

DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

memorandum

TO: Bruce K. Walden, Chief Administrative Office

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

DATE: August 22, 2002

SUBJECT: Ordinance Revising the Annual Budget Ordinance (Affordable Housing Program Grant)

Description

Included on the August 26, 2002 agenda of the Committee of the Whole is an Ordinance amending the annual budget in order to the utilize funding made available through the Federal Home Loan Bank (FHLB) Affordable Housing Program for FY 2002-2003.

Issues

Approval of the Ordinance revising the annual budget will allow the City to utilize \$29,000 from the FHLB of Chicago for owner-occupied rehabilitation and \$31,000 from the FHLB of Indianapolis for access and paint/siding grant programs.

Background

City Council approved a resolution amending the Housing Rehabilitation Program Guidelines for Fiscal Year 2002-2003 at the August 19, 2002 Council meeting. This provided the necessary framework to utilize the FHLB funds.

The Grants Management Division of Urbana and the Neighborhood Services Department of Champaign filed a joint application with Busey Bank to the Federal Home Loan Bank of Chicago to participate in their Affordable Housing Program. The request for funds would be used in conjunction with our owner-occupied Housing Rehabilitation Programs for FY 2002-2003. We have been notified that the application has been approved and the city's portion of funding is \$29,000. It is required the funds be used for five Grant/Deferred loan applicants at \$5,000 each and one Grant\ Installment Loan applicant at \$4,000.

Also the Grants Management Division of Urbana and the Neighborhood Services Department of Champaign filed a joint application with National City Bank to the Federal Home Loan Bank of Indianapolis to participate in their Affordable Housing Program. This request for these funds would be used in conjunction with our Access Grant program for owner-occupied homes and for the paint/siding program that is coordinated through the Urban League of Champaign County for FY 0203. We have been notified that the application has been approved and the city's portion of funding is \$31,000. It is required the funds be used for five access grants for owner-occupants at \$5,000 each and six paint/siding grants for owner-occupied homes at \$1,000 each.

Options

Options for Council action include the following:

1. Approve the Ordinance
2. Approve the Ordinance with alterations

Fiscal Impacts

Approval of the Ordinance provides an additional \$60,000 for housing rehabilitation programs.

If the Ordinance is not approved, the loss in funding could result in fewer households being served.

Recommendations

Staff recommends approval of the Ordinance Revising the Annual Budget Ordinance (Affordable Housing Program Grant).

Memorandum Prepared By:

Bob Grewe, AICP

Grants Management Division Manager

ORDINANCE NO. 2002-08-100

AN ORDINANCE REVISING THE ANNUAL
BUDGET ORDINANCE

(Affordable Housing Program Grant)

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; and

WHEREAS, funds are available to effectuate the purpose of such revision;
and

WHEREAS, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-29.6 of the Municipal Code and section 2-133 of the City Code.

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

Section 1. That the Annual Budget Ordinance be and the same is hereby revised to provide as follows:

FUND:	Affordable Housing Program Grant
AMOUNT: \$60,000	
ADD EXPENSE:	Program Grants
ADD REVENUE:	Grant Revenue

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this day of

AYES: NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this day of

Tod Satterthwaite, Mayor