

**CITY OF URBANA
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, March 5, 2002, City Council Chambers**

Commission Members Present: Fred Cobb, Chris Diana, Alice Englebretsen, Robert Lewis, Gigi Paquin, Dennis Vidoni

Commission Members Absent: Michael Holly, Anne Heinze Silvis

Others Present: Bob Grewe, Randy Burgett, Connie Eldridge, Mike Loschen, and Libby Tyler, Community Development Services; Steve Clark, Housing Authority of Champaign County; Jerry White, Champaign Community Advocacy and Mentoring Resources; Ruth Wyman, Urbana City Council; Sheryl Bautch, Family Service; Jim Rose, Homestead Corporation; Cathy Eastman, North Broadway Neighbors.

Call to Order: Chairperson Cobb called the meeting to order at 7:08 p.m. A quorum was present.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the minutes from the Joint Study Session with City Council on January 29, 2002. Commissioner Lewis moved to approve the minutes, and Commissioner Diana seconded the motion. The motion carried unanimously.*

Chairperson Cobb asked for approval or corrections to the minutes from the Community Development Commission meeting on January 22, 2002. Commissioner Vidoni moved to approve the minutes, and Commissioner Englebretsen seconded the motion. Commissioner Lewis inquired if members of the public who spoke at CD Commission meetings should approve the minutes. Ms. Tyler replied that those persons could point out inaccuracies during public participation. Chairperson Cobb noted that commissioners are approving their interpretation of the minutes. The motion carried unanimously.

Staff Report: Mr. Grewe distributed a staff report outline and a letter from the Department of Housing and Urban Development (HUD). The Department of HUD requested clarification of the city's Consolidated End-of-Year Review for Program Year 2000, and staff has provided the information.

Mr. Grewe briefly discussed the following:

- Federal Home Loan Bank funding to supplement owner-occupied rehabilitation program and the paint/siding program.
- Illinois Housing Development Authority funding to supplement owner-occupied rehabilitation program.
- Get the Lead Out and applying for additional funding with the Department of Public Health
- Bond Cap Allocation options
- Department of HUD monitoring scheduled for June 10, 2002

Mr. Grewe distributed a map indicating the location of the city's investments. The map, which was created in ArcView GIS (Geographic Information System), could be used for a geographic review of investments.

In response to Commissioner Vidoni, Mr. Grewe said a core group of UCAP members and other residents met earlier concerning the King Park Community Center. Commissioner Vidoni inquired about the energy behind the community center project and was concerned the project would be set aside. Noting the project has been around quite a while, Mr. Grewe replied that a core group met regularly. Commissioner Lewis discussed the past King School expansion and saw an opportunity to work with the Urbana School District board to make a multi-functional facility.

Referencing the Department of HUD's end of year review, Commissioner Diana asked if drawdowns of CDBG funds were on track. Mr. Grewe replied that staff would make sure the city's partners met this requirement. Commissioner Diana asked if HUD's comments on the CDBG narratives impacted current budget considerations. Mr. Grewe replied there was no particular area of concern, and the recommended funding will not add to the concern.

Petitions and Communications: Sheryl Bautch, Executive Director of Family Service, responded to Councilperson Otto's comments from the joint study session. He commented on the city's commitment regarding accessibility issues. Ms. Bautch noted a large portion of the work concerns accessibility modifications and bringing the building into ADA compliance.

Councilperson Ruth Wyman read an e-mail from Councilperson Danielle Chynoweth. Ms. Chynoweth discussed the use of Community Development Block Grant (CDBG) funds for curbs, gutters and streetlighting in the Community Development (CD) Target Area. She would recommend using city general revenues to fund these improvements in the CD Target Area, thus freeing CDBG funds for other needs in the target area. For example, Ms. Chynoweth suggested using funds to address the overcrowding at King School. Another concern is using CDBG funds for new housing construction programs, property acquisition, etc. Noting that new construction creates new tax revenues for the city, she felt general revenue funds might be used instead. Ms. Chynoweth's e-mail also discussed using CDBG funding to meet the HOME requirements for 15 percent matching funds. She would prefer the city use general revenue funds without a reimbursement from CDBG funds.

Ms. Wyman discussed membership requirements in the Neighborhood Organization Grant program. Regulations allow all residents, not just homeowners, of a neighborhood to form a neighborhood organization. Referencing staff's concerns about United Citizens and Neighbors (UCAN) outstanding grant funds, she stated only \$55 was left from one grant. Ms. Wyman supported UCAN receiving a waiver of the three-year limit for NOG funding and also supported UCAN's grant request for FY 2002-2003.

Noting other organizations echoed Ms. Chynoweth's recommendations, Chairperson Cobb asked about encouraging the city to use general revenue funds rather than CDBG funds. Ms. Wyman

replied the CD Commission should communicate their priorities to the mayor and city administration.

Libby Tyler discussed the City of Urbana's Capital Improvement Plan (CIP) and increased construction costs. She noted the city is not funding capital projects as hoped. It is customary to use CDBG funds for curbs, gutters and streetlighting, and CDBG funds may be used to reimburse general revenues used for matching funds. The question regarding the best use of general revenues is valid, and this is a concern for City Council, the mayor and city administration. Ms. Tyler pointed out the retail sales slump will impact the city's revenue streams. Also, the City Council committed funds to complete the Urbana Free Library project, which affects other funding adjustments. There are many factors to consider that will provide perspective. She noted that CDBG funds guarantee a portion of the CIP will go toward inner city infrastructure. Noting that King Park is in TIF District No. 3, Ms. Tyler discussed possible projects within TIG districts.

Commissioner Lewis was also concerned about the distribution of CDBG funds regarding capital funding projects. He felt the infrastructure in certain areas of Urbana is not treated very well. He believed the City of Urbana should pay for infrastructure improvements regardless of the availability of CDBG funding.

At this point Chairperson Cobb asked if any members of the audience had a response to the CD Commission minutes. No one responded.

Old Business: None.

New Business: **Disposition of Surplus City-Owned Property, 1304 North Berkley Avenue, for Housing Construction** – Mike Loschen stated the City of Urbana purchased this property in 1999. Because the property is very narrow, the original plan was to divide it and deed one half to each adjoining property owner. Neighborhood residents were concerned with this plan. Now Habitat for Humanity is interested in building a house on this property later this spring. Mr. Loschen said the house must be built by 2003 or the city will take back the property. The deed will be held in escrow until that time. He noted this is the standard contract. Commissioner Englebretsen asked if Habitat for Humanity had a good track record. Mr. Loschen replied yes, they will not start construction until they find a family and a construction partner. Habitat for Humanity will also start housing construction at 1202 West Beslin Street.

Commissioner Diana moved to recommend disposition of 1304 North Berkley Avenue to Habitat for Humanity. The motion was seconded by both Commissioners Englebretsen and Paquin. Commissioner Diana clarified that a transfer of property for \$1.00 cannot be considered a donation. Chairperson Cobb noted the word "transfer" rather than "donation" was acceptable to the CD Commission. The motion carried unanimously.

FY 2002-2003 Draft Annual Action Plan – Referencing Councilperson Wyman's mention of UCAN, Commissioner Vidoni was concerned about not recommending NOG funding for UCAN. He believed in funding grassroots organizations, and he supported providing \$2,500 each to the Historic East Urbana Neighborhood Association (HEUNA) and the Lakeside Terrace

Resident Council. He felt grassroots organizations are consistent with the CD Commission's mission and that the city gets a tremendous benefit for small resources. In response to Chairperson Cobb, Mr. Grewe discussed why Lakeside Terrace Resident Council was not recommended for funding. Mr. Grewe suggested they apply for funding from the Consolidated Social Service funding pool. Commissioner Diana asked how a consultant's activities would relate to the whole rehabilitation of Lakeside Terrace and if there was a potential conflict of interest of funds. Ms. Tyler mentioned concerns with constructing a playground in conjunction with major redevelopment of Lakeside Terrace. Also recreation-type projects typically have other good funding sources. Noting that playground funding was not eligible, Commissioner Diana said funding a consultant to improve community relations was eligible and would not be in conflict with redevelopment of Lakeside Terrace. Chairperson Cobb agreed. Noting the limited amount of funds available, Chairperson Cobb suggested funding the Resident Council on the condition that they could get useful service for this amount. He felt it was a worthwhile activity.

Concerning capacity building funds, Mr. Grewe noted that funding is currently at 18 percent of the 20 percent cap. There is a funding constraint on capacity building.

Commissioner Lewis asked what the city's role should be in funding capacity building of neighborhood organizations. He felt the city should support neighborhood organizations if not through CDBG funds. Commissioner Diana stated there are limited funds for capacity building. If the city grants waivers indefinitely, this would affect future funding of neighborhood organizations.

Discussion continued on the availability of funds, the difference between HOME and CDBG funds, and ramifications of different suggestions. Ms. Tyler said staff tried to move projects into other funding categories to maximize CDBG funds. There are many requests, and staff can only make advisory recommendations. In response to Chairperson Cobb, she said funding a percent of a project may be misleading. Chairperson Cobb asked about unutilized funds. Mr. Grewe discussed estimates and not shorting line items before the end of the fiscal year. He added the Annual Action Plan is amended to include Consolidated Social Service funding.

Commissioner Lewis suggested using any carryover funds to fund UCAN and Lakeside Terrace. Commissioner Vidoni suggested approving the budget with the note that UCAN and Lakeside Terrace receive priority funding with carryover funds. Commissioner Diana asked for clarification on whether Lakeside Terrace Resident Council's request was for one or two years. Mr. Grewe stated this recommendation could be made when the Annual Action Plan is amended in July or August. Commissioner Diana questioned whether UCAN's request could be funded. Mr. Grewe replied yes, the program is different and beyond what they did last year.

Commissioner Lewis moved to recommend to City Council Version 1.5 of the City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2002-2003 with UCAN and Lakeside Terrace Resident Council having priority on any residual funds at budget revision time. Commissioner Vidoni seconded the motion. There was discussion about (1) City Council reviewing matching funds, (2) clarification on the amount of funds set aside for Neighborhood Organization Grants, and (3) using CDBG funds versus general revenue funds. Commissioner

Diana moved to amend the motion to read, "...from residual funds or city general revenue portion of CDBG funding." Commissioner Paquin seconded the amendment. There was clarification about a typographical error and that this motion included both the HOME and CDBG sections of the Annual Action Plan. The motion carried by voice vote with Commissioner Englebretsen abstaining.

Adjournment: Chairperson Cobb adjourned the meeting at 8:47 p.m.

Recorded by Connie Eldridge

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