



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce Walden, Chief Administration Officer

FROM: Elizabeth H. Tyler, AICP, City Planner/Director

DATE: April 14, 2005

SUBJECT: **A RESOLUTION APPROVING THE CITY OF URBANA AND CHAMPAIGN/URBANA/CHAMPAIGN COUNTY URBANA HOME CONSORTIUM FY 2005-2006 ANNUAL ACTION PLAN AND FY 2005-2009 CONSOLIDATED PLAN**

Description

At the April 11, 2005 meeting of the Urbana City Council Committee of the Whole, Council members indicated a number of concerns concerning the Draft FY 2005-2006 Annual Action Plan and requested that staff address these concerns.

Issues

The issue before the Urbana City Council is to review and adopt the *FY 2005-2006 ANNUAL ACTION PLAN* and *FY 2005-2009 CITY OF URBANA AND CHAMPAIGN/URBANA/CHAMPAIGN COUNTY URBANA HOME CONSORTIUM CONSOLIDATED PLAN*.

Background

City councilpersons noted concern about allocating \$53,000 of Community Development Block Grant (CDBG) funds for code inspection activities. Council requested that staff prepare a recommendation for optimal arrangement to reallocate the \$53,000 between housing rehabilitation activities and property acquisition. Staff submits the following new allocations:

Emergency Grant/Access Grant Program

Current Amount \$100,000

Increase of \$13,000

New Amount \$113,000

Senior Repair Program

Current Amount \$20,000

Increase of \$5,000

New Amount \$25,000

Property Acquisition

Current Amount \$148,980

Increase of \$35,000

New Amount \$183,980

Code Enforcement

Current Amount \$53,000

Decrease of \$53,000

New Amount \$0

Council also noted that the narrative on page 3 of 40 in the Annual Action Plan should be amended to reflect the fact that City general funds are also used for street/sidewalk improvements. In that the proposed changes above eliminate code enforcement, this activity has been removed from the narrative on this page.

- Provide improvements necessary to remove barriers to accessibility to persons with disabilities and alleviate hazardous conditions that pose a threat to health and safety (Access/Emergency Grants).
- Provide funds for home maintenance repair for elderly and very-low income households (Senior Repair Grants).
- Provide funding to develop a new facility for the Frances Nelson Health Care Center.
- Provide funding to PAID for Individual Development Accounts specifically for downpayment assistance.
- Provide funding, which augments the City's general revenue fund, for street and sidewalk improvements in targeted neighborhoods.
- Support public service programs and other activities targeted toward very low-income Urbana residents.
- Sponsor special neighborhood cleanup activities.
- ~~Provide funding for code enforcement and clearance of health and safety concerns.~~

On page 10 of 40, Council noted that Urbana Township should be changed to Cunningham Township.

Urbana and ~~Urbana~~ Cunningham Township will provide over \$200,000 to social service agencies. Most of funded projects are designed to assist lower-income households and persons below poverty level.

Staff would also like to make Council aware of a CDBG project that requires a funding adjustment. The Sunset Drive Street Improvement Project was included in the FY 2004-2005 Annual Action Plan and in the FY 2005-2006 Draft Annual Action Plan (AAP). The Public Works Department has

indicated that with additional funding in the FY 2005-2006 AAP, a funding gap remains. The initial estimate for the project was \$250,000. The current estimate is \$390,000. The \$140,000 increase is a function of increased construction costs, design enhancements and the need for right of way acquisition.

To address this budget shortfall, staff has included an additional \$40,000 for right of way acquisition and \$30,000 for construction inflation in the FY 2005-2006 Draft Annual Action Plan. This provides a total of \$300,000 for the project.

Public Works has recommended that the Harvey Street Sidewalk Project be delayed until 2007, in conjunction with improving the street pavement similar to the Sunset Drive Project. This arrangement will allow the sidewalks to be constructed at the same time that the street improvements are made.

The recommendation for Harvey Street is to not only to construct the sidewalk on the west side of the street but to reconstruct the oil & chip street sections between Fairview and Church in 2007 with CDBG funds. The cost estimate for the project is \$225,000 (570 LF of street @ \$350/LF + \$25,000 for the sidewalk). This estimate does not include any ROW, major utility, or sidewalk costs and it is in 2005 dollars. No inflation amount is factored into cost estimates. They are adjusted each year. While it is a desirable project, there will be some impact on trees, front yards, etc. Once the preliminary design is complete a meeting with the adjacent property owners is advisable.

In light of this, staff proposes that the \$10,000 for this project in the FY 2004-2005 AAP and the additional \$10,000 in the Draft FY 2005-2006 AAP be reallocated for the Sunset Drive project. This provides a total of \$320,000 for the project.

Public Works has indicated that they can reallocate up to \$70,000 from other pending projects, toward the Sunset Drive project. This would provide the entire \$390,000 that is required to complete the project.

Fiscal Impact

There are no direct fiscal impacts related to the Consolidated Plan, as it only serves as a guide for future programming of CDBG and HOME funds.

Staff has prepared budget spreadsheets in the FY 2005-2006 Annual Action Plan. All planned expenditures are constrained by the amount of available funding.

It should be noted that the HOME funds do require a 25% match of \$63,469 for Urbana's HOME Allocation of \$253,874. This match will come from the City's Capital Improvement Fund.

Recommendation

Staff recommends that the Urbana City Council adopt the *City of Urbana FY 2005-2006 Annual Action Plan and the Champaign/Urbana/Champaign County Urbana HOME Consortium FY*

2005-2009 Consolidated Plan, with changes noted in this memorandum.

Prepared By: _____

Bob Grewe

Manager, Grants Management

RESOLUTION NO. 2005-04-007R

A RESOLUTION APPROVING THE CITY OF URBANA AND CHAMPAIGN/URBANA/CHAMPAIGN
COUNTY URBANA HOME CONSORTIUM
FY 2005-2006 ANNUAL ACTION PLAN AND FY 2005-2009 CONSOLIDATED PLAN

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 Grant (hereinafter "CDBG") funds upon proper submittal being made to the United States Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, the City of Urbana has been designated lead entity for the Urbana HOME Consortium in accordance with the Cranston-Gonzales National Affordable Housing Act of 1990, as amended, and as such is eligible to receive HOME Investment Partnerships (hereinafter "HOME") funds on behalf of the City of Urbana, City of Champaign, and Champaign County; and

WHEREAS, on January 5, 1995, HUD published a final rule in the Federal Register requiring a five-year consolidated plan and annual action plans for all HUD community planning and development formula grant programs, consolidating into a single annual submission the planning, application, and reporting aspects of the CDBG, HOME, Emergency Shelter Grants, and Housing Opportunities for Persons with AIDS Programs, and the Comprehensive Housing Affordability Strategy; and

WHEREAS, the Urbana Community Development Commission has reviewed the *City of Urbana and Champaign/Urbana/Champaign County Urbana HOME Consortium FY 2005-2006 Annual Action Plan and 2005-2009 Consolidated Plan*, which were prepared by Urbana Community Development Services staff (hereinafter the "Annual Action Plan and Consolidated Plan"); and

WHEREAS, on March 7, 2005, a notice was published in the *Champaign-Urbana News Gazette* describing the Annual Action Plan and Consolidated Plan;

announcing a public review period beginning March 8, 2005, and ending April 6, 2005; and announcing March 29, 2005, public hearings on the Annual Action Plan and Consolidated Plan; and

WHEREAS, Community Development Services staff held public hearings on the Annual Action Plan and Consolidated Plan on March 29, 2005, at the Urbana City Building, 400 South Vine Street, Urbana, Illinois; and

WHEREAS, at its March 29, 2005 meeting, the Urbana Community Development Commission recommended adoption of the Annual Action Plan and Consolidated Plan by the Urbana City Council; and

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

Section 1. That the *City of Urbana and Champaign/Urbana/Champaign County Urbana HOME Consortium FY 2005-2006 Annual Action Plan and FY 2005-2009 Consolidated Plan*, as attached hereto and incorporated herein by reference, is hereby approved.

Section 2. That the Mayor is hereby designated as the authorized representative of the City of Urbana to take any action necessary in connection with said Annual Action Plan to implement the CDBG and HOME programs and to provide such additional information as may be required.

Section 3. That the Mayor is hereby designated to execute subgrantee agreements for the following programs and activities identified in said Annual Action Plan.

- Public Service Activities under the Consolidated Social Service Funding Program

Section 4. That subgrantee agreements for the following programs and activities identified in said Annual Action Plan shall be subject to review and approval by the Urbana City Council before execution by the Mayor.

- Neighborhood Organization Grant Program X
- Frances Nelson Healthcare Center

- PAID Individual Development Accounts
- Urban League Lease Purchase Program (15% CHDO Set-Aside)
- Urban League Development Corporation of Champaign County (5% CHDO Set-Aside)
- Homestead Corporation Operating Funds (5% CHDO Set-Aside)
- Homestead Corporation Rental Development Program (15% CHDO Set-Aside)
- Ecological Construction Laboratory New Housing Development (Urbana HOME Allocation)

PASSED by the City Council this _____ day of _____
 2005.

AYES:

NAYS:

ABSTAINS:

 Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
 2005.

 Tod Satterthwaite, Mayor