



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

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

DATE: May 5, 2011

SUBJECT: AN ORDINANCE APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM ANNUAL ACTION PLAN FOR FISCAL YEAR 2011-2012

Description

The City of Urbana, Grants Management Division, has prepared the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012* (AAP). The AAP must be submitted to the US Department of Housing and Urban Development (HUD) by May 13, 2011 in order for the City of Urbana to continue to receive Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funding.

Issues

The issue is for the Urbana City Council to review and approve the updated Annual Action Plan for FY 2011-2012.

Background & Discussion

The estimated funding allocation amounts for the next fiscal year have been determined by the Department of Housing and Urban Development (HUD), which recently announced its formula allocations for entitlement communities on its website. The amounts were based on recent budget cuts approved by Congress. The City of Urbana's CDBG allocation from HUD is now projected to be **\$421,450**, which is a 16% reduction from last year's allocation of \$505,007. The Urbana HOME Consortium allocation from HUD is now projected to be **\$1,000,600** for FY 2011-2012, which is a 12% reduction from last year's allocation of \$1,130,755. After Council approval, if the City grant amounts allocated by HUD differ slightly from the budgeted amounts, a minor amendment to the FY 2011-2012 Annual Action Plan may be required to make the necessary final budget adjustments.

At its January 25, 2011 meeting, the Community Development Commission (CDC) reviewed the Community Development Block Grant (CDBG) Public Facilities applications for Fiscal Year 2011-2012, to be included in the FY 2011-2012 Draft Annual Action Plan (AAP). At its February 22, 2011 meeting, the Community Development Commission (CDC) reviewed the Draft AAP FY 2011-2012 and provided input, which has been incorporated into the final version.

At its March 29, 2011 meeting, the Community Development Commission voted unanimously to recommend approval of the Ordinance approving the FY 2011-2012 Draft Annual Action Plan to City Council.

At the April 11, 2011 meeting of the Committee of the Whole, Council reviewed the proposed AAP and voted to delay a final decision regarding the plan to the May 2, 2011 Regular Council Meeting due to the uncertainty of the budget.

On May 2, 2011, the Urbana City Council decided to take action regarding the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012* at a Special Council Meeting on May 9, 2011, as staff would be re-working the budget by incorporating the newly estimated funding allocation amounts. This would still allow time for the Annual Action Plan to be submitted to HUD by the required due date of May 13, 2011. A summary of that updated information is as follows.

The reduction in the funding allocation resulted in adjustments to the budget for three CDBG Public Facilities projects. Kerr Avenue Development was reduced from \$61,317 to \$31,317. The YMCA retracted their application due to not receiving enough funding from other funding sources to complete the project next fiscal year and will re-submit it the following year if enough funding is received. C-U Independence (DSC) was reduced from \$60,000 to \$30,000. The remainder of funding for the project could possibly come from next year's allocation or unobligated carryover.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

For FY 2011-2012, the City of Urbana's CDBG allocation from HUD is projected to be **\$421,450**, a 16% decrease from last year's funding allocation. The CDBG revenues are enhanced by an estimated **\$12,260** in program income from prior years, and **\$30,000** in reprogrammed funds from previous years. Total estimated CDBG resources for FY 2011-2012, including estimated program income, is **\$463,710**.

The AAP includes the following CDBG funded activities:

1. Administration

\$ 84,290

Funding for administration is limited to 20% of the current CDBG allocation and 20% of the program income received in the program year.

2. Program Delivery

\$ 88,880

These funds are used for personnel expenses more directly related to implementation of specific internal housing and community development programs. Most expenses are related to the implementation of the City's housing rehabilitation programs. Funding is at generally the same level as for the previous fiscal year.

3. Emergency Grant and Access Grant

\$80,000

This Emergency Grant Program supports affordable housing by making necessary emergency repairs that keep homes habitable. The Access Grant Program helps persons with disabilities by providing access improvements to facilitate mobility. Funding is at the same level as for the previous fiscal year.

4. Urbana Senior Repair Service Program

\$20,000

This program is essential in helping to meet affordable housing needs of Urbana's seniors. Funding is used to make minor repairs, which help to provide safe and functioning housing. This program is also funded at the same level as last year.

5. Lot Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities

\$14,108

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, 55, and 56/Block 1. Projects and utilization of the properties may include the following:

- Donation to non-profit housing developers to build affordable housing.
- City sponsored rehabilitation and re-sale to qualified homebuyers.
- Donation to other organizations to support CDBG-eligible programs.

Funds may also be used for the purchase of homes previously assisted with Urbana CDBG or HOME Consortium funds subject to possible foreclosure or related events that jeopardize the project benefit to low/moderate income persons. Lots will be cleared of substandard structures or debris as needed. The Federal Uniform Relocation Act will govern any necessary relocation activities. Properties may also be acquired and cleared for blight abatement purposes. City-owned properties will be properly maintained while they are the responsibility of the City. Funding for this program is impacted by the amount allocated to the Public Facilities and Improvements projects.

6. Public Facilities and Improvements (FY 10-11 & FY 11-12)

The following projects are proposed to be funded using CDBG funding from FY 2011-2012 and a portion of funds previously set aside for Kerr Avenue Infrastructure Development (\$30,000), due to the status of the Kerr Avenue project:

C-U Independence

\$30,000 (Requested \$60,000)

Funding will be allocated toward this project for the installation of new flooring throughout the individual apartments, hallways, stairwells, and common areas, and to paint an exposed sprinkler system at their supported-living apartment building for individuals with development disabilities. C-U Independence originally requested \$60,000, the remainder of funding for the project could possibly come from next year's funding allocation or unobligated carryover.

Center for Women in Transition (AWP Sprinkler)

\$11,851

Funds will be used towards the installation of additional sprinklers to provide fire suppression within the facility formerly operated by A Woman’s Place. The sprinklers need to be placed in the community rooms, hallways, and offices providing services to their clients. This requires piping to be installed through solid “firewalls” and connected to the existing pressurized system, and then attaching sprinkler heads, at the shelter located on East Main Street in Urbana.

Center for Women in Transition (Forbes Kitchen)

\$8,250

Funds will be used to remove the old kitchen and install new flooring, electrical outlets, cabinetry, plumbing, countertops, and painting the room.

YMCA at the University of Illinois

\$5,240

Funds was be used to increase the accessibility of the YMCA building, specifically to renovate the men’s and women’s bathrooms on the lower level, however due to lack of additional funding from other sources, the YMCA retracted their application and will re-submit the project next year, once other funding is secured.

Mental Health Center of Champaign County Housing Corporation

\$3,275

Funds will be used to install lighting upgrades in the kitchen and bathroom of each unit at the Carroll Avenue Supported Apartment Program, a 16-unit affordable housing complex for persons with psychiatric disabilities located in Urbana.

Urbana Neighborhood Connections Center

\$1,999

Funds will be used to renovate flooring in the Center located in Urbana. Two areas to be replaced include the central assembly area and the computer lab floors. Prior to January 2010, the building had been vacant for approximately 5-6 years; portions of the carpet are severely damaged and portions of the tile are broken or missing.

7. Public Facilities and Improvements - City Infrastructure Projects:

Funds will be used toward the construction or reconstruction of City infrastructure in one or more of the following projects in the City’s Target areas:

| |
|---|
| Neighborhood Sidewalks: Division (Oakland-Thompson); Busey (south of Sunset) CT 54 |
| Census Tract 53 Street Lighting |
| Division Street Reconstruction (South of Kerr) |
| Mathews Street Reconstruction (Church - Ellis) CT 53 |
| Kerr Project Subdivision Infrastructure CT 54 |

\$56,000

8. **Public Service Funding Programs**

Funding for public service programs is limited to 15% of the current CDBG allocation and 15% of the prior year's program income. Public Service programs include:

Transitional Housing Program

\$21,119 (Personnel)

\$23,438 (Programming)

This level of funding provides for a decrease from last year due to the 15% Public Service Cap.

Consolidated Social Service Fund

\$12,500

Funding will be contributed to the City of Urbana and Cunningham Township's Consolidated Social Service Funding pool. CDBG eligible projects will be identified to utilize these funds.

Neighborhood Cleanup

\$15,000 (\$8,000 CDBG; \$7,000 City)

Although this neighborhood cleanup event is very popular, HUD regulations allow only 15% of the total CDBG allocation to be used for Public Services.

HOME INVESTMENT PARTNERSHIPS ACT (HOME) PROGRAM

The Urbana HOME Consortium allocation from HUD is projected to be **\$1,000,600** for FY 2011-2012, 12% decrease from last year's allocation. HOME revenues are enhanced by the City of Champaign's estimated **\$24,500** in program income and the City of Urbana's unobligated carryover of **\$12,500**, which is available due to program income received and disbursed during FY 2010-2011.

Although Community Housing Development Organization (CHDO) funding for operating and project set-aside is reserved in the proposed Annual Action Plan, no final allocations have been recommended due to a number of variables regarding the viability of proposed projects and potential CHDO eligibility. It is anticipated that Champaign County Neighborhood Alliance for Habitat (CCNAfH) will receive designation as a 501(c)(3) non-profit charitable organization from the Internal Revenue Service (IRS) in the near future (hopefully by end of May, 2011). Upon receipt of the IRS decision regarding the non-profit status of CCNAfH, the HOME Technical Committee will formulate allocation recommendations for CHDO operating and for the most viable CHDO projects.

The City of Urbana HOME budget includes allocating funds to its Whole House Rehabilitation Program in addition to making funding available for use in four other programs. A potential option for Urbana HOME Funding is to create an Acquisition-Rehabilitation Program, which would provide down payment assistance for homebuyers to acquire and rehabilitate properties that may be in need of repair for low-income purchasers, which has been very successful in the City of Champaign and is likewise being considered by the Champaign County Regional Planning Commission.

Other existing programs or projects that could utilize Urbana HOME funding include the Purchase/Rehab/Resell Program, in which funds would be used to acquire vacant or deteriorating properties in need of rehabilitation to then be sold to income-qualified homebuyers at or below 80 percent of the Median Family Income, and the Kerr Avenue Sustainable Development Project.

Another consideration for allocating City of Urbana HOME Funds would be to a specific Rental Rehabilitation project in order to provide assistance to a rental property in a struggling neighborhood. HOME regulations would require any HOME-assisted units to be rented to low-income tenants with maximum allowable rents, which are the HOME rents for the area as set by HUD, less certain allowances for utilities paid by residents. Staff has been working with the owner of 1507 East Washington, who submitted an application for HOME program rental rehabilitation assistance, to modify the scope of their proposed project in order to rehabilitate up to eleven rental units at the property.

Options

1. Adopt the Ordinance Approving the City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012.
2. Adopt the Ordinance Approving the City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012, with suggested changes.
3. Do not adopt the Ordinance.

Fiscal Impact

There are considerable fiscal impacts associated with the preparation of the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012*. The proposed AAP includes estimated revenue from HUD of **\$421,450** in CDBG funds, and estimated HOME program revenue from HUD of **\$1,000,600**. Urbana match funding required for its share of the HOME program for FY 2011-2012 is estimated to be **\$56,874**. These matching funds are allocated in the Capital Improvement Funds from City general funds. All of the Consortium members and certified CHDOs are also obligated to provide 25 percent match contribution for their projects.

Failure to submit AAP to HUD by the May 13, 2011 deadline could result in a significant delay in accessing CDBG and HOME funds, which would create a financial burden for the City to advance funds for these programs.

Recommendation

The Community Development Commission and Staff recommend that the Urbana City Council approve the Ordinance approving the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012*.

Prepared By:

**Kelly Hartford
Interim Manager
Grants Management Division**

Attachments:

1. AN ORDINANCE APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM ANNUAL ACTION PLAN FY 2011-2012
2. Summary of CDBG & HOME allocations, as adjusted per HUD estimated allocations.
3. CITY OF URBANA AND URBANA HOME CONSORTIUM ANNUAL ACTION PLAN FY 2011-2012

ORDINANCE NO. 2011-04-023

AN ORDINANCE APPROVING THE CITY OF URBANA
AND URBANA HOME CONSORTIUM
ANNUAL ACTION PLAN FY 2011-2012

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-Gonzalez 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 City Council approved the *City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) FY 2010-2014 Consolidated Plan* on April 19, 2010; and

WHEREAS, the Urbana Community Development Commission, assisted by Urbana Community Development Services staff, has prepared the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012* (hereinafter the "Annual Action Plan"); and

WHEREAS, on December 22, 2010, a notice was published in the Champaign-Urbana *News-Gazette* describing the Annual Action Plan; requesting public input; and announcing a January 4, 2011 public hearing on the Annual Action Plan; and

WHEREAS, Community Development Division Staff held a public hearing on the Annual Action Plan on January 4, 2011 at the Urbana City Building, 400 South Vine Street, Urbana, Illinois; and

WHEREAS, on February 25, 2011, a notice was published in the Champaign-Urbana *News Gazette* describing the Annual Action Plan; announcing a public review period beginning February 25, 2011 and ending March 29, 2011; and announcing a March 29, 2011 public hearing on the Annual Action Plan; and

WHEREAS, Community Development Commission held a public hearing on the Annual Action Plan on March 29, 2011, at the Urbana City Building, 400 South Vine Street, Urbana, Illinois; and

WHEREAS, at its March 29, 2011 meeting, the Urbana Community Development Commission unanimously recommended adoption of the Annual Action Plan by the Urbana City Council; and

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

Section 1. That the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2011-2012*, in substantially the form 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 upon review and comment by the Urbana Community Development Commission, 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.

- C-U Independence
- Center for Women in Transition - AWP Sprinkler
- Center for Women in Transition - Forbes Kitchen
- Mental Health Center Housing Corp. - Carroll Ave. Supported Apts.
- Urbana Neighborhood Connections Center
- Community Housing Development Project Funds (15% CHDO Set-Aside)
- Community Housing Development Operating Funds (5% CHDO Operating Set-Aside)

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*

**Annual Action Plan
FY 2011-2012**

Prepared by:
City of Urbana
Community Development Services
Grants Management Division
400 South Vine Street
Urbana, IL 61801
217.384.2447
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Approved by Urbana City Council
Ordinance No.

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VII. ADDITIONAL ATTACHMENT

HUD Certifications: CPMP Non-State Grantee Certifications

CITY OF URBANA and URBANA HOME CONSORTIUM

ANNUAL ACTION PLAN – FY 2011-2012

I. INTRODUCTION

Form Application

See Standard Forms HUD-424.

FY 2011-2012 Annual Action Plan:

The Urbana HOME Consortium and the City of Urbana Annual Action Plan for FY 2011-2012 identifies activities that are planned to be implemented by the City of Urbana and the members of the Urbana HOME Consortium during the period beginning July 1, 2011 and ending June 30, 2012.

This Annual Action Plan budgets the use of two federal housing entitlement funds, Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) Program. The Annual Action Plan for FY 2011-2012 has been developed to further five-year strategies identified in the *City of Urbana and Urbana HOME Consortium Consolidated Plan for Program Years 2010-2014*. The Annual Action Plan identifies activities that will be undertaken by the City of Urbana and the Urbana HOME Consortium during the second year of the five-year Consolidated Plan period.

The CDBG portion of the Annual Action Plan identifies the planned uses of CDBG entitlement funds by the City of Urbana for FY 2011-2012. The HOME portion of the Annual Action Plan identifies uses of HOME funds by members of the Urbana HOME Consortium. The members of the Urbana HOME Consortium (a.k.a. the Champaign/Urbana/Champaign County HOME Consortium) are the City of Urbana, the City of Champaign, and Champaign County.

The Annual Action Plan was on file for public review and comment during the period beginning February 25, 2011 through March 29, 2011. On March 29, 2011 the City held a public hearing to obtain comments regarding the draft Annual Action Plan. The hearing will be held at 7:00 p.m. in the Council Chambers of the Urbana City Complex, 400 South Vine Street. All comments received at the hearing, as well as other written comments submitted during the public review period, are to be included in the Annual Action Plan.

For more information regarding the City of Urbana's use of CDBG or HOME funds, contact:

Kelly Hartford, Interim Manager, Grants Management Division, City of Urbana, Grants Management Division, at 217-384-2447 or by email at: kshartford@urbanaininois.us

For more information regarding use of CDBG or HOME funds in the City of Champaign, contact:

Kerri Spear, Neighborhood Programs Manager, City of Champaign, Neighborhood Services Department, at 217-403-7070. The Neighborhood Services Department email address is: NeighborhoodServices@ci.champaign.il.us.

For more information regarding use of HOME funds in unincorporated Champaign County, contact:

Darlene Kloeppel or Sean Treat, Champaign County Regional Planning Commission, at 217-328-3313 or by email at dkloeppel@ccrpc.org, or streat@ccrpc.org.

EXECUTIVE SUMMARY

1. Managing the Process

The FY 2011-2012 Urbana HOME Consortium and the City of Urbana Annual Action Plan identifies housing and community development activities to be implemented during the second year of the five-year Consolidated Plan period. The Annual Action Plan identifies activities that will be undertaken by the City of Urbana with Community Development Block Grant (CDBG) funds during the year beginning July 1, 2011, as well as activities to be undertaken by the City of Urbana, City of Champaign, and Champaign County with HOME Investment Partnerships (HOME) funds during the same year.

The Annual Action Plan is being prepared by the City of Urbana in its dual capacity as CDBG entitlement recipient and lead entity of the Urbana HOME Consortium. The Urbana Community Development Commission reviewed the proposed Annual Action Plan at its March 29, 2011 meeting and made a recommendation to the Urbana City Council for approval of the Plan.

The Urbana City Council Committee of the Whole reviewed the Annual Action Plan at its April 11, 2011 meeting. Due to changes in the budget from HUD, the Urbana City Council was asked to hold the proposed FY 2011-2012 Annual Action Plan in Committee at its Regular Meeting on April 18, 2011. In order to revise the budget, on May 2, 2011 the Urbana City Council was asked to approve the updated FY 2011-2012 Annual Action Plan at a Special Council Meeting on May 9, 2011. Prior to approving the Annual Action Plan, the City of Urbana will obtain concurrence from the City of Champaign and Champaign County regarding the use of HOME funds by the Consortium members.

Activities in this Annual Action Plan address strategies identified in the five-year 2010-2014 Consolidated Plan. Through its **CDBG Program**, the City of Urbana proposes to:

- Conserve housing stock through rehabilitation.
- Provide improvements necessary to remove barriers to accessibility to persons with disabilities (Access/Emergency Grants).
- Alleviate hazardous conditions that pose a threat to health and safety of residents (Access/Emergency Grants).
- Provide funds for home maintenance repair for elderly or persons with disabilities at any age, for very-low income households (Senior Repair Service Grants).
- Provide funds for property acquisition/demolition/maintenance to eliminate slum and blight, and support Affordable Housing programs with non-profits and Community Development Housing Organizations (CHDOs).
- Provide funding to C-U Independence, which manages the Developmental Services Center group home at their Kerr Avenue facility in Urbana, for the installation of new flooring and painting of an exposed sprinkler system.

- Provide funding to Center for Women in Transition at their domestic violence (DV) shelter (formerly A Woman's Place) located in Urbana for the installation of a new sprinkler system, and the replacement of the kitchen in the Forbes shelter located in Champaign.
- Provide funding to the YMCA at the University of Illinois located in Champaign for improving accessibility to the men's and women's bathrooms on the lower level to make them ADA compliant.
- Provide funding to the Mental Health Center of Champaign County Housing Corporation for the installation of lighting upgrades in the kitchen and bathroom of each unit at the Carroll Avenue Supported Apartment Program located in Urbana.
- Provide funding to the Urbana Neighborhood Connections Center for the installation of new flooring.
- Provide funding, which augments the City's general revenue fund, for street, sidewalk, and streetlight improvements in targeted neighborhoods.
- Clearance of secondary buildings and structures that create health and safety concerns. (Clearance of Slum/Blighted Conditions)
- Support public service programs and other activities targeted toward very low-income Urbana residents.
- Sponsor special neighborhood cleanup activities in the target areas.
- Assist homeless families through the City's Transitional Housing Program.
- Contribute funds toward the development of infrastructure on the Kerr Avenue affordable and sustainable housing project (carryover).

Through the **HOME Program**, the Urbana HOME Consortium members propose to:

- Provide operating funds to certified Community Housing Development Organizations (CHDOs) that develop affordable housing opportunities.
- Contribute toward projects providing homeownership of newly constructed energy efficient homes for low- and moderate-income families (Champaign County Neighborhood Alliance for Habitat).
- Rehabilitate owner-occupied housing in Champaign, Urbana, and in unincorporated areas of Champaign County.
- Contribute funds for the process of planning and designing affordable, sustainable housing on City-owned property.
- Contribute toward programs that will provide homeownership units for low- and very-low income households.
- Contribute funds toward rehabilitation of rental units for low- and very-low income households.

The Annual Action Plan was developed by the City of Urbana in accordance with its Citizen Participation Plan, which is included as part of the Consolidated Plan. The Urbana Community Development Commission sponsored public hearings to obtain input prior to and during plan preparation. In order to encourage public participation by the broadest audience possible, the City held public hearings and solicited citizen input at various times and locations throughout the City.

2. Objectives and Outcomes

A summary of the Consolidated Plan Objectives and Outcomes is provided below and contains Objectives (with associated Goals as listed in Appendix D of the FY 2010-2014 City of Urbana and Urbana HOME Consortium Consolidated Plan) and the anticipated Outcomes from implementing the strategies associated with the Consolidated Plan goals.

The following Objectives and Outcomes summary serves as the framework for an outcome-based performance measurement system for the City of Urbana and Urbana HOME Consortium to monitor its progress toward meeting goals of the FY 2010-2014 Consolidated Plan. Each project identified in this Annual Action Plan provides the applicable Objectives and Outcomes. The anticipated results are provided as "Outcome Indicators."

OBJECTIVE 1: PROVIDE A SUITABLE LIVING ENVIRONMENT

GOAL 6: *Provide Support for existing agencies delivering services to homeless individuals and families and encourage expansion of local services to meet community homeless needs.*

GOAL 7: *Support efforts to reduce the exposure of young children to lead-based paint hazards in their homes*

GOAL 8: *Support infrastructure improvements in Urbana's Community Development Target Area*

GOAL 9: *Preserve and support Urbana's neighborhoods as vibrant places to live.*

Outcome: Accessibility for the purpose of creating suitable living environments

| | |
|------------|---|
| Strategies | <p>Create a Suitable Living Environment by providing better access to health care in the community for low-income residents. <i>(All Public Facilities Projects: C-U Independence, Center for Women in Transition, Mental Health Center of Champaign County Housing Corporation, YMCA at the University of Illinois, and Urbana Neighborhood Connections Center)</i></p> <p>Create a Suitable Living Environment for owner-occupied households with incomes at or below 80% of the area median by improving infrastructure in the targeted neighborhood. <i>(Projects include Neighborhood Sidewalks & Streetlights, and Kerr Subdivision Project Infrastructure)</i></p> <p>Create a Suitable Living Environment by improving the appearance of the targeted areas by reducing blight. <i>(Neighborhood Cleanup)</i></p> |
|------------|---|

Outcome: Sustainability for the purpose of creating suitable living environments

| | |
|------------|---|
| Strategies | <p>Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing and making housing accessible to persons with disabilities. <i>(Emergency Grant and Access Grant)</i></p> <p>Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing and housing</p> |
|------------|---|

accessible to persons with disabilities. All recipients of assistance must have household incomes at or below 50% of the area median. (*Senior Repair Service*)

Create Suitable Living Environment by providing assistance to property owners in the target area having household incomes at or below 80% Median Family Income (MFI) by removing dilapidated structures from owner-occupied property. (*Clearance of Slum & Blighted Conditions*)

Outcome: Sustainability for the purpose of creating suitable living environments

Strategies

Create a Suitable Living Environment by providing better access to social services in the community for low-income residents. (*Consolidated Social Service Funding Projects*)

Outcome: Affordability for the purpose of creating suitable living environments

Strategy

Create a Suitable Living Environment by providing support to the existing network of local homeless services. (*Urbana-Champaign Continuum of Care, Council of Service Providers to the Homeless, and the Emergency Relocation Task Force*)

OBJECTIVE 2: PROVIDE DECENT HOUSING

GOAL 1: *Provide decent affordable housing opportunities for low- and moderate-income households.*

GOAL 2: *Address barriers to obtaining affordable housing*

GOAL 3: *Preserve and improve supply of affordable housing as a community resource.*

GOAL 4: *Work with Housing Authority of Champaign County (HACC) to improve conditions for residents of public housing.*

Outcome: Affordability for the purpose of providing decent affordable housing

Strategies

Provide Decent Housing by increasing capacity of Community Housing Development Organizations (CHDOs) to identify and implement programs that will provide affordable housing opportunities to recipients at or below 60% of area median income for rental and at or below 80% of the area median for homeownership). (*CHDO Home ownership/rental programs*)

Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median (*Property Acquisition*)

Provide Decent Housing by providing an opportunity for households with incomes at or below 80% of the area median to become homeowners (*CHDO affordable housing projects*)

Strategies

Provide Decent Housing by constructing new mixed-income housing tax credit development that would include at least thirty units for residents whose household incomes are at or below 60% Median Family Income (MFI). (*Redevelopment of Dunbar Court*)

Provide Decent Housing by providing tenant-based rental assistance to households with incomes at or below 60% of the area median, targeting those at or below 125% of the poverty line. (*Tenant Based Rental Assistance*)

Provide Decent Housing by developing new down payment assistance programs for low-income buyers. (*HOME Consortium – Acquisition Rehab*)

Outcome: Accessibility for the purpose of providing decent affordable housing.

Strategies

Provide Decent Housing by providing access to services and counseling for homeless families with children to assist with transition into more permanent housing (*Urbana Transitional Housing Program for Homeless Families with Children; Supportive Housing Program for Homeless Families in Transition*)

Provide Decent Housing by identifying programs that will provide affordable housing opportunities to income qualified recipients (at or below 60% of area median for rental and at or below 80% of the area median for homeownership). (*City Redevelopment Programs*)

Strategies

Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from three income categories, at or below 30% MFI, 31-50% MFI and 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance. (*Whole House Rehabilitation Program*)

OBJECTIVE 3: Expand Economic Opportunities

GOAL 5: *Support community efforts to provide services and training for low- and moderate-income residents.*

GOAL 6: *Provide Support for existing agencies delivering services to homeless individuals and families and encourage the expansion of local services to meet community homeless needs.*

Outcome: Accessibility for the purpose of creating economic opportunities

Strategies

Support expansion of job-training programs for low-income individuals by area social service agencies, and encourage them to conduct a review of all available programs to determine if they meet current need. (*Consolidated Social Service Funding Projects*)

Encourage appropriate area social service agencies to expand recreational, educational, and cultural opportunities and alternatives for very low-income youth and young adults (*Consolidated Social Service Funding Projects*)

Support area providers such as the Senior Services Division of Champaign County Regional Planning Commission and Family Service of Champaign County in their efforts to provide supportive services to low-income elderly persons residing in Urbana (*Consolidated Social Service Funding Projects*)

3. Evaluation of Past Performance

Based on input received during public hearings, Community Development Commission meetings and City Council meetings, infrastructure projects to be implemented during the FY 2010-2014 Consolidated Planning period will help to provide a more suitable and safe living environment. The infrastructure reconstruction and installation projects in this Annual Action Plan will also address suitable and safe living environment objectives.

The demand for assistance through the Emergency, Access, and Senior Repair Programs fluctuates year-to-year. Increasing utility and maintenance costs as well as other rising housing costs place a burden on the lower income households. The City maintains a waiting list for Whole House Rehabilitation participants for which the demand remains high due to limited funding availability. Owner-occupied housing rehabilitation programs have a positive impact for participants and help stabilize properties. Programs addressing neighborhood conditions are continuing to becoming more successful at improving the overall appearance of the target neighborhoods.

Since 2007, City of Urbana staff has annually conducted a survey in the target neighborhoods to identify blighted secondary structures and vacant, deteriorated buildings that need to be repaired or demolished. As part of this program, during FY 2011-2012, Code Enforcement staff will continue to work with owners to encourage mitigation of the blighted conditions. Property owners are also informed of the availability of City of Urbana programs for income-qualified owner-occupants that will offset the cost of abatement. In the past four years this process has resulted in removal of 24 blighted structures.

The Neighborhood Newsletter is mailed three times each year to provide residents of the target neighborhoods notification of the available programs for assistance and to address these conditions. The City also keeps residents informed through public notices and information posted on the City website at www.urbanaininois.us, in the local newspaper, and on the public access television channel.

The City's Emergency Grant and Senior Repair Service Programs provide much-needed funds that mitigate the immediate and deferred maintenance issues for those who otherwise would not be able to afford such repairs. This is an essential element of helping to stabilize the target neighborhoods.

The Access Grant Program is intended to help remove barriers to accessibility for persons with disabilities. It is available for renters or homeowners who earn less than 80% of Median Family Income to make necessary improvements.

In FY 2010-2011, the City and Urbana HOME Consortium Programs have assisted residents by program or location as indicated in the following table. The table also includes the expected number of residents estimated to be served during FY 2011-2012.

| | | Number Assisted | | |
|--|---|--|--|--|
| | <i>Program Name</i> | <i>FY 2010-2011 (to date)</i> | <i>FY 2010-2014 Con Plan Period Goals</i> | <i>FY 2011- 2012 Expected</i> |
| | | City of Urbana HOME & CDBG | Urbana Emergency Grant/Access Grant | 12 |
| Urbana Whole House Rehabilitation | 4 | | 24 | 5 |
| Urbana Senior Repair Service | 25 | | 102 | 18 |
| Urbana Public Facilities Improvements | 421 | | 4665 | 2774 |
| Urbana Public Services | | | | |
| Transitional Housing Program | 4 families | | 18 families | 4 families |
| Consolidated Social Service Funding | 642 | | 2378 | 675 |
| Neighborhood Cleanup | 242 | | 1528 | 475 |
| HOME - City of Champaign & Champaign County | CHDO Consortium Homeownership Programs | 0 | 14 | 5 |
| | CHDO – HOME Consortium Rental Programs | 2 | 2 | 0 |
| | Consortium TBRA (# of Households) | 9 | 9 | 10 |
| | Champaign - Full Home Rehabilitation | 0 | 37 | 4 |
| | Champaign - New Rental Housing Units | 0 | 4 | 0 |
| | Champaign – Rental Rehabilitation | 0 | 0 | 4 |
| | Champaign – Lot Acquisition | 0 | 10 | 1 |
| | Champaign – Acquisition Rehab | 10 | 6 | 11 |
| | County – Full Home Rehabilitation | 1 | 8 | 3 |

The City and Consortium work to identify other new programs to improve property values and neighborhood appearance; however, federal funding limitations may affect the extent to which new programs can be carried out.

The City of Urbana instituted a Rental Registration Program in 2007 to address rental property conditions. The program is enforced on a citywide basis to ensure that all rental units are in compliance with the current property maintenance codes. This program will help to stabilize neighborhoods through inspection of rental units to ensure safe housing that complies with City codes for the tenants.

In FY 2011, City inspectors have inspected approximately 1255 dwelling units in six geographical areas of Urbana. The total number of units inspected since the program began in 2007 is 6238. The program goal is for all of the 9111 currently registered rental units in the City to be systematically inspected at least every five years to ensure compliance with the current Property Maintenance Code standards.

CITIZEN PARTICIPATION

The Annual Action Plan was developed by the City of Urbana in accordance with its Citizen Participation Plan included as part of the 2010-2014 Consolidated Plan process. The Urbana Community Development Commission sponsored public hearings to obtain input prior to and during plan preparation. In order to encourage public participation by the broadest audience possible, the City held public hearings, and solicited citizen input at various times and locations throughout the City, as follows:

| Date | Format | Target Audience | Location | Morn. | Eve. |
|-----------------|-------------------------|--|---|----------------|-------------|
| 12/06/10 | Open Meeting | Social Service Agencies | Urbana City Building | ✓ | ✓ |
| 1/03/11 | Neighborhood Meeting | Residents of Neighborhood, Urbana & Consortium | Prairie Elementary School Library | | ✓ |
| 1/04/11 | Public Hearing | Social Service Agencies | Urbana City Building | ✓ | |
| 1/04/11 | Public Hearing | Residents of Neighborhood, Urbana & Consortium | Urbana City Building | | ✓ |
| 1/05/11 | Neighborhood Meeting | Residents of Neighborhood, Urbana & Consortium | Washington Early Childhood School Library | | ✓ |
| 1/06/11 | Neighborhood Meeting | Residents of Neighborhood, Urbana & Consortium | King Elementary School | | ✓ |
| 2/25/11-3/29/11 | Public Review & Comment | Residents of Neighborhood, Urbana & Consortium, and all interested parties | Urbana Public Library | (Business Hrs) | |
| | | | | ✓ | ✓ |
| | | | City Clerk's Office | ✓ | |
| | | | Community Development Services Office | ✓ | |
| 3/29/11 | Public Hearing | Residents of Urbana & Consortium and all interested parties | Urbana City Building | | ✓ |

1. Citizen Participation: Comments Received

Comments received in January 2011 regarding the Annual Action Plan are in support of the City continuing support of Consolidated Social Service Programs, and the funding for Public Facility and Infrastructure improvements. Meeting minutes and attendance sheets are included as Appendix IV to this Action Plan.

In order to broaden public participation in the Consolidated Plan/Annual Action Plan process, the City provided notice of neighborhood meetings and public hearings as follows:

- Included all meeting information in a newsletter which is sent to all residents of the City's target areas
- Provided public notice by advertising in a local, widely-read newspaper
- Provided public notice on City Website www.urbanaininois.us
- Provided announcements via a City operated public access television channel which is available to residents of the broader community (City of Urbana, City of Champaign, and Champaign County)

RESOURCES

The Annual Action Plan describes activities to be undertaken by the City of Urbana with CDBG funds and by Urbana HOME Consortium members with HOME funds. The City of Urbana expects to receive **\$421,450** in FY 2011-2012 CDBG entitlement funds. These funds will be combined with an estimated **\$12,260** in program income and **\$30,000** in reprogrammed funds from previous years to create a total estimated CDBG program budget of **\$463,710**.

Leveraging is one of three primary objectives used by the City to determine how CDBG funds are to be used in Urbana (the other two objectives are impact on community and collaboration with other agencies). The following CDBG-funded activities involve leveraging of other public and private funds:

- CDBG funds for infrastructure improvement activities within the targeted area will leverage other city resources and, in one case, federal funds for the project.
- All CDBG subrecipients have pledged non-CDBG funds as leverage for delivery of their CDBG-funded activities: C-U Independence has pledged twenty-five percent (25%) towards repairs at their Kerr Avenue facility; Center for Women has pledged twenty-five percent (25%) towards kitchen renovations of their Forbes building & twenty-five percent (25%) towards the installation of a new sprinkler system at the domestic violence (DV) shelter (former A Woman's Place); the YMCA at the University of Illinois has pledged seventy-six percent (76%) towards the renovations to the men's and women's bathrooms on the lower level to make them ADA compliant; Mental Health Center of Champaign County Housing Corporation has pledged twenty-six percent (26%) towards the lighting upgrade to the kitchen and bathroom of each unit at their Carroll Avenue Supported group home; and the Urbana Neighborhood Connections Center has pledged sixty-six percent (66%) towards the installation of new flooring.
- The Urbana HOME Consortium expects to receive **\$1,000,600** in FY 2011-2012 HOME funds. These funds will require **\$240,285** Local Match to be provided in Consortium-wide. The final Annual Action Plan will have a budget total that includes projected administrative carryover. HOME Funds remaining as of July 1, 2011 from uncompleted projects from previous years will be carried over to be expended in the coming year.

As with the CDBG program, many HOME-assisted activities involve leveraging non-HOME funds:

- HOME funds allocated to the Community Housing Development Organizations developing owner occupied homes will be leveraged by down payment assistance provided by other agencies, material donations, volunteer participation, and monetary donation.

The HOME Program match requirement for Consortium Members will be satisfied through a number of eligible sources, including, but not exclusively, allocation of local government funds, utilization of Carryover Match Contributions from prior years, and other non-federal funds. Community Housing Development Organizations will use non-Federal funds such as Illinois Affordable Housing Trust funds, funds from the Federal Home Loan Bank of Chicago, private donations and grants to meet their HOME match requirements.

DESCRIPTION OF ACTIVITIES TO BE TAKEN

See Listing of Proposed Projects (*CDBG...page 30 and HOME Program...page 41*)

GEOGRAPHIC DISTRIBUTION

Since 1985, the City of Urbana has targeted its Community Development Block Grant funds to improve conditions in its Community Development Target Area, which consists of Census Tracts 53, 54, and 55 in north and east central Urbana. For the Program Years associated with the FY 2010-2014 Consolidated Plan, the Community Development Target Area also includes Block Group 1 of Census Tract 56. A graphic (map) depicting the expanded boundary of Community Development Target Area is attached as Appendix II. The areas of Minority Concentration are Census Tracts 51:1, 53:2, 53:3 and 53:5. This information is provided graphically in the 2010-2014 Consolidated Plan as Map 4, in the map section of the plan.

| Urbana Community Development Target Area | | |
|--|-------------|-----------------|
| CENSUS TRACT | BLOCK GROUP | LOW MOD INCOME% |
| 53 | 1 | 64.1% |
| 53 | 2 | 87.4% |
| 53 | 3 | 81.0% |
| 53 | 5 | 76.7% |
| | | |
| 54 | 4 | 79.3% |
| 54 | 5 | 68.7% |
| 54 | 6 | 51.5% |
| | | |
| 55 | 1 | 91.9% |
| 55 | 3 | 69.5% |

| | | |
|----|---|-------|
| 55 | 4 | 39.4% |
| 55 | 5 | 48.1% |
| 55 | 6 | 61.0% |
| | | |
| 56 | 1 | 58.7% |

The table above identifies the City of Urbana Census Tracts and Block Groups contained in the expanded Target Area and the percentage of low/moderate income persons within each Block Group. These areas correlate with the Community Development Target Area map in Appendix II.

Urbana HOME Consortium funds are divided geographically based on an intergovernmental agreement among the City of Urbana, City of Champaign, and Champaign County. Within the boundaries of each entity, HOME funds are generally used to support affordable housing activities jurisdiction-wide without further geographic targeting.

DEVELOPING INSTITUTIONAL STRUCTURES

Urbana staff is an acknowledged resource for information on housing and service agencies. Staff receives numerous telephone calls each week requesting information and makes referrals to appropriate housing and service agencies. These efforts will continue in the coming year, with an emphasis on increasing communication between agencies and updating information. The City will continue to utilize available Internet website applications to aid in this effort. The City launched a new user-friendly site with improved access to information this past year.

Although the City of Urbana and the Housing Authority of Champaign County (HACC) are separate government agencies, as prescribed by state law, the City will work with the HACC to provide input and assistance regarding the HACC's Annual Agency Plan. The seven-member HACC Board of Commissioners consists of two commissioners appointed by each of the Cities of Urbana and Champaign, an appointee that rotates between the two cities called a "floating" appointee, a commissioner appointed by the Champaign County Board, and a commissioner appointed from among residents of the HACC properties.

The City of Urbana receives a Draft Annual Agency Plan from the HACC for review and comment. Staff works with the HACC to ensure the Agency Plan is consistent with the Urbana HOME Consortium Consolidated Plan. The process includes City review of proposed capital improvement, demolition, and disposition projects that are planned in the near future. The City will continue to work with the HACC's Developer over the next year regarding the redevelopment of Dunbar Court, located in Urbana.

MONITORING

The City of Urbana and the Urbana HOME Consortium will utilize monitoring standards and procedures provided in existing publications and guidebooks. Specifically, *HUD-2030-CPD Monitoring HOME Program Performance*, *Managing CDBG: A Guidebook for Grantees on Subrecipient Oversight*, and *Basically CDBG* (prepared by TONYA, Inc.) will be utilized. A key consideration in the monitoring activities will be to ensure compliance with program requirements, including the timeliness of expenditures.

The Urbana Grants Management Division staff, the Urbana Community Development Commission, and the Urbana City Council will monitor progress toward meeting Consolidated Plan goals and objectives. The Community Development Commission is appointed by the Mayor and the City Council to provide recommendations and oversight regarding the City's Community Development Block Grant Program, the HOME Program, and other housing-related programs. The Commission meets on a monthly basis (scheduled for the fourth Tuesday) at the Urbana City Building Complex to review staff progress toward housing goals. The Commission recommends funding levels for the annual CDBG and HOME applications to the Urbana City Council, and reviews requests for other housing-related funds.

The Grants Management Division of the City of Urbana's Community Development Services Department is responsible for monitoring all programs implemented with Community Development Block Grant and HOME program funding to ensure compliance with all regulations associated with HOME and CDBG programs.

Local building codes apply to properties assisted through the City's housing rehabilitation programs. Certified inspectors from the City's Building Safety Division enforce compliance with local building codes. Assisted properties are inspected for code violations by Building Safety staff in the initial phase of the rehabilitation process. In addition, a risk assessment inspection is completed by trained and certified staff to identify potential hazards associated with lead-based paint.

After the contract is executed and during project construction progress, rehab staff performs inspections periodically to ensure proper completion of the work. Payouts to contractors are issued only after both the rehab staff and owner approve the work quality. Building Safety Division performs a final inspection of all the work associated with building codes and issues a Certificate of Occupancy that indicates all work is complete in accordance with local code. Final payment is issued to the contractor only after a Certificate of Occupancy is approved and the property has been tested to ensure lead-paint hazard clearance.

The City of Champaign and Champaign County will similarly monitor their HOME funded programs. Work processes and checklists are in place to ensure compliance with HOME program requirements related to housing code concerns.

Subrecipients will be monitored at least once a year. Programmatic expectations regarding monitoring will be detailed in all subrecipient agreements. The Grants Management Division will submit performance reports to the appropriate funding agencies in accordance with program guidelines.

LEAD-BASED PAINT

The City will continue to address lead-based paint hazard requirements. In order to be current with developing standards, City staff continues to attend workshops, review and revise the rehabilitation manual, and coordinate with contractors and environmental regulatory agencies.

The Grants Management Division of the City will continue to ensure compliance with Title X lead based paint regulations. The Grants Management Division staff is committed to meeting these obligations and will do so in the most cost-effective methods available.

The following list describes the measures to address lead based paint hazards the City intends to pursue in FY 2011-2012:

- Continue to work with the City of Champaign and Champaign County to address best practices in meeting lead-based paint requirements. This will include, but not be limited to, attending HUD-sponsored and EPA-sponsored lead-based paint training workshops, internet training applications, and related HUD efforts to provide lead-based paint hazard training.
- Continue coordination with the Illinois Department of Public Health (IDPH), Division of Environmental Health, and the Champaign County Public Health District for future funding opportunities.
- Continue to sponsor educational and training events for local government, contractors, public health officials, and other concerned parties on lead-based paint concerns.
- Continue efforts to coordinate activities in meeting HUD, IDPH, and EPA lead-based paint requirements with the Building Safety Division of the City of Urbana, Community Development Services Department.

II. HOUSING

SPECIFIC HOUSING PRIORITIES & OBJECTIVES

Housing activities to be undertaken in FY 2011-2012 are selected based on the needs of the community, as reflected in the FY 2010-2014 Consolidated Plan and input received from citizens during public hearings and neighborhood meetings.

1. Rehabilitation

The City will provide housing rehabilitation assistance to low- and moderate-income residents of the Target Area in order to address deferred maintenance and stabilize property values. The City will also provide assistance to income-qualified residents to address health and safety hazards in their homes.

Access Grant funds will be used to retrofit homes of income-qualified persons with disabilities and senior residents to remove barriers and allow for a more accessible home environment. Funding will be provided to eligible senior citizens through the Senior Repair Service to help defray costs of minor repairs that would otherwise become deferred maintenance.

2. Homeownership

The City will be working with local non-profit Community Housing Development Organizations (CHDO) to continue to develop affordable, energy efficient homeownership opportunities for low- and moderate-income residents. The City and CHDOs will work to augment City funds for homeownership by seeking grant funding from the Illinois Housing Development Authority, the Federal Home Loan Bank, and other sources. Any funds acquired through such grants will be used to offset the costs of developing affordable housing.

3. Fostering Decent Housing

In 2007, construction was completed on Prairie Winds, a 92-unit Senior Retirement Center. There are 13 studio apartments and 79 one-bedroom apartments in the project. The Supportive Living Program allows Prairie Winds to offer all the apartments to Medicaid eligible and private pay persons over the age of 65. The apartments are reserved on a first-come, first-served basis. The Medicaid program allows residents to move in private pay and, if needed, then convert to Medicaid without having to change apartments or be forced to move due to lack of funds. Medicaid does not require Prairie Winds to have a certain number of residents, or specific apartments, because all 92 apartments may be occupied by Medicaid residents.

The City will continue to work closely with the Community Reinvestment Group (CRG) in identifying and supporting efforts to increase homeownership. The City worked with the CRG to sponsor its eleventh Annual Housing Fair during FY 2011-2012 on February 26, 2011. In conjunction with CRG and Consortium involvement with Money Smart Week, advertising and outreach will be stepped up in an effort to continue the increase in attendance to this popular annual event.

The City of Urbana, in cooperation with the Urbana-Champaign Continuum of Care and its member agencies, periodically conducts surveys throughout the community in order to gauge the needs of the special needs population. A Community-Wide Needs Assessment was completed in 2004.

Consolidated Social Service Funding may be set aside for program activities yet to be determined which would benefit low-income residents of the CD Target Area. The Community Development Commission annually provides input to the Urbana City Council regarding priorities to be considered regarding public service funding under the CDBG portion of the Consolidated Social Service Funding (CSSF) pool.

NEEDS OF PUBLIC HOUSING

Over the last five years, City of Urbana staff has spent a significant amount of time and resources related to public housing improvements and anticipate a increased level of involvement in FY 2011-2012. City staff attends the regular meetings of the board of directors of the Housing Authority of Champaign County. Staff works with the Housing Authority to provide input, and foster coordination and cooperation between the two entities.

The Crystal View Townhomes Project was completed in FY 2010-2011. The City will provide technical assistance to the Housing Authority for the redevelopment of Dunbar Court. The City continues to work with the Housing Authority to identify opportunities to provide replacement housing units to low-income residents throughout the community.

The Housing Authority was selected as a participant in the newly developing "Moving to Work" program, a program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally-designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families.

In addition to working with the Housing Authority, outreach has been targeted directly to public housing residents and Section 8 voucher holders. The Consortium will continue to work with both the Housing Authority and the voucher holders to improve the housing conditions and opportunities for these residents.

ADDRESSING BARRIERS TO AFFORDABLE HOUSING

The cost of housing within the Consortium is not significantly affected by public policies. The City of Champaign, the City of Urbana, and Champaign County have policies on taxation, land use, zoning, building codes, fees, etc., which are conventional and similar to other downstate Illinois and Midwest communities. Housing costs are influenced by the large number of transient tenants and homebuyers who are attending the University of Illinois. This high demand for housing has resulted in increased housing costs, especially in the rental housing market.

Additionally, the national housing market has affected housing costs throughout the entire Consortium area. With high demand for large single family homes on the fringes of the cities, there is very little affordable housing being built within the Consortium area. In response to the above-mentioned market influences that affect the entire Consortium,

the City of Urbana has enacted the following actions to reduce any remaining barriers to affordable housing:

- The Urbana City Council periodically reviews its land development code and zoning ordinance to identify development guidelines that may unnecessarily restrict or add to housing development costs.
- The City of Urbana has not implemented incentives to develop, maintain, or improve housing that have created barriers to affordable housing.
- The City of Urbana has adopted a Human Rights Ordinance that does not allow housing discrimination based on the person's source of income. This has aided persons who are provided with housing assistance to more easily identify housing opportunities.
- Implement strategies included in the City of Urbana Analysis of Impediments to Fair Housing Choice (as updated in January of 2010). The City of Urbana completed an Analysis of Impediments to Fair Housing Choice in January of 2010. The results of the study identified four barriers to fair housing choice, including: discrimination on the basis of a mental or physical disability, culture and language barriers, an inefficient complaint system for taking legal action against discrimination, and housing affordability issues. The City will work to educate landlords to address these barriers.
- The City of Urbana Community Development Services Department, when considering changes in housing related policies, will consider the potential impact any policy changes might have in creating barriers to affordable housing.
- The City will continue to seek and support educational and training opportunities, which focus on eliminating barriers to affordable housing.
- The City will support tenant advocacy and education efforts by agencies such as the C-U Tenant Union.
- The Urbana HOME Consortium will require that owners of projects containing five or more units will affirmatively market any City HOME-assisted unit available for rent or purchase in a manner to attract tenants without regard to race, color, national origin, sex, religion, familial status or disability. The procedures will require that owners:
 - a) Use the Equal Housing Opportunity logo in all advertising;
 - b) Display a Fair Housing poster in the rental and sales office;
 - c) Where appropriate, advertise/use media, including minority outlets, likely to reach persons least likely to apply for the housing;
 - d) Maintain files of the Project's affirmative marketing activities for five (5) years and provide access thereto to LENDER Staff;
 - e) Not refrain from renting to any participating tenant holding a Section 8 Housing Choice Voucher, except for good cause, such as previous failure to pay rent and/or to maintain a rental unit, or the tenant's violation of other terms and conditions of tenancy;

- f) Comply with Section 8 Housing Choice Voucher Regulations when renting to any participating tenant;
- g) Exercise affirmative marketing of the units when vacated; and complete a Urbana HOME Consortium Affirmative Marketing Plan.

HOME INVESTMENT PARTNERSHIPS ACT (HOME)

The Urbana HOME Consortium invests all HOME funds as described in §92.205(b).

Resale/Recapture Provisions

Recapture Option - Homeownership (Direct Buyer Assistance)

For HOME-assisted, homeownership units, wherein HOME funds are utilized to provide direct assistance to the homebuyer, the Urbana HOME Consortium members may utilize one of two net sales proceeds formulas to recapture HOME funds in the event that affordability requirements are not met for the full term of the affordability period due to a sale of the property or foreclosure.

If the net proceeds resulting from the sale or foreclosure of a HOME assisted property are not sufficient to recapture the full amount of the HOME investment and enable the homeowner to recover the amount of the homeowner’s down payment and any capital improvements investment made by the owner since purchase, the Participating Jurisdiction will share the net proceeds. The net proceeds are the sale price minus loan repayment (other than HOME funds) and closing costs.

The net sales proceeds may be divided proportionately as set forth in one of the following mathematical formulas:

$$\frac{\text{HOME Investment}}{\text{HOME investment + Homeowner investment}} \times \text{Net Proceeds} = \text{Recaptured HOME Funds}$$

$$\frac{\text{Homeowner Investment}}{\text{HOME investment + Homeowner investment}} \times \text{Net Proceeds} = \text{Amount to homeowner}$$

Note: The City of Urbana, Urbana HOME Consortium members, and designated Community Housing Development Organizations agree that, to the extent allowable by law, to secure the HOME funds, a mortgage and promissory note shall be executed for any HOME funded homeownership property and shall be recorded against the title to the property. The mortgage and promissory note shall include the prescribed net sales proceeds provision for the recapture of HOME funds as stated above.

Resale Option – Other HOME Assisted Projects:

For other HOME assisted projects, to ensure compliance with the prescribed affordability period requirements, a resale restriction will be utilized. The resale restriction shall be in effect for the duration of the prescribed affordability period based on the amount of HOME assistance provided and will transfer to any future owners of the assisted property should the property be sold before the expiration of the affordability period.

The City of Urbana, Urbana HOME Consortium members, and designated Community Housing Development Organizations agree that, to the extent allowable by law, a mortgage and promissory note, and a land-use restriction agreement shall be prepared, executed and recorded against the title to the property for all other projects assisted with HOME funds as required.

The mortgage, note, and land-use restriction agreement shall include a provision restricting subsequent sales of any house to a family having income at or below 80 percent of area median family income for the period of affordability, which is determined in the HOME regulations as a function of HOME funds invested in said housing property. The mortgage, note, and land-use restriction shall be recorded against the title to the property. For rental projects, the mortgage, promissory note and land-use restriction agreement shall include rent and occupancy restrictions depending upon the amount of HOME funds invested per unit.

Refinancing a HOME-Funded Project

Refinancing of a project may occur only if specifically authorized in an Annual Action Plan approved by the Urbana City Council, and then only if conditions of the refinancing are clearly stated in the Plan. To be eligible for refinancing a project must meet the following conditions:

- Refinancing cannot be the primary purpose of the HOME investment. Refinancing is only appropriate when HOME funds are loaned to rehabilitate the property for which refinancing is being requested and then only when necessary to permit or ensure continued affordability. To demonstrate that rehabilitation is the primary activity for which HOME funds have been expended in connection with the property, at least \$5,000 per unit average in HOME funds must have been provided for rehabilitation of the property.
- The project sponsor requesting HOME funds for debt refinancing must demonstrate, and the City must confirm, that disinvestment in the property has not occurred, long-term needs of the project can be met through the refinancing, and servicing the targeted population over an extended affordability period is feasible.
- Refinancing may be approved either to maintain current affordable units or to create additional affordable units.
- Properties for which refinancing is approved may be located anywhere within the Urbana corporate limits.
- Properties for which refinancing is approved are subject to an affordability period of at least five years starting on the date the refinancing is closed.

- HOME funds cannot be used to refinance multiple-family loans made or insured by any other federal program, including but not limited to, the Community Development Block Grant Program.

III. HOMELESS & SPECIAL NEEDS

HOMELESS PREVENTION

1. Sources of Funds

The City participates in the Urbana-Champaign Continuum of Care group in a cooperative effort to maximize the resources of the local municipalities (Urbana, Champaign, Champaign County, and Rantoul) and the local agencies that provide assistance to the homeless and special needs population. The activities proposed in the Annual Action Plan that are designed to address needs of homeless persons with special needs include:

- The City of Urbana CDBG budget provides approximately **\$44,557** to support the City's Transitional Housing Program for homeless families with children. This program has been operating for twenty years.
- The City will work with local agencies that provide services to the homeless through the Continuum of Care (Continuum) and Council of Service Providers to the Homeless (CSPH) to assist with grant applications and to help facilitate interagency cooperation in addressing and preventing chronic homelessness in the community. Both the Continuum and the CSPH regularly review and evaluate the needs of the community for homeless and homeless prevention.
- The City may provide support to emergency and transitional shelters through the Consolidated Social Service Pool funding allocations. Obstacles to providing services to the homeless include a reduction of state and federal funding accessible to the agencies who work directly with the homeless population.
- Urbana will also continue to operate a HUD-funded Supportive Housing Program for Homeless Families in Transition. While non-profit agencies deliver services, City staff currently administers the program and aids in structuring strategic initiatives that enhance program opportunities.
- Effective July 1, 2006, the City of Urbana transferred the Shelter Plus Care grant program to the Champaign County Regional Planning Commission (CCRPC), as CCRPC has sufficient staff to effectively administer the program. This transfer of the grant and associated responsibilities was approved by HUD. The services remain the same, and CCRPC continues to work with non-profits to deliver services of the program. The City works with CCRPC by providing inspection services for Shelter Plus Care properties within City limits.

- The Urbana HOME Consortium has collaboratively allocated a total of **\$282,902** of HOME funds to a Tenant Based Rental Assistance (TBRA) Program that is currently operated by the Champaign County Regional Planning Commission to provide rent assistance Consortium wide. Funds were allocated during FY 2009-2010 and FY 2010-2011. In addition, the City of Champaign allocated **\$72,000** of its FY 2010-2011 HOME allocation for TBRA to be targeted within the City of Champaign.

At the time of development of this DRAFT Plan, the City of Urbana has begun the process of amending previous Annual Action Plans in order to allocate unobligated HOME Funding for **\$190,149** to Community Elements, a local non-profit mental health provider, for their TBRA program.

2. Homelessness

The City of Urbana, as part of the Urbana-Champaign Continuum of Care, has devised a Strategic Plan for the prevention, coordination, maintenance, and evaluation regarding services to address the issue of homelessness in Champaign County. The goals for the City of Urbana and the Urbana HOME Consortium, as outlined in the Strategic Plan include:

- Developing an interagency effort to address emergency rental property closings.
- Developing twenty-five (25) Single Room Occupancy (SRO) bed spaces for single persons to incorporate housing options with less restrictive felony restrictions.

The Annual Action Plan programs combine multiple sources for a concerted effort to address the current homeless population, as well as those at risk of becoming homeless:

- The Consortium members and other local municipal agencies, as well as utilities, have created an Emergency Tenant Relocation Task Force, facilitated by the City of Urbana, to address issues that would help those households who face the need to move from their current homes or apartments because of potential disconnection of one or more utilities. The Task Force has created a referral resource list.

3. Chronic Homelessness

The City of Urbana, as part of the Urbana-Champaign Continuum of Care, helped develop the Ten Year Plan to End Chronic Homelessness in 2004. According to the vision of the Plan, *"within ten years (2014), all individuals and families facing homelessness in Champaign County will have access to a coordinated array of housing options and supports that will enable them to sustain safe and decent shelter."*

According to the Plan, prevention of the causes of initial, prolonged, or repetitive homelessness will make a significant impact on ending chronic homelessness. Prevention often can be achieved through social service intervention or some form of immediate financial help to serve as a safety net for individual or family resources.

Preventive and crisis intervention services can assist individuals and families resolve and address crisis housing issues in ways that will prevent homelessness. Local agencies provide a wide range of services that are available to persons at risk of homelessness, including:

- Emergency rent assistance
- Financial literacy/debt management
- Employment assistance
- Legal assistance
- Home repair/rehabilitation
- Utility assistance
- Homeowner education
- Substance abuse/mental health treatment
- Domestic violence education/assistance
- Information & referral services

Also, coordination of services provided to homeless persons facilitates efficient response, eliminates duplication of activities, highlights gaps in services, and identifies effective outcomes. Each year, the Ten Year Plan is reviewed and a strategic action plan is put into place to assist with achieving the goals listed in the overall plan for chronic homelessness.

4. Homelessness Prevention

Numerous activities proposed in the Annual Action Plan are designed to address the needs of homeless persons and persons with special needs:

- The City of Urbana CDBG budget includes **\$44,557** to support the City's Transitional Housing Program for homeless families with children. This program has been operating for seventeen years and will remain stable for the upcoming year.
- The Urbana HOME Consortium members may allocate a portion of their share of HOME funds to a Tenant Based Rental Assistance Program through which those at risk of becoming homeless would receive priority for receiving funding in this program.

5. Discharge Coordination Policy

The City of Urbana, as a participant in the Urbana-Champaign Continuum of Care, has established a policy for discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care, or other youth facilities, or correction programs and institutions) in order to prevent such discharge resulting in homelessness for such persons.

EMERGENCY SHELTER GRANTS (ESG)

This section is *Not Applicable*, as the City of Urbana does not receive ESG funding.

IV. OTHER ACTIONS (COMMUNITY DEVELOPMENT)

PRIORITY NON-HOUSING COMMUNITY DEVELOPMENT NEEDS

The City of Urbana's community development needs and priorities are based on the needs of the community, as reflected in the FY 2010-2014 Consolidated Plan, and input received from citizens during public hearings and neighborhood meetings.

1. Basis for Assigning Priority Given to Each Category of Priority Needs

The basis for assigning priority to community development needs is a function of:

- Perceived need in the community.
- Available funding.
- Special circumstances that provide for strategic opportunities.
- Relationship to the City's community development goals, Comprehensive Plan.

2. Specific Goals and Strategies

As indicated in the FY 2010-2014 Consolidated Plan, CDBG funds can be contributed for the following projects identified in the City's Capital Improvement Plan. These projects are eligible for CDBG funding, as the location of each of the projects meets HUD regulations that at least 51% of the persons benefiting from the project must be below 80% of the community's median family income:

| | Estimated Funding | Anticipated Time Frame |
|--|-------------------|------------------------|
| Sidewalks - Division (Oakland - Thompson); Busey (south of Sunset) CT 54 | \$ 70,000 | 2010-11 |
| Census Tract 53 Street Lighting | \$ 200,000 | 2010-13 |
| Division Street Reconstruction (South of Kerr) | \$ 225,000 | 2010-13 |
| Mathews Street Reconstruction (Church - Ellis) CT 53 | \$ 250,000 | 2012 |
| Kerr Project Subdivision Infrastructure CT 54 | \$ 400,000 | 2013 |

3. Economic Development Activities

The City is currently working with prospective developers and investors to redevelop some sites that the City owns. Staff has secured an investor to reoccupy a major hotel property in the downtown area as well. The desire is for vacant or underutilized areas to become new mixed office/commercial and residential development that will create jobs, activities, and residences for the downtown. The City's Comprehensive Plan calls for the use of Tax Increment Financing to promote new development and redevelopment opportunities in the downtown area.

Last year, it was anticipated that commercial development and redevelopment, from May 2010 through May 2011, would be at a slightly higher level than the previous year, which would help reduce the number of persons below poverty level. The City of Urbana is involved in (non-CDBG) economic development activities through which job opportunities have been and continue to be developed in the community. In the past year, job opportunities have been created through the addition of new developments, such as a new retail building and ongoing expansion of a large hospital.

Several new smaller businesses were added that were assisted through utilization of rent subsidy and loan/grant programs. Including new smaller businesses located throughout the City, by May 2011 an estimated 176 jobs will have been added through the City's commercial and economic development activities over the past year.

ANTIPOVERTY STRATEGY

1. Reducing the number of persons below poverty level

Urbana and Cunningham Township will provide an estimated **\$316,900** to social service agencies. Most of the funded projects are designed to assist lower-income households and persons below the poverty level.

City staff provides technical assistance to other non-profit organizations whose mission is to assist persons below the poverty level. City staff also serves on a number of voluntary boards and commissions, including the Champaign County Community Services Board, and the Joint Housing Effort, whose missions are to assist in reducing the numbers of persons below poverty level.

In the upcoming year, it is anticipated that the continuing trend of new commercial development and commercial redevelopment in the City will provide additional job opportunities, which could help reduce the number of persons below poverty level. The City of Urbana is involved in (non-CDBG) economic development activities through which job opportunities have been and continue to be developed in the community.

Over the previous two years, the opening of a discount food store and a major retail store in Urbana created job opportunities. This, in addition to the opening of new smaller businesses throughout the City resulted in an overall increase of jobs. The economic downturn has affected the timeline for a major building materials supplier to open a new retail store in east Urbana. However, the City will continue in its efforts in working with this company to begin the project in the near future.

As stated previously, the City is currently working with prospective developers and investors to reoccupy a major hotel property in the downtown area and also to redevelop some sites that the City owns. Restoration of a centrally located historic hotel is underway and expected to be completed in the upcoming year. The desire is for those

areas to become new mixed office/retail and residential development that will create jobs, activities, and residences for the downtown. The City's Comprehensive Plan calls for the use of Tax Increment Financing to "promote new development and redevelopment opportunities in the downtown area." Such activities are likely to result in a broad range of job opportunities in the community.

NON-HOMELESS SPECIAL NEEDS

It is the goal of the City of Urbana to provide residents with special needs (i.e elderly, persons with disabilities, person with HIV/AIDS, and persons with alcohol or other substance abuse problems) access to resources and to decent affordable housing.

Through the Consolidated Social Service Funding and the CDBG Public Facilities & Improvement grants provided by the City, agencies that work with residents with special needs are able to access City resources. The following is a list of agencies that have received funding through either the Consolidated Social Service Funding, and/or the Public Facilities & Improvement grant:

- Family Service of Champaign County, whose mission is to support people across the generations by providing quality human services, has received funding for their various senior programs, (i.e. Homecare, Senior Counseling & Advocacy, Meals on Wheels, Senior Transportation, and Retired Senior Volunteer Program), through Consolidated Social Service Funding.
- PeaceMeal Senior Nutrition Program, whose mission is to provide quality meals for healthier lives; they help seniors improve their nutrition, sustain their independence and enhance the quality of their life by providing meals, fellowship, and connections to other needed services, has received funding through Consolidated Social Service Funding.
- Persons Assuming Control of their Environment (PACE), which has received funding through Consolidated Social Service Funding, promotes the full participation of people with disabilities in the rights and responsibilities of society. The PACE Homeownership Coalition for People with Disabilities (Homeownership Coalition) promotes greater accessibility to homeownership for households with members who have disabilities. The group also includes many community organizations as partners and participants, of which the City of Urbana is member.
- Developmental Services Center, a non-profit organization serving developmentally disabled individuals in Champaign County, has received funding through the Public Facilities & Improvements grant for various sites, including the Clark Road facility and group homes in the community. Their mission is to enhance the lives of persons with disabilities by providing services and supports which enable them to live, work, learn, and participate in their communities.

- Community Elements (formerly the Mental Health Center of Champaign County), whose mission is to educate, advocate, and help build communities of well-being by providing individuals and families a range of prevention, intervention, and mental health treatment services, has received both Consolidated Social Service Funding and CDBG Public Facilities & Improvement grant funds in the past for their homeless programs (Roundhouse & TIMES Center) and supported group homes.
- Greater Community AIDS Project (GCAP), whose mission is to address the needs of those affected by HIV and AIDS, and to educate the public about HIV and AIDS, has received funding through Consolidated Social Service Funding, specifically CDBG Public Service funds.
- Prairie Center Health System, whose mission is to provide the highest quality of prevention, intervention, and treatment facilities for alcoholism and chemical dependence, other addictions, and associated conditions to individuals, families, and communities in east central Illinois, has received Consolidated Social Service Funding and CDBG Public Facilities & Improvement grant funds in the past.

The City also provides assistance to residents with special needs through the Access Grant program, which provides general improvements necessary to eligible renters or homeowners to remove barriers to accessibility by persons with disabilities.

HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS (HOPWA)

This section is *Not Applicable*, as the City of Urbana does not receive HOPWA funding.

OTHER NARRATIVE

1. Other Actions 91.220

The City of Urbana has utilized its allocation of CDGB and HOME funds to:

- address obstacles to meeting underserved needs,
- foster and maintain decent housing,
- support public housing improvements and resident initiatives,
- address lead-based paint hazards,
- reduce the number of persons below poverty level, and
- has provided assistance in coordinating housing and service agencies.

These funded activities are noted within the previous listing and budget for FY 2011-2012 projects.

Following is a listing of other proposed activities and associated budget by the City of Urbana to address HUD regulations 91.220(f):

**A. CITY OF URBANA FY 2011-2012
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

A summary listing of *Goals, Strategies, and Activities* is attached for reference as Appendix II. The applicable Goal, Strategy, and Activity is included for each Project listed below.

The following terms and abbreviations are used throughout the Annual Action Plan:

Citation = FEDERAL CITATION FOR AUTHORIZATION

Environmental = ENVIRONMENTAL REVIEW STATUS

A summary listing of Specific Housing and Community Development Objectives is attached for reference.

Resources-Federal:

| | |
|--|--------------------------|
| 2011-2012 Estimated Grant | \$ 421,450 |
| Program Income (previous year) | \$ 12,260 |
| Reprogrammed from previous years | \$ 30,000 |
| <i>TOTAL FEDERAL RESOURCES (FY 2011-2012)</i> | <i>\$ 463,710</i> |

1. ADMINISTRATION (FY 2011-2012)

a. General Administration Activities

| | |
|--------------------------------|-----------|
| Personnel - Administrative | \$ 59,379 |
| Other Administrative Expenses | \$ 24,911 |
| Goal 3, Strategy 1 | |
| Citation - [24 CFR 570.206(a)] | |
| Environmental – EXEMPT | |

Total Administration Expense (CDBG Only): \$ 84,290 (20% Cap)

b. Affordable Housing Program

Program Delivery

| | |
|-----------------------------------|-----------|
| Personnel | \$ 84,880 |
| Citation - [24 CFR 570.202(b)(9)] | |
| Environmental - EXEMPT | |

Case Preparation

| | |
|--|----------|
| Title work & front-end expenses associated with affordable housing initiatives | \$ 4,000 |
| Citation - [24 CFR 570.202(b)(9)] | |
| Environmental - EXEMPT | |

Total Program Delivery Expense \$ 88,880

2. NEW FUNDING ACTIVITIES

a. Housing Activities (FY 2011-2012):

1. Emergency Grant and Access Grant (FY 11-12)

Funds will be contributed toward two programs:

- Providing repairs necessary to alleviate hazardous conditions, which pose a threat to the health and safety of a homeowner. Homeowners earning less than 50% of the Median Family Income for Champaign County are eligible for the Emergency Grant Program.
- General improvements necessary to remove barriers to accessibility by persons with disabilities. The Access Grant Program is available for renters or homeowners who earn less than 80% of Median Family Income.

All programs are available citywide and will be accomplished through contractual arrangements.

\$80,000

Goal 3, Strategy 1; Goal 3, Strategy 2; Goal 7, Strategy 2

Citation - [24 CFR 570.202(a)(1)], [24 CFR 570.202(b)(10) & (11)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing and making housing accessible to persons with disabilities.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of owner-occupied households assisted with incomes at or below 50% MFI. Number of households (persons with disabilities) assisted with incomes at or below 80%.

2. Urbana Senior Repair Service (FY 11-12)

Funds will be contributed to a citywide home maintenance repair program for very low-income homeowners 62 years old or older and for very low-income homeowners with disabilities (any age). Household income must be less than 50% of the Median Family Income as established annually by HUD.

\$20,000

Goal 3, Strategy 1

Citation - [24 CFR 570.202(a)(1) & (b)(10)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing, and housing accessible to persons with disabilities. All recipients of assistance must have household incomes below 50% of the area median.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 50% MFI.

3. Lot Acquisition in Support of New Construction and Relocation/Clearance/ Disposition Activities (FY 11-12)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, 55, and 56 Block Group 1. Projects and utilization of the properties may include the following:

- Donation to non-profit housing developers to build affordable housing.
- City sponsored rehabilitation and re-sale to qualified homebuyers.
- Donation to other organizations to support CDBG-eligible programs.

Funds may also be used for the purchase of homes previously assisted with CDBG or HOME Consortium funds subject to possible foreclosure or related events that jeopardize the project benefit to low/moderate income persons. Lots will be cleared of substandard structures or debris as needed. The Federal Uniform Relocation Act will govern any necessary relocation activities. Properties may also be acquired and cleared for blight abatement purposes only. City-owned properties will be properly maintained while they are the responsibility of the City.

\$14,108

Goal 1, Strategy 1; Goal 9, Strategy 1; Goal 9, Strategy 2

Citation - [24 CFR 570.201(a)(b)(d)(f)(1)(ii)&(i)]

ENVIRONMENTAL ASSESSMENT

Objective: Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 80% MFI. Number of parcels donated to CHDOs and non-profits for affordable housing development (estimated: 3).

b. Public Facilities and Improvements

1. C-U Independence

Funds will be used for the installation of new flooring throughout the individual apartments, hallways, stairwells, and common areas, and to paint an exposed sprinkler system at their supported-living apartment building for individuals with development disabilities. C-U Independence facilitates the work of Developmental Services Center by managing their group home on Kerr Avenue in Urbana.

\$30,000

Goal 2, Strategy 3; Goal 2, Strategy 4; Goal 6, Strategy 3
Citation – [24 CFR 570.201(c)]
Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and housing for persons with developmental disabilities.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this housing facility (estimated: 24).

2. Center for Women in Transition

Funds will be used for the installation of additional sprinklers to provide fire suppression within the facility formerly operated by A Woman's Place. The sprinklers need to be placed in the community rooms, hallways, and offices providing services to their clients. This requires piping to be installed through solid "firewalls" and connected to the existing pressurized system, and then attaching sprinkler heads, at the shelter located on East Main Street in Urbana.

\$11,851

Goal 5, Strategy 9; Goal 6, Strategy 1; Goal 6, Strategy 2

Citation – [24 CFR 570.201(c)]

Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and counseling for homeless domestic violence victims with children to assist with transition into more permanent housing.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this shelter (estimated: 500).

3. Center for Women in Transition

Funds will be used to remove the old kitchen and install new flooring, electrical outlets, cabinetry, plumbing, countertops, and painting the room.

\$8,250

Goal 5, Strategy 9; Goal 6, Strategy 1; Goal 6, Strategy 2

Citation – [24 CFR 570.201(c)]

Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and counseling for homeless domestic violence victims with children to assist with transition into more permanent housing.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this shelter (estimated: 7 at any one time).

4. Mental Health Center of Champaign County Housing Corporation

Funds will be used to install lighting upgrades in the kitchen and bathroom of each unit at the Carroll Avenue Supported Apartment Program, a 16-unit affordable housing complex with psychiatric disabilities located in Urbana.

\$3,275

Goal 2, Strategy 3; Goal 2, Strategy 4; Goal 6, Strategy 3; Goal 6, Strategy 4

Citation – [24 CFR 570.201(c)]

Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and housing for persons with developmental or psychiatric disabilities.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this housing facility (estimated: 16).

4. Urbana Neighborhood Connections Center

Funds will be used to renovate flooring in the Center located in Urbana. Two areas to be replaced include the central assembly area and the computer lab floors. Prior to January 2010, the building had been vacant for approximately 5-6 years; portions of the carpet are severely damaged and portions of the tile are broken or missing.

\$1,999

Goal 2, Strategy 3; Goal 2, Strategy 4; Goal 6, Strategy 3; Goal 6, Strategy 4

Citation – [24 CFR 570.201(c)]

Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to educational, financial, and emotional services for low-income families residing in Urbana.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this program (estimated: 150).

6. CITY INFRASTRUCTURE PROJECTS

Funds will be used toward the construction or reconstruction of City infrastructure in one or more of the following projects in the City's Target areas:

| |
|---|
| Neighborhood Sidewalks: Division (Oakland-Thompson); Busey (south of Sunset) CT 54 |
| Census Tract 53 Street Lighting |
| Division Street Reconstruction (South of Kerr) |
| Mathews Street Reconstruction (Church - Ellis) CT 53 |
| Kerr Project Subdivision Infrastructure CT 54 |

\$56,000

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

c. Public Service Activities

1. Transitional Housing for Homeless Families with Children (FY 11-12)

Funds will be contributed to the City of Urbana's transitional housing program. Three to five dwellings will be available for homeless families with children. Rent receipts will be another source of revenue. Properties acquired by the City through a federal funding source will be properly mowed and cleaned according to city ordinance as long as they are the responsibility of the City.

\$21,119 (personnel)

\$23,438 (programming)

Goal 1, Strategy 1; Goal 6, Strategy 1; Goal 6, Strategy 2; Goal 6, Strategy 4

Citation - [24 CFR 570.201(b) & (e)]

Environmental - EXEMPT

Objective: Provide Decent Housing by providing housing and access to services and counseling for homeless families with children to assist with transition into more permanent housing and self-sufficiency.

Outcome: Accessibility for the purpose of providing decent affordable housing.

Outcome Indicators: Number of households assisted to prevent homelessness.

2. Public Service Activities under Consolidated Social Service Funding Program (FY 11-12)

The balance of available funding at 15% of the current entitlement will be allocated for program activities yet to be determined which would benefit low-income residents of the CD Target Area. The Community Development Commission has designated the priorities to be considered by the Urbana City Council for public service funding under the CDBG.

\$12,500

Goal 5, Strategy 1-9; Goal 6, Strategy 1-4

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

*Specific programs to be determined - Social Service Funding Process.

Objective: Create Suitable Living Environment by providing better access to social services in the community for low-income residents.

Outcome: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons assisted with new or improved access to a public service (estimated 5 -10).

3. Neighborhood Cleanup (FY 11-12)

One-day, neighborhood cleanup activities will be held in Fall 2010 and Spring 2011, in the Community Development Target Area. Activities will include disposal of junk, debris, and recyclable metal. The program will be co-sponsored by the Urbana Public Works Department.

\$15,000 (\$8,000 CDBG, \$7,000 Other Funding)

Goal 9, Strategy 1; Goal 9, Strategy 2

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

Objective: Create Suitable Living Environment by improving the appearance of the targeted areas by reducing blight.

Outcome: Sustainability for the purpose of providing a suitable living environment.

Outcome Indicators: Number of households provided with a new or improved service (estimated: 500).

3. CARRYOVER ACTIVITIES (ESTIMATED)

(Following is an estimate of CDBG funding that will be carried over to the FY 2011-2012 for activities previously budgeted or to utilize unobligated carryover.)

a. Housing Activities

1. Clearance of Slum and Blighted Conditions

Funds will be used for clearance of secondary buildings and structures that create health and safety concerns.

Exact amount not yet available – currently estimated at \$5,000

Goal 9, Strategy 1

Citation – [24CFR 570.201(a)(1) & (b)(10)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing assistance to property owners in the target area having household incomes at or below 50% MFI in removing dilapidated structures from their owner-occupied property.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of blighted structures removed.

2. Property Acquisition in Support of New Construction and Relocation/ Clearance/Disposition Activities (Cumulative)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, 55, and 56 Block Group 1. Projects and utilization of the properties may include the following:

- o Donation to non-profit housing developers to build affordable housing.
- o City sponsored rehabilitation and re-sale to qualified homebuyers.
- o Donation to other organizations to support CDBG-eligible programs.

Funds may also be used for the purchase of homes previously assisted with Urbana CDBG or HOME Consortium funds subject to possible foreclosure or related events that jeopardize the project benefit to low/moderate income persons. Lots will be cleared of substandard structures, vegetation or debris as needed. The Federal Uniform Relocation Act will govern any necessary relocation activities. Properties may also be acquired and cleared for blight abatement purposes only. City owned properties for the program will be properly maintained.

Exact Amount not yet available - currently estimated at \$87,000

Goal 1, Strategy 1; Goal 9, Strategy 1; Goal 9, Strategy 2

Citation - [24 CFR 570.201(a)(b)(d)(f)(1)(ii)&(i)]

ENVIRONMENTAL ASSESSMENT

Objective: Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 80% MFI. Number of parcels donated to CHDOs and non-profits for affordable housing development.

b. Public Facilities and Improvements

(The following Public Facility and Improvement projects are anticipated to be carried over to FY 2011-2012; however, some of the funds may be expended before June 30, 2010, depending on schedule and weather).

1. Capital Improvement Projects - Kerr Avenue Sustainable Development

Funds will to be used towards installation of infrastructure at the Kerr Avenue sustainable, affordable housing development.

\$31,317

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

2. Neighborhood Sidewalks

Funds are proposed to be used to construct new sidewalks or reconstruct existing sidewalks in target area neighborhoods.

\$43,000

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

4. CT 53 Streetlight Reconstruction

Funds are being reserved for a future project that will reconstruct the streetlights in part of Census Tract 53, one of the City's Target areas.

\$78,105

Goal 8, Strategy 1; Goal 8, Strategy 2

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

4. Budget Summary (Projected CDBG Budget) FY 2011-2012

| <i>CDBG BUDGET</i> | <i>FY 2011-2012</i> |
|--|---------------------|
| Estimated Federal Allocation (Grant) | \$421,450 |
| Estimated Previous year Program Income | \$ 12,260 |
| Reprogrammed from previous years | \$ 30,000 |
| TOTAL TO ALLOCATE (ESTIMATE) | \$463,710 |
| ADMINISTRATION (20%) | \$84,290 |
| Personnel | \$59,379 |
| Other Administration | \$24,911 |
| PUBLIC SERVICE (15%) - Trans Hsg/NHD Cleanup/CSSF | \$ 65,057 |
| Transitional Housing personnel | \$21,119 |
| Transitional Housing programming | \$23,438 |
| Neighborhood Cleanup (\$8,000 CDBG, \$7,000 Other Funding) | \$8,000 |
| Consolidated Social Service Fund | \$12,500 |
| AFFORDABLE HOUSING PROGRAMS | \$202,988 |
| Housing-Related Program Delivery (subtotal \$88,880) | |
| Program Delivery (Personnel & misc) | \$84,880 |
| Case Preparation | \$ 4,000 |
| Housing-Related Programs | |
| Emergency/Accesss | \$80,000 |
| Urbana Senior Repair | \$20,000 |
| Property Acquisition-Support of Affordable Housing & Neighborhood Improvement | \$14,108 |
| PUBLIC FACILITIES AND IMPROVEMENTS | \$ 111,375 |
| C-U Independence | \$30,000 |
| Center for Women in Transition -A Woman's Place | \$11,851 |
| Center for Women in Transition -Church St. | \$8,250 |
| Mental Health Center - Champaign County Housing Corporation | \$3,275 |
| Urbana Neighborhood Connections Center | \$1,999 |
| City Infrastructure /Public Facilities Projects (CT 53 Streetlights) | \$56,000 |
| TOTAL Budget FY 2010-2011 CDBG | \$ 463,710 |
| ESTIMATED MAJOR CARRYOVER PROJECTS TOTAL | \$244,422 |
| Clearance of Slum/Blight (secondary structure removal) | \$ 5,000 |
| Property Acquisition in Support of New Construction | \$ 87,000 |
| Other Capital Improvement Projects - Kerr Ave, Neighborhood Sidewalks, Streetlights, etc. (08/09, 09/10) | \$ 152,422 |
| GRAND TOTAL CDBG PROGRAM FUNDING (FY 11-12 plus Estimated Carryover) | \$ 708,132 |

2. COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS
(CHDO) RESERVE SET-ASIDE (15¹% SET-ASIDE IS REQUIRED EACH
YEAR, MATCH PROVIDED BY CHDO)

FY 11-12 TOTAL Allocation Available Minimum: \$ 150,090

CHDO Reserve Funds

CHDO Reserve funds in the amount of 15% of the total annual allocation are being set aside to be allocated to certified Urbana Consortium CHDOs whose proposed project(s) meet project readiness requirements. In order to meet project readiness requirements, the CHDO project(s) receiving reserve allocation(s) must be able to begin construction within one year from the date of execution of the agreement.

Three applications were received for HOME CHDO funds from the Consortium's current certified CHDOs, Homestead Corporation and Ecological Construction Laboratory, as well as the Champaign County Neighborhood Alliance for Habitat, a potential new CHDO. A decision on funding these three projects will be made as the budget is finalized and as staff obtains further information about each proposal.

Total Project Budget

\$169,613 HOME (\$42,403 Match must be provided by CHDO)

TOTAL EXPENSE

\$ 150,090

¹ HUD requires that 15% of the grant funds awarded to a Participating Jurisdiction be set aside for CHDO Projects.

4. CITY OF CHAMPAIGN

| | |
|----------------------------------|-------------------------|
| FY 11-12 Allocation: | \$ 384,601 |
| Program Income (Est.): | <u>\$ 24,500</u> |
| Total HOME +PI Funds: | \$ 409,101 |
| Required Match: \$ 96,150 | |

1. **Tenant Based Rental Assistance Program**. HOME funds will be used to provide affordable housing assistance to low-income residents of the City of Champaign. At least 90% of the assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients follow a team-approved plan for achieving self-sufficiency and make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.

\$72,000 HOME (Additional \$18,000 Match required)

Goal 2, Strategy 2, Activity 1

Citation - [24 CFR 92.209]

Environmental – EXEMPT

Objective: Provide decent housing by creating affordable housing opportunities for households with annual incomes at or below 80% of Area Median, of which 90% will be at or below 60% of the Area Median).

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of tenants maintaining affordable rental units at or below 60% of Area Median.

2. **Neighborhood Revitalization Program**

Funds may be allocated to existing programs, such as the Acquisition-Rehab or Lot Acquisition programs, to promote revitalization efforts of targeted neighborhoods. The areas identified may be included in the Neighborhood Wellness Plan or in specific neighborhood plans (i.e. Beardsley Park, Bristol Park, Burch Village Area Redevelopment, etc) to further goals identified in the plans.

\$312,601 HOME; \$24,500 Estimated Program Income (Additional \$78,150 Match required)

Goal 3, Strategy 3 & 6

Citation – [24 CFR 92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by creating affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of units affordable owner occupied units purchased and/or rehabbed. Amount of funding leveraged through local match.

| | |
|---------------------------------------|--------------------------|
| Tenant Based Rental Assistance | \$ 72,000 |
| Neighborhood Revitalization | <u>\$ 312,601</u> |
| TOTAL HOME | \$ 384,601 |

5. CHAMPAIGN COUNTY

| | |
|-----------------------------|------------------|
| FY 11-12 Allocation: | \$ 88,323 |
| Program Income | 0 |
| Total HOME | \$ 88,323 |

Match Required \$22,081

HOME Program funds may be allocated to one or more of the following programs:

1. Housing Rehabilitation

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.

Goal 1, Strategy 1 & 2; Goal 2, Strategy 1-4 & 6

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

Environmental – Assessment Required

Recapture

Objective: Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from three income categories, at or below 30% MFI, 31-50% MFI and 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 30% MFI. Number of owner-occupied households assisted at 31-50% MFI. Number of owner-occupied households assisted at 51-80% MFI. Amount of funding leveraged through local match.

2. Program Delivery

Champaign County will allocate a portion of its funds for staffing and overhead expenses related to its housing rehabilitation program.

Goal 1, Strategy 1 & 2; Goal 2, Strategy 1-4 & 6

Citation - [24 CFR 92.207]

Environmental – Exempt

Objective: Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients with household income at or below 80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of assisted owner-occupied households with income at or below 80% MFI. Amount of funding leveraged through local match.

3. **Tenant Based Rental Assistance Program.** HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients follow a team-approved plan for achieving self-sufficiency and make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.

Goal 2, Strategy 2, Activity 1

Citation - [24 CFR 92.209]

Environmental – EXEMPT

Objective: Provide decent housing by creating affordable housing opportunities for households with annual incomes at or below 80% of Area Median, of which 90% will be at or below 60% of the Area Median).

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of tenants maintaining affordable rental units at or below 60% of Area Median (est. 10 to 15).

TOTAL HOME ***\$ 88,323***

TOTAL (HOME + MATCH) ***\$ 110,404***

6. CITY OF URBANA

| | |
|-------------------------------|-------------------------|
| FY 11-12 Allocation: | \$ 227,496 |
| Unobligated Carryover* | <u>\$ 12,500</u> |
| Total HOME | \$ 239,996 |

Match Required: \$ 56,874

* HOME Carryover funds are a result of Program Income (PI) received during FY 2010-2011.

1. Owner-Occupied Housing Rehabilitation

Funds will be allocated for the rehabilitation of four-seven (4-7) units, including grants and deferred-payment loans in the amount of \$25,000-\$28,000 per household that are intended to address code deficiencies, major renovation needs, relocation expenses and lead-based paint concerns.

\$129,798 HOME (Additional \$32,450 Match Required)

Goal 1, Strategy 1 & 2; Goal 2, Strategy 1-4 & 6

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

Environmental – Assessment Required

Recapture

Objective: Provide Decent Housing to owner occupants by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from two income categories, at or below 50% MFI and between 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 50% MFI. Number of owner-occupied (4 to 7) households assisted at 51-80% MFI. Amount of funding leveraged through local match.

2. Program Delivery

Funds will be allocated for coordination and delivery of HOME projects funded with the City of Urbana's share of HOME Consortium funds.

\$69,960 HOME (Additional \$17,490 Match Required)

Goal 1, Strategy 1 & 2; Goal 2, Strategy 1-4 & 6

Citation - [24 CFR 92.207]

Environmental – EXEMPT

Objective: Provide Decent Housing to owner occupants by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from two income categories, at or below 50% MFI and between 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code

requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 50% MFI. Number of owner-occupied households (4-7) assisted at 51-80% MFI. Amount of funding leveraged through local match.

3. REMAINING BALANCE OF \$40,238 MAY BE ALLOCATED TO ONE OR MORE OF THE FOLLOWING NEIGHBORHOOD PROGRAMS/PROJECTS

a. Acquisition-Rehab Program

Funds may be reserved for down payment assistance for homebuyers to acquire and rehabilitate properties that may be in need of repair for low-income purchasers. The proposed program may provide the lesser of \$10,000 or 10 percent of the home purchase price toward down payment assistance. The rehabilitation loan will not exceed \$25,000 after the sale is completed. Homebuyers must have incomes less than 80% MFI to qualify for this down payment assistance.

Goal 2, Strategy1, Activity 1

Citation – [24 CFR 92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by creating affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of units affordable owner occupied units purchased and/or rehabilitated. Amount of funding leveraged through local match.

b. Purchase-Rehab-Resell Program

Funds may be used to acquire vacant or deteriorating properties in need of rehabilitation to then be sold to income-qualified homebuyers at or below 80 percent of the Median Family Income. Priority will be given to properties within the Community Development Target Area. A full description of this program is included in the Housing Program Manual for Program Years 2010-2014.

Objective: Provide Decent Housing by creating affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of units affordable owner occupied units purchased and/or rehabilitated. Amount of funding leveraged through local match.

c. Kerr Avenue Sustainable Development

HOME funds are set aside to be used in conjunction with the redevelopment of the City-owned property at 401 E. Kerr Avenue into an affordable, energy efficient sustainable housing development. The project must be consistent with affordable housing goals as outlined in the Consolidated Plan, the 2005 Comprehensive Plan, and must comply with applicable local, state and federal regulations.

Goal 2, Strategy 1

Citation - [24 CFR 92.205(a)(1)]

Environmental – Assessment Required

Objective: Provide Decent Housing by constructing new affordable housing development that would provide units for residents whose household incomes were at or below 80% MFI.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of housing units available to low-income households (at or below 80%MFI), (estimated: 44).

d. Rental Rehabilitation – Urbana HOME funding may be used to assist in the renovation of eligible rental properties in the City of Urbana. Eligible units/properties will be occupied by tenants meeting HUD income requirements and will comply with HOME Program rent restrictions for the area. In all cases tenant incomes may not exceed 60% of the Area Median Family Income. Long-term affordability restrictions will apply to units renovated through this program, in accordance with the level of HOME subsidy provided to assist each unit.

Objective: Provide decent housing by creating affordable housing opportunities for households who meet HOME Program income requirements.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of affordable housing units assisted with households meeting HOME Program income requirements).

| | |
|----------------------------------|-------------------------|
| Whole House Rehab | \$129,798 |
| Program Delivery | \$ 69,960 |
| Other Projects | <u>\$ 40,238</u> |
| <i>TOTAL HOME</i> | <i>\$239,996</i> |
| <i>TOTAL HOME + MATCH</i> | <i>\$296,870</i> |

7. HOME PROGRAM BUDGET SUMMARY

| | | 2011-2012 | Comments | |
|-------------------------------------|--|-------------------|------------------------|--|
| | Program Area | Budget | | |
| Funds Available | FY 11-12 HOME Funds | \$ 1,000,600 | (estimated allocation) | |
| | | | | |
| | Program Income (Estimated)- Champaign | | | |
| | | 24,500 | | |
| | Unobligated Carryover -Urbana | 12,500 | | |
| | Local Match Required | \$ 212,628 | | May be Cash Match or Match Accrued over previous years |
| | Carryover Admin funds Urbana | | | |
| | Total Budget | | \$1,037,600 | |
| | FY 11-12 Administration 10% of Grant | | 100,060 | |
| | City of Urbana Admin Carryover | | 0 | <i>Estimate</i> |
| | <i>Total Available</i> | | 100,060 | |
| | | | | |
| | City of Urbana | | 86,031 | |
| | City of Champaign | | 11,302 | |
| | Champaign County | | 2,727 | |
| | | | | |
| | CHDO Project Funds | | 150,090 | |
| | | | | |
| | Reserved for eligible CHDO project(s) | | 150,090 | |
| | | | | |
| | CHDO Match required | \$ 37,523 | | |
| | | | | |
| | | | | |
| | CHDO Operating (5%) | | 50,030 | |
| | | | | |
| May be allocated to certified CHDOs | | | | |
| | | | | |
| | | | | |
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| | | | | |
| | | | | |
| Sub-Total | Subtotal Allocated Funds | \$ 300,180 | | |
| | Funds Remaining to for Consortium Members | \$700,420 | | |

