



APPROVED by CD Commission 3-28-06
MINUTES
COMMUNITY DEVELOPMENT COMMISSION
Tuesday, February 28, 2006, City Council Chambers

Call to Order: Chairperson Cobb called the meeting to order at 7:05 p.m.

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

Commission Members Present: Fred Cobb, Theresa Michelson, Nancy Quisenberry, Anne Heinze Silvis, Umesh Thakkar, Dennis Vidoni

Commission Members Absent: Chris Diana, Joy Ready

Others Present: Libby Tyler, Kelly Hartford and Connie Eldridge, Community Development Services; Paulette Colemon, Champaign-Urbana Tenant Union, Ruth Anne Wylie.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the January 31, 2006 minutes. Connie Eldridge noted the following corrections: Page 3, sixth paragraph, third sentence should read, "There is room for growth, and Frances Nelson plans to hire additional medical providers after it has moved into the building." Page 5, last paragraph, last line should read, "...the American Dream Downpayment Initiative (ADDI) is being cut 50%." Page 10, fifth paragraph, third sentence should read, "Each homebuilder organization provides the bulk of funds and finds volunteers." Commissioner Silvis moved to approve the minutes, and Commissioner Thakkar seconded the motion. The motion carried unanimously.*

Petitions and Communications: Paulette Colemon, member of the Board of Directors of the Champaign-Urbana Tenant Union, read a statement that addressed the Section 8 Voucher Program, common myths, and landlord concerns. Referencing the City of Champaign's Human Rights Ordinance, Ms. Colemon was concerned about the City of Champaign allowing landlords to discriminate based on source of income, i.e., a Section 8 voucher. She reviewed the suggested change to the City of Champaign's Human Rights Ordinance that would address landlords' concerns while preserving the original intent of the Human Rights Ordinance. The Tenant Union supports the basic principle that having a Section 8 voucher should not automatically disqualify an applicant for housing.

Commissioner Michelson asked if Urbana landlords could refuse to rent to applicants who have a Section 8 voucher. Ms. Tyler said City of Urbana's Human Rights Ordinance explicitly prohibits discriminating against source of income (including Section 8 vouchers), and as far as she knows, the City of Urbana does not intend to alter this. Though not related to Section 8, there are issues concerning landlords related to the City's systematic inspections. Also, some apartments exceed 25% of Section 8 placement, which concentrates poverty. In those cases, the City will ask the Housing Authority to direct individuals to other apartment complexes.

Chairperson Cobb asked if Ms. Colemon's presentation was considered "more preventative" as it pertained to the City of Urbana. Ms. Colemon replied yes, the Tenant Union just wanted to bring this issue to the City's attention.

Staff Report: Ms. Tyler reviewed the staff memorandum, and she distributed replacement pages 23-28 for the Draft FY 2006-2007 Annual Action Plan and a Housing Authority memorandum concerning its Minority Business Participation.

Referencing Lloyd Carter's concerns about minority contractor participation, Chairperson Cobb inquired about the City's response. Ms. Tyler noted that City staff has been in contact with Mr. Carter, and Randy Burgett, Housing Rehabilitation Coordinator, will brief the Community Development (CD) Commission on these issues. Chairperson Cobb asked if Mr. Carter was invited to the Housing Authority's prebid conferences. Ms. Tyler replied that staff will need to check with the Housing Authority.

Ms. Tyler announced that Joy Ready was appointed to the CD Commission. She is a long-time resident and previously owned a business in Urbana.

Ms. Tyler reviewed participation in the Senior Repair Service, Emergency Grants, Access Grants, Get the Lead Out (GLO), and Whole House Rehabilitation Programs. She noted that the Purchase/Rehab/Resell Program is new, and felt the pilot project would be successful. Staff is working on a list of properties for potential purchase.

A neighborhood meeting on the Scottswood Drainage project was held. Residents within the City of Urbana limits were pleased with the Community Development Block Grant (CDBG) allocation, which will provide 50% abatement of the costs. This funding will make a big difference to the residents. The next step is a return to court to see if the assessment is worthy, and if there are no objections. Staff will know then if they can proceed with the project.

The Housing Authority is working with its architects on Lakeside Terrace. There are questions on the setbacks since the site is tight with 96 units. The project is coming along well, and staff is preparing a number of support letters for the Housing Authority's application to the Illinois Housing Development Authority (IHDA). This involves a statement of consistency with the Consolidated Plan, rezoning approvals, plus mayoral and funding support. This also means amending the Annual Action Plans to indicate funding that was pledged in 2004.

Ms. Tyler announced the Annual Housing Fair on April 8 and Naomi Jakobsson's Homeownership Event on March 20. The CD Commission is invited to attend the Planning Institute on March 2-3 and the "Green Day Tour" of Chicago on March 16.

Commissioner Vidoni appreciated the report on participation the City's housing programs and asked how these programs were doing. Ms. Tyler noted these are very successful programs that serve many needy people. While the programs are time consuming for smaller grants, staff feels they are necessary and have a huge impact over time. The Purchase/Rehab/Resell Program is a new approach to make good use of current housing stock. These are good, solid programs with continued need. Commissioner Vidoni agreed that the programs are important.

In response to Commissioner Vidoni, Ms. Tyler will ask Bob Leach, United Citizens and Neighbors (UCAN), to provide the number of members in UCAN.

Old Business: None.

New Business: **Review Draft Annual Action Plan for Fiscal Year 2006-2007** – Ms. Tyler said this was a work in progress and highlighted the changes since the preliminary budget. There has been an overall reduction in HOME and CDBG funding. The projected CDBG budget, including recaptured funding and carryover projects, is \$577,934. Due to the tight line items, some staff salaries were shifted into program delivery in both CDBG and HOME projects. The Emergency Grant/Access Grant/Get the Lead Out Match was reduced to match the amount actually spent this year. Senior Repair Service Program was also reduced to \$20,000 to match the amount actually spent.

The Department of Housing and Urban Development (HUD) limits funding for public service programs to 15% of the current CDBG allocation and 15% of the prior year's program income. The City's Transitional Housing (TH) Program, which is funded from public service, will continue in a modified form for an additional year due to staff retirement. Neighborhood Cleanup is budgeted at last year's level, but this may need to be rebudgeted if costs exceed \$9,000. Many people participate in Neighborhood Cleanup and bring a lot of junk to the drop-off sites. \$20,000 will be added to the City's General Fund and Cunningham Township Fund to comprise the Consolidated Social Service Fund. This is a reduction from \$24,000 in FY 05-06 funding. Chairperson Cobb asked when the Consolidated Social Service Fund projects will be identified. Ms. Tyler said the City will request grant applicants, and she anticipated many of the same programs will apply. Kelly Hartford stated the Consolidated Social Service Fund applications will be available March 13 and due April 13.

Ms. Tyler reviewed the new CDBG projects: Scottswood Drainage Assessment, Webber/Anderson Streetlighting, Property Acquisition, Developmental Services Center, and Frances Nelson Health Care Center. Staff anticipates carryover funds being added to property acquisition.

Neighborhood Improvement Funds (NIF) will be used to fund the Neighborhood Organization Grant (NOG) for UCAN. NIF funds may only be used in this area, and this will help with the tight CDBG budget.

Referencing the Scottswood Drainage Assessment, Chairperson Cobb asked why \$60,000 was being set aside when the study indicated \$50,000. Ms. Tyler said the \$50,000 was a soft number, with \$60,000 being a safer budgeting number. The assessments are not approved yet, and the amount depends on the judge's timing and when the assessment roles are released. Also, staff is not yet sure how many households will qualify based on income. Chairperson Cobb asked what would happen to any remaining funds. Ms. Tyler replied that the City would modify the budget.

Commissioner Vidoni inquired about property acquisition last year. Ms. Tyler indicated that the City purchased property on Kerr Avenue. The City has an inventory of lots, which will go to Habitat for Humanity, Urban League, Homestead Corporation, etc.

Ms. Tyler reviewed the Home Investment Partnership Act (HOME) Program funds, which include Community Housing Development Organization (CHDO) project funds. CHDO funds must be spent on CHDO projects. Urban League's Lease-Purchase Program will receive

\$80,000 from these CHDO funds. The American Dream Downpayment Initiative (ADDI), which is a separate allocation, has substantial carryover for first-time homebuyers.

The remaining HOME funds were distributed among the three HOME Consortium members (City of Champaign, City of Urbana and Champaign County). Urbana's allocation, which includes carryover and match from the City's funds, is \$435,011. This is allocated among program delivery, Owner Occupied Rehab, City Redevelopment Programs, Lakeside Terrace, and Habitat for Humanity.

Because the City of Urbana pledged \$150,000 for Lakeside Terrace Redevelopment, the City is now looking to HOME funds to meet this commitment for next year. In response to Commissioner Michelson, Ms. Tyler explained that in 2004 the City of Urbana pledged \$150,000 in CDBG funds over three years plus ceding the City's bond cap. This helped the Housing Authority build capacity to meet IHDA requirements. The developers have since asked for increased funding, but City Council must approve this request. At this point in the budget year, the City has already recommended funding for the CHDOs. The City may be in a position to respond to the developer's request next year. However, the developer for Lakeside Terrace has asked for an additional \$300,000 in grant funds, which is not likely since that is the City's total allocation. Ms. Tyler noted that the City is also funding replacement housing through Habitat, Urban League and Homestead. The challenge is to support the redevelopment of Lakeside Terrace and to support replacement housing with reduced funding.

Referencing the Green Day Tour on March 16, Commissioner Thakkar asked if the Ecological Construction Laboratory (e-co lab) was planning to attend. He felt that organizations should build on each other's efforts.

Chairperson Cobb asked about input from the public. Ms. Tyler mentioned the minutes from the public hearings for the Draft FY 2006-2007 Annual Action Plan. Chairperson Cobb wondered if staff has answered individuals' specific questions. Ms. Tyler believed so and noted that residents supported cleanup and social service funding. There were comments on a King Park Community Center and questions on demolition of properties. Chairperson Cobb inquired about a demolition of property on North Harvey Street. Ms. Tyler noted the City of Urbana has procedures concerning vacant properties, and the City's Housing Inspector keeps a list of those properties. This comes under property codes in the Building Safety Division. Ms. Hartford remembered that staff provided the citizen with contact information for that situation. Ms. Tyler remarked that demolition of property relates to HOME funds in that these properties become opportunities for property acquisition.

Referencing the Executive Summary goals in the FY 2005-2006 Annual Action Plan, Commissioner Michelson questioned why there was no proposal to provide funding for code enforcement and clearance of health and safety concerns. Ms. Tyler answered that this initiative was presented last year, and the CD Commission felt it was a good idea. However, the proposal was not fully fleshed out and the City Council reallocated the funding. Staff pursued hiring a part-time inspector position to help with this program, but there was not a good pool of applicants. At this time, the City is considering funding another housing inspector through general funds. Since there would be no federal funding constraints, the inspector would be able to work city-wide rather than just in the CD Target Area. Currently, the City of Urbana has 12,000 rental housing units and only one inspector dedicated to housing. Another housing

inspector would help with the systematic inspection of rental properties and complaints. Commissioner Vidoni felt this was a good idea and supported the addition of a housing inspector.

Ms. Tyler added that Kelly Hartford will assume additional Transitional Housing Program activities when the current coordinator retires. The program will not be as extensive due to Kelly's other duties.

Noting that some citizens may not be able to attend the public hearings, Commissioner Thakkar inquired about citizens e-mailing comments or through web submissions. Ms. Tyler noted this was done on planning documents, and she will ask about this.

Referencing pages 12-13, Commissioner Michelson felt that some goals for Affordable Housing were vague and asked for more specifics. Commissioner Thakkar mentioned the City of Urbana's Analysis of Impediments to Fair Housing Choice and suggested a reference to other supplemental documents.

In response to Commissioner Michelson, Ms. Tyler noted that City Council acted on the Non-Homeless Special Needs Housing last night. Every year the City of Urbana may chose to cede its bond cap to particular projects. The federal government subsidizes this through the State of Illinois. A project developer may use the bonding limit. This year the funds were used for the Prairie Winds Housing Project, which is affordable assisted living. Prairie Winds is similar to Canterbury Ridge, with small units sharing a common dining area and some level of care. This is not a nursing home. Ms. Tyler clarified that this is not actually the City's money; rather the City of Urbana is ceding the authority to use the funds. This is an essential part of funding the project. She suggested commissioners go to the IHDA website for more information. Prairie Winds was one of the few projects that gained IHDA approval.

Ms. Tyler stated the only significant changes to the Draft FY 2006-2007 Annual Action Plan are for Lakeside Terrace and an adjustment on staffing the Transitional Housing Program.

Commissioner Vidoni moved to adjourn the meeting, and Commissioner Quisenberry seconded the motion. The motion carried unanimously.

Adjournment: Chairperson Cobb adjourned the meeting at 8:15 p.m.

Recorded by Connie Eldridge

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