



*APPROVED by CD Commission 10-28-03*  
**MINUTES**  
**COMMUNITY DEVELOPMENT COMMISSION**  
**Tuesday, August 26, 2003, City Council Chambers**

**Call to Order:** Chairperson Cobb called the meeting to order at 7:08 p.m.

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

**Commission Members Present:** Fred Cobb, Chris Diana, Robert Lewis, Carl Perry, Anne Heinze Silvis, Umesh Thakkar, Dennis Vidoni

**Commission Members Absent:** Joanna Shisler

**Others Present:** Bob Grewe, Connie Eldridge, Mike Loschen, and Karen Rasmussen, Community Development Services; Dale Morrissey, Developmental Services Center (DSC); Jerry Moreland, United Citizens and Neighbors (UCAN).

**Approval of Minutes:** *Chairperson Cobb asked for approval or corrections to the July 22, 2003 minutes. Commissioner Thakkar moved to approve the minutes, and Commissioner Lewis seconded the motion. The motion carried unanimously.*

**Petitions and Communications:** None.

**Staff Report:** Mr. Grewe distributed a brief staff outline. He noted that City Council approved the CD Commission's recommendations for the Tenant Based Rent Assistance (TBRA) Program Description with the additional provisions:

1. Applicant households who are renting an apartment in the City of Urbana at the time of application must:
  - Have at least one child under the age of 18 living in the household
  - Have income below the federal poverty level
  - Be at risk of becoming homeless because the cost of rent and utilities exceeds 50% of household income
2. Deleted provision for an applicant to spend at least three months in transitional housing.

Councilperson Patt wanted to further open the TBRA Program since there was a demand and a need for rental assistance funds. Ella Coleman was working toward an open house promotion and marketing of the TBRA Program.

Noting that item 2 would further open the program, Commissioner Diana commented that item 1 appeared to make the program more restrictive. Mr. Grewe responded these changes would not preclude the other participants but would allow additional participation through another category. Commissioner Diana stated that the word "must" would gear the program toward particular demographic roots and limit the program participation. Referencing the context of program

descriptions, Mr. Grewe believed City Council's intention was to make this an additional category of eligibility. He will revisit the wording.

Commissioner Silvis questioned whether this change made the program more restrictive or was an additional category. Mr. Loschen described the categories in the TBRA Program and noted this was an entirely separate category. The TBRA Program was originally set up to accept applicants from Transitional Housing (TH) Programs. An applicant who meets either item 1 or item 2 can apply directly to the TBRA Program rather than coming through a TH Program. In response to Commissioner Silvis, Mr. Loschen noted that an applicant could come through either path into the program. Commissioner Diana asked about deleting the provision to spend three months in the TH Program. Mr. Loschen responded that good standing in the TH Program could be a minimum of one day for any homeless family previously served.

Mr. Grewe will provide commissioners with a complete program description as amended. The description needs to be clear that there are different paths to eligibility. Even if this is an additional method of qualifying by restricting participation to Urbana households, Commissioner Diana noted the description did not really state other alternatives or other qualifying groups who rent in the City of Urbana.

City Council approved the following: property acquisition of 1310 West Dublin Street, conveyance of 914 West Eads to Homestead Corporation, amending the Eads at Lincoln Homebuyer Project Agreement, and CHDO Operating Funds Agreement with Homestead Corporation.

There has been continuing dialog on the HOME Consortium Policies and Procedures. HOME Consortium partners are reviewing the sample documents from ICF Consulting.

Chairperson Cobb introduced Carl Perry as a new member of the Community Development Commission.

**Old Business:**        **Analysis of Impediments (AI) to Fair Housing Choice** – Mr. Grewe noted that commissioners received the most current draft at the July CD Commission meeting. He thanked the commissioners for their suggestions, concerns, and ideas for improvement. At this time staff is recommending approval and forwarding to City Council. The Department of Housing and Urban Development (HUD) has asked the City of Urbana to update this on a regular basis.

Referencing page 50 of version 3.0, Commissioner Thakkar questioned the recommendation for resource centers. Mr. Grewe said the recommendation was to encourage cooperation between the Urbana School District and area resource centers to work with children to improve performance in school. Commissioner Thakkar referenced his earlier e-mail and stressed the resource center is not necessarily just for children but should include parents in an informal learning environment. He felt the resource centers should include technology resources. Mr. Grewe cautioned about being too specific and mentioned there might be other planning venues that would allow more detail and would reference future projects for funding considerations. Commissioner Thakkar suggested the wording "working with children and their parents to

improve performance in school and to create informal learning opportunities outside the school environment.” Commissioner Diana suggested the wording “children and their families.” Commissioner Thakkar agreed.

Commissioner Vidoni noted there are asterisks on pages 88, 107 and 109 that do not seem to connect with an explanation. Noting these sections were copied from City codes, Mr. Grewe said staff would review any applicable footnotes from the codes.

Commissioner Vidoni requested clarification of the fourth bullet point on page 45, Impediments to Fair Housing Choice, Multicultural Nature of the Community. The reference to landlords as a multi-cultural group seemed incorrect. He noted the statement inferred coordination with someone and asked who was being referenced. Mr. Grewe answered that it was the mission of the CD Commission and City staff to coordinate this. Commissioner Vidoni requested this be rephrased. Ms. Rasmussen suggested the wording “multi-cultural groups among landlords.”

Commissioner Diana wondered if the Human Rights Commission was involved in current educational liaison or was just a hearing and enforcement group. Mr. Grewe understood part of their mission is outreach in education. Grants Management Division shares fair housing information from HUD with the Human Relations Division, although there is not a formal setup. Part of HUD’s mandate is to support fair housing issues.

In response to Chairperson Cobb, Mr. Grewe noted the timeframe would allow further consideration; however, he suggested approval sooner rather than later. Commissioner Thakkar remarked that not many groups would link fair housing with creating environments to grow intellectually, professionally and socially. He supported creating an informed citizenry where people have access to resources.

After the AI is approved, Commissioner Lewis asked how it would be distributed and used. Mr. Grewe said that HUD requires the City to create an AI. Neither Grants Management Division nor the CD Commission is tasked with fair housing regulations. Mr. Grewe anticipated this document would be used more when creating the Annual Action Plan. HUD will ask what the City of Urbana did to support fair housing. Mr. Grewe suggested funding a workshop or supporting a community effort. Staff would look for opportunities to provide the City’s resources to support programs that further these recommendations.

Commissioner Lewis suggested revising the AI annually to incorporate new issues and to allow for CDC review. He noted the document should be on-going and not stagnant. Commissioner Lewis stated it was important how the AI would be used, and he wanted it to be accurate. Commissioner Diana agreed and asked about HUD’s requirement for frequency of updates. Mr. Grewe believed that HUD did not have a set timeframe, rather an update would be based on how fast a community changed. Commissioner Lewis recommended an annual review, and Commissioner Diana agreed.

Ms. Rasmussen explained that the City of Urbana must report what fair housing actions have been taken to overcome impediments in its Consolidated Annual Performance and Evaluation Report (CAPER).

Commissioner Thakkar suggested considering other communities' Analysis of Impediments to Fair Housing and any innovations.

Commissioner Lewis suggested adding 2003-2004. In response to Chairperson Cobb, Mr. Grewe said the AI would be placed for public viewing in the Community Development Services office, City Clerk's office, and at the Urbana Free Library. Commissioner Silvis asked if the document would be on the City's website. Mr. Grewe replied yes.

Commissioner Vidoni commented that the AI was a very impressive, comprehensive document. He requested Option 2 of the memorandum be amended to include revisiting the document in one year to review implementation and incorporate any recommendations. He also suggested placing an ad in CD's newsletter that the AI is available for public input.

Commissioner Thakkar requested that people in housing units have access to the AI. Since commissioners do not actually live in these units, he felt it was important to include input from families about their thoughts, challenges and experiences on impediments to fair housing. Commissioner Vidoni agreed. Discussion continued on offering a public comment period and getting feedback on the AI. Ms. Rasmussen suggested placing an ad in the newspaper to announce the availability of the AI and request comments. Commissioner Thakkar felt it was important that affected groups participate in and contribute to the process of developing the AI. Ms. Rasmussen asked if he was recommending making the AI available in rental offices at large apartment complexes. Commissioner Lewis suggested using CD's newsletter to announce central locations of the document. He also proposed having a response form for feedback. After completing the form, the respondent would place it in an envelope at the library, City Clerk's office or Community Development Services office. Chairperson Cobb liked the idea of a "suggestion box," and Commissioner Thakkar liked the anonymous aspect. Ms. Rasmussen also suggested posting an e-mail address for feedback. Commissioner Diana commented that this approach would open up potential ideas.

*Commissioner Vidoni moved to approve the Analysis of Impediments (AI) to Fair Housing Choice with the changes as discussed and to recommend it to City Council. Staff is to develop a comment process, and the AI is to be reviewed in one year. Commissioner Thakkar seconded the motion. The motion carried unanimously.*

**New Business:      Community Development Block Grant Subrecipient Agreements –**  
Mr. Grewe noted that many of the agreements represent public service funding. Earlier the CD Commission had determined priorities for public service funds, and City Council approved applicants. These are the actual agreements between the City of Urbana and the agencies.

Noting these agreements are similar to past agreements, Ms. Rasmussen stated the only change was the addition of a recapture and reallocation clause on page 2, item 12. Some subgrantees have gone years without spending grant funds, which has caused the City of Urbana a timeliness issue with HUD. This statement alerts subgrantees that if they do not undertake a project in a timely fashion, the City has the option to take the funds back. The City does have a provision to

extend an agreement. Ms. Rasmussen will meet with each subgrantee individually to explain this new item.

Chairperson Cobb asked if the dollar amounts on the agreement were the same. Ms. Rasmussen answered yes. Referencing point 12, Commissioner Diana asked if there were any problems with funds under contract if the contract was not upheld or cancelled. Ms. Rasmussen explained the term “committed by contract” was referring to construction contracts, which generally have an established timeframe. Commissioner Lewis believed this might be a legal issue, and he was not sure the City could arbitrarily recapture and reallocate the funds. He suggested getting legal advice on how to address this. Ms. Rasmussen said the City has input into any contracts written between the City’s subgrantees and subcontractors for construction. Commissioner Lewis remarked that a contract required a timeframe for execution. Ms. Rasmussen responded that this was included and there were penalty clauses.

Chairperson Cobb clarified that the CD Commission would be recommending the form and structure of the agreements rather than the financial consideration. Ms. Rasmussen noted that Attachment C described what services the City would expect for its monies. She asked commissioners if the agreements followed the applications and if these activities were what the commissioners wanted.

Commissioner Vidoni remarked that the agreements had a particular bent toward assisting youth, which was one of the CD Commission’s stated goals. Ms. Rasmussen said that City Council put the Don Moyer Boys & Girls Club agreement under the auspices of the Grants Management Division for oversight of activities at Lakeside Terrace.

In response to Chairperson Cobb, Ms. Rasmussen noted three applications are for public services and summarized them. The agreement with Developmental Services Center is for Vocational Services at the Eastern Illinois Foodbank and funds a staff position for job training. The agreement with Provena Behavioral Health Services, Roundhouse Shelter, funds a staff position for youth emergency shelter. Lastly, the agreement with the Don Moyer Boys & Girls Club helps fund two staff positions at its Lakeside Terrace Club.

There are three capital improvement projects. One agreement with Provena Behavioral Health at the Mental Health Center is for window replacement at its Cottage Grove Group Home. Another agreement with Provena Behavioral Health at the Mental Health Center is to renovate a washroom at the TIMES Center. The agreement with the Disabled Citizens Foundation for the Developmental Services Center is for renovation of the job training facility.

There is one Neighborhood Organization Grant (NOG) agreement with United Citizens and Neighbors (UCAN).

Chairperson Cobb inquired about the form of the contracts. Ms. Rasmussen explained the contracts are similar but there are some differences due to the types of activities. Commissioner Diana wondered if the public service agreements were all the same. Ms. Rasmussen replied yes and added that all capital improvement agreements were the same. The NOG agreement is a stand-alone. Commissioner Diana suggested two separate motions because one group of

agreements was forwarded to the mayor for signature and the other group returned to City Council.

Chairperson Cobb invited Dale Morrissey, Chief Executive Officer of the Developmental Services Center (DSC), to speak. Mr. Morrissey explained the DSC's asset-holding corporation is the Disabled Citizens Foundation, which actually owns their properties. DSC realized 25 years ago that most funds were used for social services rather than maintaining property. At that time DSC set up a separate corporation to insure proper review of their facilities. This is how the two corporations work together.

Mr. Morrissey has reviewed both agreements and understands staff's concerns with timely completion. He expressed DSC's appreciation for the funds. One agreement provides \$5,000, which funds 25% of a staff position. This successful program has served 42 clients over the last five years. This creates jobs for people with disabilities, and the Eastern Illinois Foodbank is able to distribute more than double the food to various counties and organizations. The capital development agreement for \$99,000 is a \$1.2 million renovation of their job training facility. He reviewed DSC's funding for the renovation, and noted that \$87,000 has already been spent on the roof. Mr. Grewe clarified that the title of the capital development agreement should be Disabled Citizens Foundation.

Chairperson Cobb invited Jerry Moreland, Chairperson of UCAN, to speak. Mr. Moreland stated that UCAN rehabilitates single-family houses for resale. The agreement is to research houses that UCAN could rehabilitate. This includes reviewing needed work and dealing with contractors. Mr. Moreland stated the work was needed for the overall appearance of the community as well as helping families get homes. He thanked commissioners for the funds.

Commissioner Vidoni asked for clarification of the NOG's goals. The NOG agreement remarked that the NOG's goals were to (1) investigate organizing and service initiatives for the Greater Crystal Lake Park and King Park Neighborhoods, and (2) begin work on a Neighborhood Plan by researching neighborhood organizing efforts. Ms. Rasmussen clarified that UCAN has two separate agreements: a NOG agreement and a HOME Consortium Homebuyer Developer Agreement.

Chairperson Cobb asked if the funds were sufficient to accomplish UCAN's goals. Mr. Moreland answered yes.

Chairperson Cobb noted a misprint on page one, item two, of the UCAN NOG agreement. Chairperson Cobb felt the structure and form of the contracts were acceptable.

*Commissioner Diana moved to forward to the mayor the CD Commission's recommendation the following Community Development Block Grant Public Service Activity Agreements: Project Number 0304-03, Project Number 0304-04, and Project Number 0304-05. Commissioner Lewis seconded the motion. The motion carried unanimously.*

Commissioner Thakkar suggested that after the agreements were awarded, there be a summary on the agreements for the public. He wanted other groups that might apply for public funds to

understand what has been achieved so they may possibly build on what has been accomplished or propose something else. For example, Commissioner Thakkar mentioned other groups learning from UCAN. Mr. Morrissey noted that the newsletter covers program progress, and Ms. Rasmussen added this is reported in the Annual Action Plan and the Consolidated Annual Performance Report (CAPER). Commissioner Thakkar suggested including this on the website. Commissioner Lewis remembered the funding matrix, which indicated available grants and activities that could be funded. Commissioner Diana recommended this be updated annually.

*Commissioner Diana moved to recommend to City Council approval of the following Community Development Block Grant Subrecipient Agreements: Project Number 0304-01, Project Number 0304-02, Project Number 0304-06, and Project Number 0304-07. Commissioner Vidoni seconded the motion. The motion carried unanimously.*

**Home Investment Partnership Act (HOME) – Urbana HOME Consortium Homebuyer Development Agreement with United Citizens and Neighbors (UCAN)** – Mr. Grewe said this project was included later in the development of the Annual Action Plan. The agreement provides UCAN with \$28,000 for acquisition, rehabilitation and resale of a single-family residence, which is similar to their earlier project. When staff met with UCAN in August, UCAN requested another \$2,000 to cover utility costs during the project. UCAN also inquired if the City of Urbana could provide assurance by taking care of the difference if the resale arrangement was not enough to carry the debt plus carrying costs. Mr. Grewe stated that, after consideration, staff felt the project should work without further investment. Also, the City would have to amend the Annual Action Plan to put any more funds into the project. Staff recommends structuring the agreement according to the Annual Action Plan since there are no additional funds.

Mr. Grewe mentioned staff discussions about risk in the housing environment for non-profit agencies. When he joined the City of Urbana three years ago, he was surprised by the amount of risk that volunteer boards were willing to engage. Mr. Grewe mentioned the inherent risks of being a non-profit agency and providing housing. The question is how much surety the City of Urbana should provide as a safety net. Chairperson Cobb asked if the safety net was an unlimited amount. Mr. Grewe said that staff did not determine the amount of a safety net. Rather, staff discussions concerned ways to lessen risk by carefully choosing a house and “working smart, working fast, and flipping the project.” When a project is delayed, the carrying costs add up. Staff has prescribed a timeline to keep the rehabilitation efficient and effective. Volunteer labor and donated materials must be worked into the process.

Commissioner Vidoni understood that UCAN wanted more concrete guarantees, and that the City’s response was to go with the process, let the process be more of a guarantee, and keep a watchful eye on the project. Mr. Grewe concurred.

Commissioner Diana felt this was appropriate. It would be hard to quantify any specific additional risk that a not-for-profit would have in a real estate transaction. The risk does not approach what a general contractor would have in the same project. He mentioned the blurry area of city funds and not-for-profits, and what the City is guaranteeing or funding.

Commissioner Lewis remarked that the City of Urbana is still on a learning curve. He mentioned community involvement and asked how much should the City contribute. UCAN is now taking on projects that will expand their potential. Through this process, Commissioner Lewis felt the City will learn (1) how to better deal with community organizations that are funded through the City, and (2) how much the City can share to make it a viable opportunity for the community group and the City. Risk management is an issue for projects. Commissioner Lewis believed the project would go smoothly because of UCAN's past projects. He reminded commissioners and staff that there are obvious risks in the community in which UCAN is working. Commissioner Lewis felt it was appropriate for UCAN to ask the City to back them up.

Commissioner Diana noted that the City of Urbana has not been unresponsive in terms of unusual or catastrophic problems that delay a project, require additional funds, etc. While this is not an underwriting of a project, it is a firm assurance. Commissioner Lewis concurred.

*Commissioner Lewis moved to recommend to City Council approval of the Urbana HOME Consortium Subrecipient Agreement with United Citizens and Neighbors for acquisition, rehabilitation, and resale of a single-family residence. Commissioner Vidoni seconded the motion. The motion carried unanimously.*

Commissioner Thakkar thanked staff and Chairperson Cobb for arranging a teleconference for him at the October CD Commission meeting. Pending an amendment to the CD Commission by-laws, Chairperson Cobb has authorized this teleconference and hoped the commission concurred.

Commissioner Lewis suggested that staff help commissioners decipher the many acronyms, especially for newer commissioners.

**Adjournment:** Chairperson Cobb adjourned the meeting at 8:43 p.m.

Recorded by Connie Eldridge