



APPROVED by CD Commission 12-21-10
MINUTES
COMMUNITY DEVELOPMENT COMMISSION
RESCHEDULED REGULAR MEETING
Tuesday, November 30, 2010, City Council Chambers
400 South Vine Street, Urbana, IL 61801

Call to Order: Chairperson Cobb called the meeting to order at 7:02 p.m.

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

Commission Members Present: Fred Cobb, Janice Bengtson, Chris Diana, George Francis, Theresa Michelson, Jerry Moreland, Anne Heinze Silvis

Commission Members Absent: Brad Roof, Dennis Vidoni

Others Present: John Schneider, Jennifer Gonzalez, and Connie Eldridge, Community Development Services Department; Chris Saunders, Green Street Realty

Chairperson Cobb requested a motion to amend the agenda. Commissioner Diana made a motion to move Old Business to immediately after Approval of Minutes. Commissioner Silvis seconded the motion, and the motion carried unanimously.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the August 24, 2010 minutes. Commissioner Michelson moved to approve the minutes, and Commissioner Bengtson seconded the motion. The motion carried unanimously.*

Old Business: **Update Aspen Court** – Mr. Schneider introduced Chris Saunders, owner of Aspen Court Properties, L.L.C. and Green Street Realty. Mr. Saunders distributed and reviewed information on Green Street Realty and improvements to Aspen Court Apartments (formerly known as Scottswood Manor).

Mr. Saunders purchased Scottswood Manor through a foreclosure sale in October 2009. Because the property had been neglected and was distressed, he started making major capital on-site improvements while arranging permanent financing. Improvements include 300+ new windows, seven new roofs, updated security monitoring software and equipment, plus landscaping and grounds work around the remodeled units. Also, 30 apartment units were completely remodeled with new flooring, windows, HVAC in many units, new kitchen cabinets, new bathroom vanities, new light fixtures and outlets, and new appliances. The City's HOME grant funds will free up money for asphalt work and other projects.

The previous owner had let the Department of Housing and Urban Development (HUD) contract expire. Because this had been a HUD property since 1974, Mr. Saunders worked to bring the property into compliance. The primary focus is for lower income tenants wanting affordable, clean, safe housing. Aspen Court fits nicely into Green Street Realty's portfolio of over 2,000 rental units. He considers the property a "long term hold," and discussed the differences

between the former absentee owner and a local owner with a local lender. Mr. Saunders mentioned other properties that he owns near Aspen Court, including property from the Urban League of Champaign County and single family homes.

In response to Commissioner Michelson, Mr. Saunders stated that 48 of the 148 units are HUD units, with the remainder market rent. He reviewed screening, income requirements, and documentation for HUD units, noting there is a waiting list for those units. Aspen Court does the typical background checks for income and credit requirements. Because they are familiar with HUD requirements, they are prepared for the HOME Program.

In response to Commissioner Michelson, Mr. Saunders clarified that Green Street Realty manages 700-800 units in Urbana for property owners such as MOJO Properties, Capstone Quarters, and The Atrium. There was discussion on the location of units. Commissioner Francis suggested they consider an apartment complex on East Main Street, Urbana. Mr. Saunders replied they are always looking for projects. Commissioner Diana commended Green Street Realty on the completed improvements at Aspen Court and stressed the importance of keeping HUD units. In response to Commissioner Diana, Mr. Saunders stated they manage 67 single family homes of varied prices and locations in Urbana. Single family homes are more difficult to manage due to the varied locations. They offer rental, rent-to-own, and homes for sale.

Commissioner Michelson asked if there was a resident manager at Aspen Court, and Mr. Saunders answered no. However, there is after-hours security, and the Urbana Police Department frequents the area. Police calls have dropped since the change in ownership. Another security issue is to completely fence off access to Ivanhoe Way. This will make a huge difference since there is a lot of foot traffic in the neighborhood. Most problems were caused by people who were not residents. This has stopped with increased staff presence.

Mr. Schneider noted City staff has discussed this problem property over the years. A local owner who is dedicated to improving the property will have an instant positive impact on the neighborhood. Commissioner Francis noted the apartment unit next to Victory Park looks much more attractive since Green Street Realty acquired it. In response to Commissioner Moreland, Mr. Saunders stated they put in new windows and worked on the curb appeal by removing old bicycles and satellite dishes. Their goal is for Aspen Court to look good both inside and outside.

Chairperson Cobb inquired about funding. Mr. Saunders responded they have a loan from a local lender and the HOME grant funds. He anticipates spending \$1.5 million on improvements. Mr. Schneider added HOME regulations limit the project to 11 fixed units. HUD requires that one to two units be fully accessible.

Petitions and Communications: None.

Staff Report: Mr. Schneider provided updates and distributed a staff briefing memorandum dated November 30, 2010 and the Champaign County League of Women Voters 2010-2011 *Who's Who in Government*. CD Commissioners received an email link to the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year (FY) 2009-2010. HUD reviews the CAPER and asks for clarification. This fall the City received its best

CAPER review letters in several years. He also reviewed the schedule for adoption of the FY 2011-2012 Annual Action Plan.

Habitat for Humanity is working on its 501(c)(3) status so that it may apply for HOME funds as a Community Housing Development Organization (CHDO). Habitat will have a subcorporation that can operate as a CHDO. One of the HOME Consortium's biggest challenges is getting HOME money spent. As project sponsors, CHDOs don't have to manage properties, which can be difficult for them. Staff is also working with Homestead Corporation on goal setting. The CHDOs are having to change direction to reflect the current economy and housing market.

Mr. Schneider distributed and reviewed a memorandum that was presented to City Council on the Kerr Avenue Project Status Update. Staff is working with the Ecological Construction Laboratory (e-co lab) to find a developer. One proposal is to use Low Income Housing Tax Credits (LIHTC) to create a rent-to-own development. This is a relatively new strategy, in which the Housing Authority can purchase the property back after 15 years. Issues include how this would affect the owners, the level of risk that e-co lab will accept, Illinois Housing Development Authority funding, and a market study.

New Business: **Regional Housing Study Overview** – Jennifer Gonzalez distributed and discussed a memorandum on Regional Housing Study Update and a Housing Study Focus Group Survey and Interview Analysis. The Housing Authority of Champaign County, Champaign County Regional Planning Commission (CCRPC), Village of Rantoul, City of Champaign, and City of Urbana have been working together as a Regional Housing Task Force over the past year. The purpose is to study housing needs in Champaign County. There is a need for clearer data to make educated decisions on where to put grant funding.

After the Request for Proposal (RFP), the Task Force contracted with Vogt Santer Insights (VSI), a real estate research firm, to provide data the local government do not have. The Task Force members gathered public input with an on-line survey, interviews of key stakeholders, and public meetings. VSI presented a Regional Housing Study update to the Cities of Champaign, Urbana and Village of Rantoul in early November. The data is still being analyzed, and different commissions and councils are providing comments. The open houses offered a forum for people to review results and provide their input. The final draft may be available in December.

Mr. Schneider encouraged commissioners to go on-line and watch the VSI presentation and Council discussion at the City Council meeting on November 8, 2010. Lead staff from the government entities are: Housing Authority—Ed Bland and Patty Smith; CCRPC—Darlene Kloeppe; Village of Rantoul--Mike Loschen and Janell Hardy; City of Champaign—Kerri Spear; City of Urbana—John Schneider. The Task Force provided VSI with information about building permits, new housing starts, rental registration data, tax credit units, etc.

The report is a first generation product from VSI and shows a need for more affordable housing. The issues are who needs housing assistance, number of vacant units and income ranges, Tenant Based Rental Assistance (TBRA), etc.

Abbilyn Harmon, a PhD candidate at the University of Illinois, conducted research on Homeless Housing Best Practices. The research focused on three programs: Housing First, Emergency Family Housing, and Permanent Supportive Housing. She will present these findings to the Champaign City Council on December 7, 2010 and is available to attend a CD Commission meeting. There was discussion on whether to schedule a special CD Commission meeting or have commissioners watch the council meeting presentation.

In response to Commissioner Michelson, Mr. Schneider discussed the public input process, which included talking with persons at Daily Bread Soup Kitchen.

Referencing the CD Commission agenda, Chairperson Cobb asked about the reference to a Study Session. Mr. Schneider replied that the CD Commission's bylaws include a Study Session in the agenda.

Adjournment: *Commissioner Michelson moved to adjourn the meeting, and Commissioner Diana seconded the motion. Seeing there were no objections, Chairperson Cobb adjourned the meeting at 8:07 p.m.*

Recorded by Connie Eldridge

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