



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Elizabeth H. Tyler, FAICP, Community Development Director

FROM: John A. Schneider, Manager, Grants Management Division

DATE: January 22, 2010

SUBJECT: AN ORDINANCE APPROVING FURTHER MODIFICATIONS TO THE CITY OF URBANA AND URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM FY 2008-2009 AND 2009-2010 ANNUAL ACTION PLANS

Description

On the agenda of the January 26, 2010 meeting of the Urbana Community Development Commission is an Ordinance Approving Modifications to the City of Urbana and Urbana HOME Consortium Annual Action Plans for Fiscal Years 2008-2009 and 2009-2010. As lead agency for the Urbana HOME Consortium, City of Urbana staff has worked with the other Consortium members, the City of Champaign and Champaign County, to identify changes that need to be made to the City of Urbana and Urbana HOME Consortium Annual Action Plans for multiple fiscal years.

The proposed amendments have been on display and available for public review and comment at the City Clerk's office, the Department of Community Development Services office and the Urbana Free Library since January 5, 2010.

Issues

The issue is whether the Community Development Commission should forward the Ordinance to the Urbana City Council with a recommendation for approval.

Background

The proposed amendments are needed to reflect project funding and program changes that have occurred since the approval of the Annual Action Plans (AAP) and previous Amendments for FY 2008-2009 and FY 2009-2010. The Department of Housing and Urban Development (HUD) regulations require that in the event significant changes to projects or programs described the Annual Action Plans occur, the plans shall be amended to reflect the changes.

Included in the proposed modifications are: 1) An amendment to allocate unobligated FY 2009-2010 Urbana HOME Consortium funds to a Consortium-wide Tenant Based Rental Assistance (TBRA) Program run by Champaign County; and 2) An FY 2008-2009 and 2009-2010 amendment to reprogram Champaign County HOME Program Income to a new Lot Acquisition Program and to the County's existing Full Home Rehabilitation Program.

The City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2005-2009 sets forth a process that must be followed in order to amend Annual Action Plans. The City is required to give notice of public hearings regarding any substantial amendment. In order to provide opportunity for the public comment regarding the proposed AAP Amendments, a public hearing regarding the proposed amendments was held in Urbana on January 20, 2010.

PROPOSED HOME PROGRAM AMENDMENTS

The proposed amendments to reallocate HOME funding are needed to address program viability as well as remain in compliance with HUD commitment deadlines. Following is a summary of the proposed HOME Program Amendments:

**1. URBANA HOME CONSORTIUM
No Limits Tenant Based Rental Assistance (TBRA) Program
Reallocated HOME Funds: \$106,025**

The funding for this activity was available as a result of an increase in the HOME funding amount provided for FY 2009-2010 by the Department of Housing and Urban Development. The Urbana HOME Consortium proposes to allocate \$106,025 in federal HOME funding to a Consortium-Wide Tenant Based Rental Assistance Program that will be administered by Champaign County (Champaign County Regional Planning Commission).

**2. CHAMPAIGN COUNTY HOME PROGRAM
Lot Acquisition Program
Reallocated HOME Funds: \$14,500**

Champaign County proposes to revise their budget and reprogram HOME funds acquired as program income. Funding will be allocated to a new Lot Acquisition Program. The lot(s) acquired with these funds will then be donated to a non-profit agency for the development of affordable housing opportunities.

**3. CHAMPAIGN COUNTY HOME PROGRAM
Whole House Rehabilitation Program
Reallocated HOME Funds: \$10,805**

Champaign County proposes to revise their budget and reprogram HOME funds acquired as program income. Funding will be allocated the existing Whole House Rehabilitation Program.

Options

1. Forward the Ordinance to the Urbana City Council with a recommendation for approval.
2. Forward the Ordinance to the Urbana City Council with a recommendation for approval, with suggested changes.
3. Do not recommend that City Council approve the Ordinance.

Fiscal Impacts

The proposed amendments to the Annual Action Plans will not change the amount of HOME funding provided to the City by HUD. There is no fiscal impact to the City budget.

Recommendations

Staff recommends that the Community Development Commission forward the Ordinance to the Urbana City Council with a recommendation for approval.

Memorandum Prepared By:

Janel Gomez
HOME Program Intern

Attachments:

1. AN ORDINANCE APPROVING FURTHER MODIFICATIONS TO THE CITY OF URBAN AND URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM FY 2008-2009 AND FY 2009-2010 ANNUAL ACTION PLANS
2. PROPOSED AMENDMENT TO CITY OF URBANA and URBANA HOME CONSORTIUM FY 2008-2009 and FY 2009-2010 ANNUAL ACTION PLANS

ORDINANCE NO. _____

**AN ORDINANCE APPROVING FURTHER MODIFICATIONS TO THE CITY OF URBANA AND
URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM
FY 2008-2009 AND FY 2009-2010 ANNUAL ACTION PLANS**

WHEREAS, the City of Urbana has been designated an entitlement city under the Federal Housing and Community Development Act of 1974, as amended, and as such is eligible for Community Development Block (hereinafter "CDBG") and Home Investment Partnership Funds (hereinafter "HOME") funds upon proper submittal being made to the United States Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, the Urbana City Council previously approved ordinances authorizing submittal to HUD of the Annual Action Plans for FY 2008-2009 and FY 2009-2010 that included proposed budgets for the HOME Programs and HUD subsequently approved the said Annual Action Plans; and

WHEREAS, on January 4, 2010, the City of Urbana published on the City website a notice of a 30-day public review period regarding said proposed budgetary amendments to the Annual Action Plans for FY 2008-2009 and FY 2009-2010; and

WHEREAS, on January 20, 2010 the City of Urbana, the Grants Management Division of the Community Development Services Department, as lead entity for the Urbana HOME Consortium, held a public hearing on the proposed amendments; and

WHEREAS, the City Council now finds it necessary and appropriate to amend the City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plans for FY 2008-2009 and FY 2009-2010.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the City of Urbana, as lead entity for the Urbana HOME Consortium, hereby approves the amendments to the City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plans for FY 2008-2009 and FY 2009-2010, in substantially the same form as such amendments are referenced in the attachment hereto.

Section 2. That the Mayor of the City of Urbana is hereby designated as the authorized representative of the City of Urbana to take any action necessary in conjunction with said attached amendments to the Annual Action Plans for FY 2008-2009 and FY 2009-2010, and any prior approved Annual Action Plan or Amendment, including, without limitations, to execute any documents necessary to commit applicable HOME funds to the projects, submittal of the Annual Action Plan Amendment to the HUD-Regional Field Office and provision of such additional information as may be required.

PASSED by the City Council this _____ day of _____,
_____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Laurel Lunt Prussing, Mayor

City of Urbana and Urbana HOME Consortium



Proposed Amendment to FY 2008-2009 and FY 2009-2010 Annual Action Plans

Prepared by:
City of Urbana
Community Development Services
Grants Management Division
400 South Vine Street
Urbana, IL 61801
217.384.2447

Approved by Urbana City Council Ordinance No. _____

**PROPOSED AMENDMENT TO CITY OF URBANA and URBANA HOME
CONSORTIUM FY 2009-2010 ANNUAL ACTION PLAN**

The Urbana HOME Consortium proposes to amend the HOME Program budget for Champaign County in the FY 2009-2010 Annual Action Plan to allocate unobligated available HOME funding to the project budget outlined below.

URBANA HOME CONSORTIUM – HOME Program

The funding for this activity was available as a result of an increase in the HOME funding amount provided by the Department of Housing and Urban Development. The Urbana HOME Consortium proposes to allocate \$106,025 in federal HOME funding to a Consortium-Wide Tenant Based Rental Assistance Program that will be administered by Champaign County (Champaign County Regional Planning Commission).

The following are proposed budget changes or programs to be added in the FY 2009-2010 Annual Action Plan:

CHAMPAIGN COUNTY – HOME Program

Tenant Based Rental Assistance (TBRA) Program

HOME funds will be used in conjunction with special purpose programs, such as the Champaign County Regional Planning Commission No Limits Program, to provide affordable housing assistance to low-income residents of Champaign County within the boundaries of the Urbana HOME Consortium. The participating clients follow a team-approved plan for achieving self-sufficiency. Participating clients make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan. **\$106,025 (\$106,025 HOME; \$26,506 Local Match Required).**

Champaign County HOME Funds	Current	Proposed	Difference
FY 09-10 Unobligated Funds	\$ 106,025	\$ -0-	-0-
FY 09-10 TBRA Program	\$ -0-	\$ 106,025	\$106,025
Total			\$ 106,025

**PROPOSED AMENDMENT TO CITY OF URBANA and URBANA HOME
CONSORTIUM FY 2008-2009 and FY 2009-2010 ANNUAL ACTION PLANS**

Champaign County proposes to revise their budget and reprogram \$25,305 in HOME funds acquired as program income. Funding will be allocated to a Lot Acquisition Program as well as to the existing Whole House Rehabilitation Program.

CHAMPAIGN COUNTY – HOME Program

Lot Acquisition - New Program

Funding will be used to acquire and clear land for future redevelopment as affordable housing. Eligible costs include acquisition, demolition, and clearance of the land. Lot will be available for non-profit agencies or CHDO to develop into affordable housing units. Properties to be acquired will be located in the jurisdiction of the Urbana HOME Consortium.

\$14,500 HOME

Goal 2, Strategy 1, Activity 1

Citation – [24 CFR 92.206(d)]

Environmental – Assessment Required

Whole House Rehabilitation Program

Champaign County will use its share of HOME funds to provide rehabilitation assistance to both investor-owned properties, as well as single-family owner-occupied projects. It is anticipated the primary program focus will be on single-family owner-occupied rehabilitation.

~~\$ 101,074 (\$79,539 HOME; \$21,535 Match)~~

\$ 111,885 (\$90,350 HOME; \$21,535 Match)

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.206(a)(2)]

Environmental – Assessment Required

Champaign County HOME Funds	Current	Proposed	Difference
FY 08-09 Housing Rehab Program	\$ 79,545	\$ 90,350	10,805
FY 09-10 Lot Acquisition Program	\$ 0	\$ 14,500	14,500
Total			25,305
