called the meeting to order at 7:07 p.m. A quorum was present. Commissioner Diana joined the meeting at 7:47 p.m.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the November 27, 2001 minutes. Commissioner Silvis moved to approve the minutes, and Commissioner Lewis seconded the motion. The motion carried unanimously.*

Petitions and Communications: Chairperson Cobb changed the order of business and accepted petitions and communications from the public. Representatives from different agencies and neighborhood groups briefly discussed their applications for Community Development Block Grant (CDBG) and/or HOME funds.

Neighborhood Organization Grant (NOG): Historic East Urbana Neighborhood Association (HEUNA) - \$2,500 – Scott Dossett, Chairperson of HEUNA, described this eight-month-old neighborhood group. They have submitted a proposed budget for \$2,500 for advertising and capacity building activities. Commissioner Vidoni felt the neighborhood organization movement is important and congratulated them. Chairperson Cobb inquired about regular meetings. Mr. Dossett discussed committee meetings, a neighborhood potluck, and petitions. Residents are concerned with the potential development of the area north of Main Street zoned R5. HEUNA is also concerned about the lack of curbs and gutters and preservation of brick sidewalks.

United Citizens and Neighbors - \$2,500 – There was no representative.

Community Development Block Grant (CDBG): Developmental Services Center (DSC) – Scovill Group Home Improvements - \$13,500 – Mindy Long said the project is estimated to cost \$18,000. The funds will be used to construct an office for files and medications, to install new windows for egress, and to renovate the kitchen for persons in wheelchairs. In response to

Chairperson Cobb, Ms. Long described their annual review of needs. Commissioner Lewis asked if window replacement is a code issue. Ms. Long replied the windows are up to code, but new larger windows will help with egress and will increase heat efficiency. Chairperson Cobb felt neighborhood residents accept the group home despite original concerns.

Developmental Services Center – Hartle Group Home Improvements - \$7,500 – Ms. Long said installing asphalt pavement in front of the sidewalk and leading to the driveway will allow greater accessibility for those in wheelchairs. This will help residents be more independent. There are additional donations to cover the remainder of cost for both projects. In response to Commissioner Englebretsen, Ms. Long stated DSC has two group homes and one apartment building in Urbana. Full time staff live in these homes.

Family Service of Champaign County – Building Renovation - \$57,800 – Sheryl Bautch, Director, stated that Family Service has been serving the community for over 40 years. Family Service serves 12,000 individuals and families, 40 percent of whom reside in Urbana. Programs are designed to assist persons who are homeless, near homeless, very low or low-income, seniors, etc. This application is to improve capacity, accessibility, and building maintenance for their office facility. The total project, which will cost \$401,600, should be completed in two years. Funds would be used to hire an architect to prepare bid documents and for remodeling of a formerly leased space. There are in-kind donations. Commissioner Englebretsen asked if the amount requested was tied to the 40 percent of Urbana residents. Ms. Bautch replied no, these are funds needed for the first year of the project. In response to Chairperson Cobb, Ms. Bautch said Family Service would proceed with the project as funds are available.

Housing Authority of Champaign County – Pre-Development of Lakeside Terrace Apartments - \$75,000 – Steve Clark reviewed past HOPE VI applications and the physical needs of Lakeside Terrace Apartments and Burch Village. If the Housing Authority does not receive HOPE VI funds, there are other options to consider, such as a mixed finance proposal. He discussed the need to hire professional staff to create conceptual plans and drawings, existing condition reports for utilities, and a mixed finance proposal with the Department of HUD. In response to Chairperson Cobb, Mr. Clark said he was hired as developer of the Oakwood Trace Townhomes. The Housing Authority then hired him through the Architectural Design Group as a consultant to look at redevelopment of all Housing Authority properties.

Chairperson Cobb asked about the projected changes to Lakeside Terrace. Mr. Clark replied the Housing Authority must decide between rehabilitation versus new construction. He believed it was cheaper to demolish and rebuild than to rehabilitate the facility. He stated the Department of HUD would not approve the application if the apartments were kept at the same density. The Department of HUD also wants a mix from low- to moderate-income residents. Mr. Clark described relocation efforts under the Uniform Relocation Act. The Housing Authority would not actively pursue new residents if they proceed with the project. For the project to succeed, the community must embrace it, and the Housing Authority must work with the Resident Council and Urbana City Council. Noting this process worked well with Oakwood Trace, he said the Housing Authority would use the same philosophy at Lakeside Terrace.

Commissioner Vidoni noted there are many political ramifications and asked how flexible the funding was. Mr. Clark said the funds were on the low side and planned to use Housing Authority and City of Urbana staff. Funds are needed to get the project started and provide

specific information to the Department of HUD. The Housing Authority is going to redevelop all its properties. He described the heavy density and poor design of Burch Village and Lakeside Terrace. Although the City of Urbana wants one-for-one replacement, Mr. Clark described national trends and noted this will not occur in HOPE VI. Since there is not enough affordable housing, Section 8 vouchers are another approach.

Lakeside Terrace Resident Council - \$45,000 – Francie Gilmore Harris and Leslie Lee requested funds to continue their programs and to complete the playground. They need a consultant to help them grow and to train them. Ms. Harris mentioned discussions with city staff and described how funds would be used for the playground equipment. She said her mother started the Resident Council 21 years ago. She reviewed the history and described a TOPS grant that started the program, hired an assistant, bought computers and supplies. Ms. Lee discussed office hours and how tenants used the services. She wanted programs to encourage residents to become self-sufficient. In response to Commissioner Vidoni, Ms. Lee said the funds would be used to educate the Resident Council, provide training and help with involving more residents. Ms. Harris said \$20,000 to \$25,000 would be used for the playground, with the balance for the consultant.

Commissioner Diana entered the meeting at 7:47 p.m.

Commissioner Silvis asked how many hours the consultant would work. Ms. Harris will submit that information later. Commissioner Vidoni said it would be helpful if the application clarified their intentions and provided a breakdown on use of funds. Ms. Harris and Ms. Lee described current conditions and the crime rate. They will provide the additional information to city staff before the January 29 joint study session.

Prairie Center Health Systems, Inc. – Facility and Program Enhancements - \$200,000 – Patrick Leary, CEO, thanked staff and the City of Urbana for being helpful. Prairie Center, which owns seven acres on Kilarney Street, Urbana, has an endowment for a building project. They would like to consolidate their two sites: one on Hill Street in Champaign and the outpatient clinic on Kilarney Street, Urbana. Because building a new facility is very costly, they are considering purchasing and renovating properties. Phase II would renovate Hill Street into long term housing for recovering persons. Prairie Center would tie into the Shelter Plus Care Program to carry on the programs. In response to Chairperson Cobb, Mr. Leary described a gap in services for people in recovery. Prairie Center, which owns the property, is waiting for the board to decide whether to construct a new facility or purchase and rehabilitate an older one. If they do not receive this funding, the project will not go much further. Mr. Leary described using the land as leverage and an endowment for a building fund. In response to Commissioner Diana, Mr. Leary described their favorable relationship with neighborhood residents.

Provena Behavioral Health at the Mental Health Center – Elm Street and Cottage Grove Renovation Project - \$17,500 - Mickie Bailot described how these funds would be used to renovate the Elm Street Apartment and the Cottage Grove Group Home. Repairs at Cottage Grove include replacing damaged insulation and siding plus removing shrubs that block egress. Repairs at Elm Street include reshingling and replacing/repairing steps on the south side. Noting they have not requested funds for several years, Ms. Bailot said they are reaching a critical point with repairs. Ms. Rasmussen added the roof repair in 1996 was not completed due to interior

structural problems. Commissioner Diana inquired if CDBG funds could be used for shrub removal. Ms. Rasmussen replied this concerns egress issues and would research the matter.

Urban League of Champaign County Development Corporation – Paint/Siding Program - \$10,000 – Ms. Algee described how lead paint issues affected this exterior painting program. She anticipated there would be more siding rather than painting. There will be a difference in the number of homes served. The program benefits elderly or income-eligible households. In response to Chairperson Cobb, Ms. Algee stated Urban League has personnel trained to handle lead paint issues.

Community Development Block Grant (CDBG) and HOME: Illinois Center for Citizen Involvement (CDBG - \$60,000; HOME \$100,000) – There was no representative. Ms Rasmussen reminded commissioners the City of Champaign was making final funding decisions at the same time.

HOME: Homestead Corporation – Affordable Rental Housing Program for Large Low-Income Families - \$40,000 – Jim Rose, new executive director, stated Homestead’s mission is to provide affordable rental housing for very low-income families and individuals. Homestead also manages the Single Room Occupancy (SRO) Homestead Apartments. These funds would be used to acquire and rehabilitate single-family homes in the City of Champaign. Mr. Rose also mentioned funds are being used to purchase four homes in the Scottswood Subdivision of Urbana. Homestead Corporation prefers not to concentrate their properties in any one neighborhood. The total project cost is \$139,000. Homestead will use HOME funds for the initial downpayment and for modest rehabilitation. Homestead has applied to the Federal Home Loan Bank for \$15,000, and it will borrow the balance.

In response to Chairperson Cobb, Mr. Rose described how they locate, purchase and maintain the properties. Weiner Properties manages all of Homestead’s single family homes. He anticipated a continuing need for rental housing for large families, especially if the Housing Authority proceeds with relocation. Since lead based paint issues may require additional costs, Homestead is looking for properties without lead issues. In response to Commissioner Diana, Mr. Rose said Homestead considers a large family to be five to seven persons. Homestead attempts to purchase only four bedroom houses; however, these are hard to find and are getting more expensive.

Homestead Corporation – Homestead Operational Support - \$20,000 - Mr. Rose stated this application is to support Homestead’s on-going operation, administrative expenses, and office costs. Homestead will provide match through a planning student’s internship. He also discussed the need to generate income for future administrative expenses by producing income from rental properties. In response to Commissioner Holly, Mr. Rose said Len Heumann was on Homestead’s Board of Directors.

Urban League of Champaign County Development Corporation – Lease Purchase Principal Reduction Program - \$75,000 – Jean Algee briefly summarized the program and stated it was very successful last year. Urban League will purchase a house and use the city’s grant funds to reduce the cost of the house for the client. Program participants work to rebuild their credit and then purchase the house at the end of the program. In response to Commissioner Vidoni, Ms. Algee replied that last year Urban League received city funds for two homes.

However, Urban League was able to provide three homes and may possibly provide a fourth home. Urban League wants its clients who receive credit counseling to be successful homeowners.

Urban League of Champaign County Development Corporation – Lease Purchase Principal Reduction Program – 15% set aside CHDO’s \$25,000 - Ms. Algee said Urban League, which is a new CHDO, has applied for HOME’s CHDO funds for additional part-time housing counselors, a maintenance person, and administrative fees. Currently there is one part-time counselor to serve 250 clients on the housing counseling list. In response to Chairperson Cobb, Ms. Algee replied the counselor would work 20-25 hours a week.

Staff Report: Mr. Grewe distributed a table on estimated HOME funding for the Urbana HOME Consortium. The HOME Consortium is composed of the Cities of Urbana and Champaign, and Champaign County. The Department of HUD provides an allocation formula for funding. The Cities of Champaign and Urbana lost two percent each, and Champaign County gained four percent. HOME Consortium members reached a general consensus on CHDO funding. Homestead and Urban League have asked for administrative funds from the CHDO portion of HOME funds. Each jurisdiction uses its allocation balance for its own programs. The City of Urbana’s allocation of \$180,000 is used to fund the whole house rehabilitation program. Mr. Grewe discussed one scenario of funding and its impact on the city’s programs.

Commissioner Vidoni asked how much help staff provides with the application packet. Ms. Rasmussen replied when staff is asked for assistance, they explain what information the CD Commission, City Council and city staff need. Many applicants ask for help in determining how their applications mesh with the Strategic Five Year Plan. Staff tries to clarify what applicants are looking for and where to apply for other funds. Discussion continued on attendance at public hearings and performance of past programs. Ms. Rasmussen requested the CD Commission provide guidance on rating applications and judging agencies’ programs. Staff considers if agencies completed their projects and which population they served. In response to Commissioner Vidoni, Mr. Grewe said scoring is an internal staff tool to help analyze programs. It has not gone through an approval process. Commissioner Diana discussed problems with rating systems, percentages, and smaller numbers skewing the results. Ms. Rasmussen mentioned how agencies use CDBG funds to leverage additional funding. In response to Commissioner Diana, Ms. Rasmussen replied that agencies provide paperwork regarding construction costs and types of funding when the project is over.

Chairperson Cobb suggested setting goals at the beginning of the application process and giving preference to those agencies’ programs that match the goals. Commissioner Lewis felt the strategies were too broad and should be tightened. Ms. Rasmussen mentioned that general strategies allow support of other funding. Commissioner Diana proposed setting broad goals with special emphasis on more specific areas.

Mr. Grewe mentioned that Libby Tyler is the new director of Community Development Services. Staff has attended an excellent workshop on leveraging resources in Springfield. He distributed a staff report memo and a matrix on the city’s bond cap allocation. Mr. Grewe announced the Department of HUD will monitor the HOME Program on June 10. He also distributed a letter from the Housing Authority to the City of Urbana. The letter will incorporate changes requested by City Council to the Housing Authority’s Annual Agency Plan. In response to Commissioner

Diana, Mr. Burgett discussed the cost of lead paint abatement, which is very labor intensive. Mr. Grewe reviewed the long-term initiatives.

Old Business: None.

New Business: **Joint Study Session on Affordable Housing** – Mr. Grewe said the need for this session grew out of discussions from last year. It is a good format to share information on Consolidated Plan activities related to affordable housing initiatives. The purpose is education on programs and activities and developing consensus on priorities for the Annual Action Plan. Commissioner Lewis felt a key element was to define CD Commission responsibilities, with Chairperson Cobb wanting expectations defined. Commissioner Diana stated the joint study session was a step in the right direction.

Review HOME/CDBG Application – Mr. Grewe distributed a staff in-house analysis of applications that were received. Ms. Rasmussen suggested commissioners consider what information they want to be included in future HOME/CDBG applications. Commissioner Lewis felt key issues included an agency's 501(c)3 status and how long it has existed. Commissioner Diana inquired about procedural restrictions on the application. Commissioner Silvis was concerned with the agencies' track record of following through on projects. Ms. Rasmussen asked if the application's wording and questions were acceptable. Commissioner Vidoni said yes. Ms. Rasmussen will consult federal regulations on how agencies may spend funds. The applications are a starting point to discuss funding projects. Discussion continued on the proposed Housing Authority projects and which of these activities could be funded under CDBG regulations.

Revised Schedule for Preparing 2002-2003 Annual Action Plan – Mr. Grewe said the schedule is being changed to reflect timing changes with the draft Annual Action Plan. The change is due to the upcoming joint study session to allow full consideration. He reviewed the revised schedule.

Commissioner Lewis moved to approve the revised schedule for preparing the 2002-2003 Annual Action Plan. Commissioner Diana seconded the motion. The motion carried unanimously.

Other Considerations for Preparing 2002-2003 Annual Action Plan – Mr. Grewe suggested changing the Annual Action Plan's format and possibly using spreadsheets.

Adjournment: Chairperson Cobb adjourned the meeting at 9:45 p.m.

Recorded by Connie Eldridge