



APPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, June 27, 2017, City Council Chambers
400 South Vine Street, Urbana, IL 61801

Call to Order: Chairperson Cobb called the regular meeting to order at 7:00pm.

Roll Call: Kelly Mierkowski called the roll. A quorum was present.

Commission Members Present: Fred Cobb, Anne Heinze-Silvis, Jerry Moreland, Lauren Karplus, Abdulhakeem Salaam, Chris Diana, Karin Hodgins-Jones and Michael Braun

Commission Members Excused/Absent: Janice Bengtson

Others Present: Kelly Mierkowski, Matt Rejc and Don Ho, Community Development Services

Approval of Minutes: Chairperson Cobb asked for approval or corrections to the April 25, 2017 Public Hearing and regular meeting minutes. Commissioner Diana moved to approve the minutes as written and Commissioner Salaam seconded the motion. The motion carried unanimously.

Petitions and Communications: Chairperson Cobb asked if there was any written communication to the Commission, there were none.

Audience Participation: Chairperson Cobb stated that audience members could speak if they so wished, no one from the audience stepped forward to speak.

Staff Report: Kelly Mierkowski, Grants Management Manager, provided a brief overview of the staff report provided to the Commissioners that evening, which included HUD activities, staff activities, meetings attended, and various projects and programs.

Ms. Mierkowski then presented some awards and congratulated Commissioner Karplus and Commissioner Bengtson on their retirement from the Commission

Old Business: None.

New Business:

**A RESOLUTION APPROVING A SUPPORTIVE HOUSING PROGRAM
SUBRECIPIENT AGREEMENT WITH COURAGE CONNECTION (FY 2017-2018)**

Mr. Rejc explained that the agreement is similar to the ones that have been brought to the Community Development Commission in past years. Grants Management Division (GMD)

usually does the agreement in an annual basis. The agreement is in line with the City's Supportive Housing Agreement that the City has with the U.S Housing Urbana and Development (HUD) wherein the City passes federal funds through the City along to Courage Connection for their domestic violence and family transitioning program. This grant is used to fund Courage Connection both of their supportive services and administrative costs for providing the services to people in need and their operations for helping to keep their shelter open. The details for the costs are listed in the agreement that was provided as part of the memo. The City first applied for this grant in 1995 and it was used for acquisition and rehabilitation for three local agencies. The only agency that currently receives this funding is Courage Connection. It has been 21 or 22 years that they have been using this grant funding. They are the only agency now and the City is looking to pass that funding to them, so they can directly receive funding from HUD. GMD is still working on that, but in the meantime GMD acts as a pass-through entity. With that in mind, the City requires a subrecipient agreement to pass the funding along. Renewal funding was applied for on August 12, 2016, the City was notified of a grant award on December 20, 2016, and HUD provided the City with a grant agreement on June 6, 2017. The funding amounting is the same as last year, roughly \$89,000. This is a critical funding source to meet goals noted in the approved Consolidated Plan. Staff recommends that the Community Development Commission to the Urbana City Council with a recommendation for approval.

Chairperson Cobb inquired about whether or not the transfer of grant funds has occurred or not. Mr. Rejc explained that the transfer has been agreed upon but the multi-year process of finalizing the transfer is currently underway. Ms. Mierkowski explained that Courage Connection and the City of Urbana had to agree to the transfer in writing and send the documents to HUD for approval. HUD has also experienced turnover with regards to homeless program management. Ms. Mierkowski also explained that an SHP budget amendment was also submitted by the City at the same time. The current CoC representative at HUD is working on it, and HUD expects to transfer the grant in 1-2 grant years.

Commissioner Karplus asked about what would happen if the grant were transferred and Courage Connection folded. Mr. Rejc explained that the State of Illinois budget crisis is impacting them severely, and Ms. Mierkowski explained that local funders along with Cunningham Township are willing to assist Courage Connection in their time of need. With regard to the SHP funds, GMD is not sure what would happen if Courage Connection folded after the grant transfer takes place. Mr. Rejc added that if Courage Connection does not use the grant funds in the approved manner, then the City would be able to recover the funds while it is administering the funds.

Commissioner Hodgin-Jones asked if the City has any recourse to maintain control over the funds if Courage Connection became insolvent. Ms. Mierkowski stated that HUD would have to answer that question.

Commissioner Braun clarified that it is possible that if Courage Connection became insolvent and did not grant the funds elsewhere, that the funding could go away. Ms. Mierkowski verified that we will need to ask HUD about the situation and added that we should ask HUD about the City's options should Courage Connection fold while acting as a subrecipient of the City.

Commissioner Diana asked why Courage Connection would want to take on the administrative burden of receiving the funds. Ms. Mierkowski answered by saying that Courage Connection already has the administrative capacity to manage this grant. Commissioner Diana also noted that resources to provide supportive housing services are diminishing, and expressed his concern that the funds leave the community if the funding is transferred to Courage Connection, and they fold. He also stated that if another agency proposed a project that required City administration, we may not be able to take them on if we transfer the grant. Ms. Mierkowski stated that transitional housing is no longer a HUD priority, and that has led to much of the reduction in resources for this program. She also said that Courage Connection has merged its two main programs due to those cuts, and that Courage Connection has been awarded funds through the City of Urbana and Cunningham Township Consolidated Social Service Funds.

Commissioner Diana wondered if the GMD should re-visit the priorities identified in City planning documents. Ms. Mierkowski stated that homeless needs are served through multiple grant fund sources, including the Emergency Solutions Grant, beyond only the SHP funds, and that not many TH programs exist in the community anymore. Commissioner Diana concluded that more information needs to be obtained before agreements are signed.

Commissioner Hodgins-Jones inquired about the efficiencies that would be gained by transferring the grant to Courage Connection. Mr. Rejc indicated that the City must commit staff time to operating this grant, and since Courage Connection has the staff in place to manage the grant, GMD staff time could be spent elsewhere. Ms. Mierkowski stated that all administrative funds would also be transferred to Courage Connection.

Commissioner Braun asked where the administrative funds are currently used. Mr. Rejc explained that the GMD receives about \$3,000 in administrative funds through the SHP grant, and although not insignificant, those funds could be made up through other grant sources and would be better used at Courage Connection. Commissioner Braun clarified that this does indeed constitute a fiscal impact, which Mr. Rejc agreed is the case. Commissioner Diana clarified that the administrative funds are grant funds and would not be considered City general funds, and also that the SHP work would not be done, thereby breaking even financially.

Commissioner Karplus expressed concern about the fate of the grant if it is transferred and Courage Connection folds. Chairperson Cobb stated that the subrecipient agreement can be made to allow for recapture of the funds if needed. Mr. Rejc clarified that recapture provisions are already included in the subrecipient agreement under Section 9.

Commissioner Diana wanted to verify that the status of the grant should it be transferred and if Courage Connection became insolvent. Mr. Rejc clarified that the City would be removed from the grant, but that City could still reapply with the Champaign County Continuum of Care as a new project if another agency requested administrative support for a supportive housing program. Ms. Mierkowski echoed that sentiment by explaining that the GMD took on a similar responsibility with regards to the Emergency Solutions Grant in 2013.

Commissioner Heinze-Silvis stated that the transfer of the grant could be considered a success story for Courage Connection, since they have built up the capacity to take on full responsibility for their grant award.

Chairperson Cobb entertained a motion to either forward the Resolution to Council with a recommendation for approval, forward the resolutions to Council with a recommendation for approval with changes, or to not forward for approval. Commissioner Braun motioned to not forward for approval of the Resolution. No one seconded the motion. Commissioner Karplus motioned for the approval to forward the Resolution to Council. Commissioner Hodgins-Jones seconded the motion; the motion carried 7-1.

Study Session: None.

Adjournment: Seeing no further business, Chairperson Cobb adjourned the meeting at 7:54p.m.

Recorded by

Don Ho
Grants Compliance Specialist, Grants Management Division

Don Ho

APPROVED