



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Office

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

DATE: January 7, 2004

SUBJECT: **An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY 2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.**

Description

Staff has identified a number of necessary amendments that need to be made to the CDBG and HOME Programs referenced in the following Annual Action Plans (AAP):

- Annual Action Plan for Fiscal Year 2001-2002
- Annual Action Plan for Fiscal Year 2002-2003
- Annual Action Plan for Fiscal Year 2003-2004

Issues

The principal issue is to determine that the proposed amendments to the Annual Action Plans referenced above meet the approval of the Urbana City Council and for the Urbana City Council to adopt the ordinance authorizing these amendments.

Background

The Annual Action Plans referenced above were previously reviewed by the Community Development Commission and approved by the Urbana City Council. The proposed amendments are necessary to account for fiscal and administrative changes that occurred since the initial approval of the Annual Action Plans.

The amendments related to the HOME program stem from the decision by Homestead Corporation to no longer pursue their rental housing program. Homestead has indicated that their rental housing program business model needs to be improved and that until they remedy their business model, they will not purchase additional rental units.

In light of this decision, Homestead has requested that they be allowed to use the HOME CHDO funds that were budgeted in previous Annual Action Plans for a new housing development project. Jim Rose, Executive Director of Homestead Corporation, has indicated that their organization's experience with completing the Eads at Lincoln Project will be very helpful in effectively utilizing the CHDO funds for a new housing development project.

Mr. Rose also attended the November 19, 2003 meeting of the Urbana HOME Consortium Technical Committee. At the meeting, he shared with the Committee members a proposal to use HOME funds, which were previously allocated for their rental program, to pursue a new housing development project. Enclosed is a copy of this proposal.

Within this memo is a heading for each Annual Action Plan and a summary of the proposed changes. Also included is the HOME section of the Annual Action Plan with strikethrough and underline editing.

The only amendment to the CDBG program is related to providing matching funds for a portion of the Federal Home Loan Bank grant that the City previously was awarded. The grant provides that Urbana would complete six (6) paint and siding projects. \$1,000 would come from the Federal Home Loan Bank grant funding and \$2,000 from the City's CDBG funding. Staff has identified \$12,000 for this opportunity from the Fiscal Year (FY) 2002-2003 Annual Action Plan. In that plan, \$12,726 was budgeted as un-programmed funds. Staff recommends using these funds to create a new project in the amount of \$12,000, entitled the City of Urbana Paint and Siding Program. The balance of the funding, \$726, will be incorporated into the forthcoming FY 2004-2005 Annual Action Plan.

Text and budget changes are noted in the FY 2003-2004 section below. Also included is the CDBG section of the Annual Action Plan with strike and underline editing.

AAP Fiscal Year 2001-2002

Listed below are the proposed HOME amendments to the FY 2001-2002 Annual Action Plan.

Homestead Corporation's Rental Housing Development project funding is decreased from \$100,000 to \$35,351. This reflects the fact that Homestead only spent \$64,649 from this account for rental units. Jim Rose of Homestead Corporation informed the Urbana City Council that Homestead will not pursue the purchase of additional rental units until they develop a better financial model for this type of affordable housing program. To review the detailed editing, see page 11 of HOME section of the AAP FY 2001-2003. The following is the proposed amendment language:

Rental Housing Development Funds will be allocated to Homestead Corporation for the acquisition and rehabilitation of two (2) single-family homes for rent to low-income families. These funds were previously allocated in FY1999-2000 to Homestead Corporation for refinancing debt for their single-room occupancy facility.
\$64,649.00 (\$51,719.20 HOME; \$12,929.80 Match)

Specific Objective C-7 [24 CFR 92.205(a)(1)] CATEGORICALLY EXCEPT

Since Homestead Corporation indicated they would not utilize the balance of funding for a rental acquisition program and as such returned the funds to the HOME account, staff desires to place this funding into a new project entitled New Housing Construction. Note that these funds are City of Urbana allocation of HOME funds, not CHDO HOME funds. As such, staff recommends that the funds be used for an Urbana specific project. This provision will be included in the subsequent grant agreement. To review the detailed editing, please refer to page 10 of the HOME section of the AAP FY 2002-2003. The following is the proposed amendment language for the new project:

New Housing Construction

Funds will be used to facilitate the construction of new affordable owner-occupied and/or rental housing units. These funds may be used for land acquisition/improvement, development costs, professional services, management fees and downpayment assistance.

\$35,351.00 (\$28,280.80 HOME; \$7,070.20 Match)

Specific Objective C-9

Citation – 24CFR92.206(d)

Environmental – Non-Exempt/Non Categorically Excluded

Note that this funding could be used in conjunction with the New Housing Construction funding in the 2003-2004 Annual Action Plan in the amount of \$112,704. This will help to increase the level of funding necessary to pursue a new development.

AAP FY 2002-2003

The FY 2002-2003 AAP provided Homestead Corporation \$40,000 in CHDO funding to purchase rental units. As noted earlier, Homestead has indicated that they have ceased their rental acquisition program and desire to pursue a new housing development program. To review the detailed edits, please refer to page 19 of the CDBG section and page 27 of HOME section of the AAP FY 2003-2004. The following is the proposed amendment language:

Community Housing Development Organizations (CHDO) 15% Set Aside

Homestead Corporation New Housing Development Funds will be allocated to Homestead Corporation to facilitate the construction of new, affordable single-family homes two (2) units in the City of Champaign and one (1) unit in the City of Urbana for sale to income-qualified households. These funds may be used for land acquisition/improvements, development costs, professional services, management fees and downpayment assistance. \$50,000 (\$40,000 HOME; \$10,000 Match Provided By CHDO) *Specific Objective C-7 [24 CFR 92.205(a)(1)] CATEGORICALLY EXCLUDED*

AAP Fiscal Year 2003-2004

As noted earlier, the City of Urbana is participating in a Federal Home Loan Bank grant to provide paint and siding improvements to six (6) houses in Urbana. The following is the proposed amendment language to create a new project:

City of Urbana Paint and Siding Program (FY 2003-2004)

Funds will be used as match for a Federal Home Loan Bank grant to facilitate painting and/or siding of the house exterior, trim, gutters and downspouts at six (6) houses, in Urbana, for income-qualified households.

\$12,000 (12,000 RF) Specific Objective C-4 [24 CFR 570.202(a)(1)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

Note that this new project is located on page 19 in the CDBG section of the AAP.

The FY 2003-2004 AAP provided Homestead \$101,753 in CHDO funding to purchase rental units. As noted earlier, Homestead has indicated that they have ceased their rental acquisition program and desire to pursue a new housing development program. The following is the proposed amendment language:

Homestead Corporation New Housing Development

Funds will be allocated to Homestead Corporation to facilitate the construction of new, affordable single-family homes two (2) units in Champaign and one (1) unit in Urbana for sale to income-qualified households. These funds may be used for land acquisition/improvements, development costs, professional services, management fees and downpayment assistance **\$127,191 (\$101,753 HOME; \$25,438 Match Provided By CHDO)**

Specific Objective C-7

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

Environmental - CATEGORICALLY EXCLUDED

There was a thirty (30) day public comment for these proposed amendments. This period ran from December 8, 2003 to January 7, 2004. Staff conducted a public hearing on the proposed amendments at 10:00 AM on Monday, December 22, 2003. The minutes of the public hearing reflect that the Urban League of Champaign County wanted to clarify that changing the use of HOME funds, budgeted for Homestead Corporation from rental to homeownership programs, should not be viewed as diminishing the need for affordable rental housing. The Urban League also indicated that they believed they could more readily utilize the HOME funds in question by investing the funding toward a 24-unit rental property they are purchasing.

The Consortium staff believes that HOME funds can be budgeted for the Urban League's rental project in the course of preparing the upcoming FY 2004-2005 Annual Action Plan.

Options

1. Recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.
2. Recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan, with additional changes.
3. Do not recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY 2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.

Fiscal Impacts

The proposed amendments to the Annual Action Plans will not change the amount of funding available but only reallocate the total amount of HOME and CDBG funding.

Recommendations

Staff recommends that the Urbana City Council approve the Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY 2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.

Memorandum Prepared By:

Bob Grewe, AICP
Grants Management Division Manager

Attachments:

Homestead Corporation proposal for a new housing development dated November 10, 2003

An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan, FY 2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.

HOME Section of the DRAFT Amended Annual Action Plan (Fiscal Year 2001-2002)
HOME Section of the DRAFT Amended Annual Action Plan (Fiscal Year 2002-2003)
CDBG and HOME Section of the DRAFT Amended Annual Action Plan (Fiscal Year 2003-2004)

Minutes of the Public Hearing

PROPOSAL FOR LOT ACQUISITIONS, MARKETING, CONSTRUCTION AND SALE OF THREE HOUSES IN CHAMPAIGN AND URBANA FOR HOMESTEAD'S AFFORDABLE HOMEOWNERSHIP PROGRAM

1. Community Housing Development Organization (CHDO) name and contact information.

The Homestead Corporation of Champaign-Urbana
306 West Griggs Street
Urbana, IL 61801
Contact:
Jim Rose, Executive Director
217.328.9373
Fax 217.344.3327
homesteadcorp@aol.com

2. Identification of CHDO principals (see attached list of Homestead Corporation board members).
3. Statement of CHDO's experience in residential development (see attached Homestead Corporation of Champaign-Urbana Resume/Development History) and marketing.

From a marketing perspective, Homestead Corporation will follow procedures that are outlined in the Marketing Plan description for Homestead's Affordable Homeownership Program that is included with this proposal. The plan follows some of the procedures used to market homes for sale in the Eads at Lincoln Subdivision as well as new marketing techniques for the proposed development project.

4. Description of lots to be purchased and units to be built.

Homestead Corporation anticipates using a portion of the funds allocated to this project for the purchase of two lots in the City of Champaign, the location and price of the lots will be determined at a later date. A donation of a third lot in Urbana is being requested as part of this proposal. The third lot for development in Urbana would more than likely be located in the King Park neighborhood.

The houses to be built for this project will be of modest size and designed to blend in naturally with surrounding neighborhood properties. There may be multiple housing designs to accommodate varying lot sizes and configurations. The homes will be designed by a local architecture firm as part of the overall A & E services that will be provided to this project.

The final housing design will be determined in coordination with the Consortium, City of Urbana, City of Champaign, homebuyers and mortgage lenders subject to the following minimum standards:

- All units will be detached, single-family residences, one per lot.
- Each unit will be built with a minimum of 1,000 square feet exclusive of porches, basement, and garage.
- Each unit will have an attached garage accommodating at least one car.
- Unit design will be compatible in scale and color with structures located in the surrounding neighborhood.

Besides the home design enhancements that could reduce overall construction costs, the Homestead Corporation proposes to develop two grant applications in the early months of 2004 in order to provide additional subsidy for the project. One application would be to the Federal Home Loan Bank of Chicago for a direct subsidy grant that would be used for homebuyer down payment and closing cost assistance. The second application would be to the Illinois Department of Commerce and Economic Opportunity for a grant to subsidize energy efficient upgrades to each of the homes to be built.

Finally, the Homestead Corporation would require that prospective buyers of homes constructed for this project participate in homebuyer counseling program currently being offered by Parkland College.

5. Identification of contact person for this Project, with a brief description of his or her experience related to residential development and/or marketing.

The contact person for Homestead's Affordable Homeownership Program will be Jim Rose, the Executive Director of the Homestead Corporation

Mr. Rose will be responsible for overall project management including the procurement of architectural and engineering services, development of construction bid documents, selection of general contractor, provision of on-site construction management, coordination of marketing activities, and project financial oversight.

6. Identification of person responsible for marketing, with a brief description of his or her experience related to residential marketing.

Jim Rose would be the person with overall responsibility for marketing the new homes built under the Affordable Homeownership Program. With the completion of the Eads at Lincoln Development Project, Mr. Rose has been able to gain experience in the direct marketing of homes for sale having worked with several local banks and numerous homebuyers over the past year.

7. Description of marketing plan.

Because there may be low and moderate-income families that had previously expressed an interest in purchasing homes in the final phase of the Eads at Lincoln Project, the new homes would first be offered for sale to those clients. The names of the clients are currently on a waiting list held by Homestead Corporation staff. Homestead staff would contact these potential homebuyers to determine whether they are still interested in purchasing a home. If there were homebuyers identified through this process, they would be required to establish their eligibility and pre-qualify for a construction loan with a participating lending institution. They would also have to agree to participate in a homebuyer's seminar provided by the Parkland Business Development Center. Any homes remaining to be pre-sold would be marketed to low and moderate-income community residents through referrals from local banks, advertising placed at several social service agency locations, program brochures available at both Urbana and Champaign City Buildings and finally, advertisements in the local media.

8. Plan for developing an affirmative marketing plan.

An affirmative marketing plan similar to the plan currently on file with the City of Urbana for the Eads at Lincoln Development Project would be prepared by the Homestead Corporation and delivered to the HOME Consortium prior to any marketing activities undertaken for this project. The plan would be prepared to comply with the HOME regulations regarding actions necessary to assure affirmative marketing of the homes to be sold to prospective low or moderate-income families.

9. Evidence of construction management and finance.

Mr. Rose has provided construction management for a number of recent projects including the Eads at Lincoln Development Project, Homestead Apartments SRO, TIMES Center, Champaign National Bank renovation, and to a limited extent, the minor renovation of four single family properties that were purchased by the Homestead Corporation. He has extensive experience in the area of housing finance with practical knowledge in construction financing, mortgage financing, cost estimating, and project budgeting.

10. Incentives proposed for buyers at or below 80 percent of area median family income.
11. Plan for involvement of minority/female contractors and/or construction workers.

Homestead Corporation will make every effort to involve in this project minority/female owned businesses that would be providing A & E services or real estate marketing services and, to an even greater extent, a qualified general contractor that is minority/female owned or one that hires minority/female subcontractors and construction workers. All advertisements pertaining to the employment of contractors for the project will contain language that encourages responses from minority/female contractors.

James L. Rose, Executive Director
Homestead Corporation of Champaign-Urbana

HOMESTEAD CORPORATION
OF CHAMPAIGN-URBANA
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FY 2003-2004

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Jack Monkman
1510 Dawson Drive
Champaign, IL 61820
(h) 217.766.4090
jmunkman@aol.com

Homestead Corporation of Champaign-Urbana
Resume/Development History

The Homestead Corporation of Champaign-Urbana was incorporated in April of 1993 to provide affordable housing and supportive services for low and moderate-income persons. The Corporation received its 501 (c) (3) status from the Internal Revenue Service in May of 1996. Also in 1996, the Homestead Corporation was certified by the local HOME Consortium as a Community Housing Development Organization (CHDO). The mission of the organization is to assure an adequate supply of good quality affordable housing for all people with inadequate resources. This mission has been carried out over the years with the development of several affordable rental projects. The Corporation was recently allocated funding from the HOME Consortium to construct, market and sell six new single-family homes in the Eads at Lincoln subdivision in northeast Urbana.

Project # 1 – Homestead Apartments SRO

This Section 8 Moderate Rehabilitation SRO Project was jointly sponsored and developed by the Homestead Corporation and the Mental Health Center of Champaign County. The \$1.5 million project resulted in the production of 25 units of permanent housing for homeless individuals, the first project of this type and scale in central Illinois.

Project Numbers: IHDA HTF-633; HUD IL06K95-0010; FHLB AHP 96B0701

Funding Sources: HOME; HOME CHDO; CDBG; HUD SECTION 8 Project Based Subsidy; IHDA Trust Fund Grant and Loan; Illinois Department of Commerce and Community Affairs (DCCA); Illinois Department of Human Services; Federal Home Loan Bank of Chicago; Local Bank Donations; Housing Development Corporation of Local Housing Authority; Mental Health Center of Champaign County.

Project Name: Homestead Apartments

Project Location: 306 West Griggs Street, Urbana, Illinois 61801

Type of Construction: Moderate Rehabilitation

Number of Units: 25 Efficiency

Project Status: Completed in November of 1997

Role in Development: Co-sponsor/co-developer and current owner

Project # 2 – Douglass Park Homes

This project was undertaken by the Homestead Corporation to increase the supply of affordable rental housing that could be made available to large low-income families. Two donated duplexes were moved to vacant lots donated by the City of Champaign and the buildings were converted into two 4-bedroom single-family homes.

Project Number: FHLB AHP 98A0715

Funding Sources: CDBG; Private Donations; HOME CHDO; Federal Home Loan Bank of Chicago; Mental Health Center of Champaign County; Local Bank Loan

Project Name: Douglass Park Homes

Project Location: 610 and 612 East Eureka Street, Champaign, Illinois 61820

Type of Construction: Substantial Rehabilitation

Number of Units: 2

Project Status: Completed in April, 1999

Role in Development: Sponsor, developer, owner and initial manager

Projects # 3 through # 9

Shortly after completion of the Douglass Park Homes project, the Homestead Corporation determined that there was a critical need in the community for additional affordable rental housing opportunities for large low-income families. Starting in 2000, the Corporation began what is now

known as its Affordable Single-Family Rental Housing Program by acquiring and rehabilitating single-family properties which are then leased to extremely low-income families participating in the Section 8 Housing Voucher Program. The properties are managed by a local property management firm and Homestead Corporation provides the residents outreach and supportive services if needed.

Project Number: None

Funding Sources: HOME; HOME CHDO; Bank Permanent Loans

Project Name: Affordable Single-Family Rental Housing Program

Project Location: # 3 Squire Court, Urbana, Illinois, 61801; 1114 Mimosa, Champaign, Illinois 61821; 1309 S. Philo Road, Urbana, Illinois 61801; 2413 E. Elm, Urbana, Illinois 61802; 2425 E. Elm, Urbana, Illinois 61802; 504 MacArthur, Urbana, Illinois 61802; 407 S. Dodson, Urbana, Illinois 61802

Type of Construction: Minor Rehabilitation

Number of Units: 7

Project Status: Completed by March, 2002

Role in Development: Sponsor, developer, and owner

Project #10

The Homestead Corporation responded to a Request for Proposals from the City of Urbana and the Urbana HOME Consortium to market, construct and sell new single-family homes in the Eads of Lincoln subdivision in Urbana to low-income homebuyers. The Corporation was successful in obtaining the grant award as the developer and has marketed, pre-sold and constructed six new homes in the Urbana subdivision.

Project Number: None

Funding Sources: HOME CHDO, FHLB of Chicago AHP Subsidy, DCEO Energy Grant, and local lending institutions.

Project Name: Eads at Lincoln Development

Project Location: 1105 N. Harvey, 916 W. Eads, 914 W. Eads, 910 W. Eads, 908 W. Eads and 902 W. Wascher.

Type of Construction: New

Number of Units: 6

Project Status: To be completed by March, 2004

Role in Development: Developer

PRO FORMA -
SOURCES AND USES OF FUNDS

HOMESTEAD'S AFFORDABLE
HOMEOWNERSHIP PROGRAM

11/01/03

SOURCES OF FUNDS

HOME SALES (w/subsidized mortgages)	
Bank Mortgages (3 Homes)	229,797
	229,797
SUBSIDIES	
FHLB AHP Grant	22,500
DCEO Energy Grant	6,000
City of Urbana HOME CHDO	141,753
	170,253

TOTAL SOURCES OF FUNDS **400,050**

USES OF FUNDS

ACQUISITION COSTS	
Land	30,000
Liens and Taxes	0
	30,000
LAND DEVELOPMENT	
Sanitary Sewer	0
Storm Sewer	0
Street	0
Sidewalk	0
Tree Removal	1,000
Grading/Topsoil/Sod	4,500
Electric Power	0
Gas	0
Telephone	0
Cable TV	0
	5,500

PROFESSIONAL FEES	
Architect and Engineering	18,000
Developer Fee	21,000
Legal Fees	2,000
Marketing	500
	41,500

GENERAL PROVISIONS	
Project Management	6,000
Insurance	500
Permits	500
Taxes	500
Utilities/Security	1,000
	8,500

FINANCING	
Escrow Services	1,500
Construction Interest/Fees	3,000
Closing Costs	4,500
Real Estate Taxes	0
	9,000

CONSTRUCTION	
Buildings	291,000
Contingency @ 5%	14,550
	305,550

TOTAL USES OF FUNDS **400,050**

ORDINANCE NO. 2004-01-001

AN ORDINANCE APPROVING A MODIFICATION TO THE CITY OF URBANA
AND URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM
FY 2003-2004 ANNUAL ACTION PLAN, FY 2002-2003 ANNUAL ACTION PLAN, AND
FY 2001-2002 ANNUAL ACTION PLAN

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

WHEREAS, the Urbana City Council previously approved resolutions authorizing submittal to HUD of the Annual Action Plan for FY 2003-2004, Annual Action Plan for FY 2002-2003, and Annual Action Plan for FY 2001-2002 that included proposed budgets for the CDBG and HOME Programs and HUD subsequently approved the said Annual Action Plans; and

WHEREAS, on December 7, 2003 the City of Urbana published in the Champaign-Urbana News-Gazette a notice of a 30-day public review period regarding said proposed budgetary amendments to the Annual Action Plan for FY 2003-2004, Annual Action Plan for FY 2002-2003, and Annual Action Plan for FY 2001-2002; and

WHEREAS, on December 22, 2003, the Urbana Grants Management Division of the Community Development Department held a public hearing on the proposed amendments; and

WHEREAS, the City Council now finds it necessary and appropriate to amend the City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plan for FY 2003-2004, Annual Action Plan for FY 2002-2003, and Annual Action Plan for FY 2001-2002.

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

Section 1. That the City of Urbana, as lead entity for the Urbana HOME Consortium, hereby approves the amendments to the following City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plans, as such amendments are referenced in the attachment hereto, by the use of strikeout/underlining and additional text with reference to the following Annual Action Plans:

Annual Action Plan for FY 2001-2002

Annual Action Plan for FY 2002-2003

Annual Action Plan for FY 2003-2004

Section 2. That said attached Annual Action Plans, as amended herein, replaces and supersedes the Annual Action Plans, amended as set forth in Section 1. above and previously adopted by the Urbana City Council.

Section 3. That the Mayor of the City of Urbana is hereby designated as the authorized representative of the City of Urbana to take any action necessary in conjunction with said attached Annual Action Plan, including submittal of the Plan to the HUD-Regional Field Office and provision of such additional information as may be required.

PASSED by the City Council this _____ day of

_____, _____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of

_____, _____.

_____ Tod Satterthwaite, Mayor

Recommended to Urbana City Council by Community Development Commission 4/24/01
Approved by Urbana City Council Resolution No. 2001-05-013, 5/7/01
Amended by Urbana City Council Resolution No. 2001-12-035R 12/17/01
Amended by Urbana City Council Resolution No. _____

**City of Urbana
and
Urbana HOME Consortium**

DRAFT

Amendment #2

(Date Amendment Approved)

**Annual Action Plan
FY 2001-2002**

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

217.384.2441
CITY OF URBANA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FY 2001 - 2002

FEDERAL CITATION FOR AUTHORIZATION/ENVIRONMENTAL REVIEW STATUS

(NG=New Grant/OCO=Obligated Carryover/UCO=Unobligated Carryover/PI=Program Income/RF=Recaptured Funds)

Resources-Federal:

2001-2002 Grant	\$553,000
Unobligated Carryover from FY 2000-2001	55,804
Obligated Carryover from FY 2000-2001	210,623
Recaptured Funds from FY 2000-2001	103,000

Resources-Other:

Program Income (Loan Repayments)	10,000
TOTAL REVENUES	\$932,427

ACTIVITIES TO BE UNDERTAKEN:

ADMINISTRATIVE

General Administration Activities

Specific Objective Q-2 [24 CFR 570.206(a)] EXEMPT

Personnel - Administrative	61,824	(26,223 NG/25,601 UCO)/ 10,000 PI)
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- Division Manager @ 50%
- Grants Coordinator II @ 55%
- Secretary @ 10%
- IMRF/FICA @ 11.44%
- Insurance

Other Administrative Expenses	24,511	(24,511 NG)
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- Books & Periodicals 1,000
- Office Supplies 1,500
- Photo Supplies 300
- Printing 3,000
- Dues & Subscriptions 1,500
- Travel & Conference 5,111
- Postage 1,500
- Recording Fees 100
- Audits 500
- Program Overhead 10,000

Public Information	4,000	(4,000 NG) [24 CFR 570.206(b)] EXEMPT
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Neighborhood Organization Grant Program V (FY99/00 ENC) Funds will be encumbered to affect any outstanding administrative expenses associated with capacity-building activities related to acquisition and rehabilitation of property for sale to a low-income homebuyer by United Citizens and Neighbors (NOG V) \$55 (55 OCO) 0028/1999/641 United Citizens & Neighbors \$2,500 Underway

Neighborhood Organization Grant Program VI (FY01/02) Funds will be contributed towards the capacity-building activities of two neighborhood organizations, North Broadway Neighbors and United Citizens and Neighbors (UCAN). \$3,500 (3,500 NG) *Specific Objective Q-1* [24 CFR 570.205(b)] *EXEMPT*

Fair Housing Initiative Funds will be allocated to update the current analysis of impediments to fair housing choice that was developed in 1991. Funds may also be used to promote community awareness and training focused on eliminating barriers to affordable housing. Proposed plans will be submitted to the Urbana City Council for input and approval before any action is taken. \$3,000 (3,000 UCO) *Specific Objectives G-1, G-2, and G-3* [24 CFR 570.205(a) (4)(vii)] *EXEMPT*

Unprogrammed Funds \$7,766 (52 NG/2,714 UCO/5,000 RF)

TOTAL ADMINISTRATIVE EXPENSE **\$104,656 (18.93%)**

AFFORDABLE HOUSING PROGRAM

Program Delivery

Specific Objective Q-3 [24 CFR 570.202(b)(9)] *EXEMPT*

Personnel - Administrative 70,473 (65,984 NG/4,489 UCO)

- Division Manager @ 25%
- Grants Coordinator II @ 26%
- Housing Rehab. Coordinator @ 50%
- Secretary @ 55%
- IMRF/FICA @ 11.44%
- Insurance

Case Preparation \$7,000 (7,000 NG)
[24 CFR 570.202(b)(9)] *EXEMPT*

Real Estate Consultations \$10,000 (10,000 NG)
[24 CFR 570.201(k)] *EXEMPT*

Acquisition of Real Property, Disposition, Relocation, and Clearance & Demolition

Property Acquisition for Renovation: United Citizens and Neighbors (ENC 97/98) Funds will be encumbered for UCAN to purchase and rehabilitate a deteriorating structure in Census Tract 53. The renovated house will then be sold to a low- to moderate-income family. Funds resulting from the sale of the property will either be used to purchase another deteriorating property for rehabilitation and sale or will be returned to the City for use in other CDBG-eligible activities. HOME Program funds will also be used. \$2,697 (\$2,697 OCO)
0002/1997/156 \$25,000 Underway

Property Acquisition for Renovation: United Citizens and Neighbors CDBG monies will be committed to UCAN for the purchase and rehabilitation of another deteriorating structure in the area of Crystal Lake Park neighborhood (Census Tract 53). The renovated house will be sold to a very low- to moderate-income family. Funds resulting from the sale of the property will either be used to purchase another property for rehabilitation and sale, or will be returned to the City for use in other CDBG-eligible activities. Funds received by UCAN from the sale of property associated with a previous project will also be contributed. \$30,000 (10,000 NG/20,000 RF) *Specific Objective C-4* [24 CFR 570.202(b)(1)] *CATEGORICALLY EXCLUDED FIRST-TIER REVIEW*

Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY99/00 ENC) Funds will be encumbered to purchase lots primarily in Census Tracts 53, 54, and 55, and donated for new housing construction to a non-profit housing developer. If necessary lots will be cleared of substandard structures or debris. Any necessary relocation activities will be governed by the Federal Uniform Relocation Act. Properties may also be acquired and cleared for blight abatement purposes only. \$90,318 (70,318 OCO, 20,000 UOC) [24 CFR 570.201(a)(b)(d)&(i)]

Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY01/02) Funds will be allocated to purchase lots primarily in Census Tracts 53, 54, and 55, and donated for new housing construction to a non-profit housing developer. If necessary lots will be cleared of substandard structures or debris. Any necessary relocation activities will be governed by the Federal Uniform Relocation Act. Properties may also be acquired and cleared for blight abatement purposes only. \$10,000 of these funds will be committed to Illinois Center for Citizen Involvement to investigate and identify lots to be acquired by the City for new housing construction. City-owned properties acquired through the City's federal and non-federal funding sources will be properly maintained as long as they are the responsibility of the City and until they may be contributed to a non-profit housing developer for new construction of affordable housing. \$90,600 (20,600 NG, 20,000 UCO, 50,000 RF) *Specific Objective C-1* [24 CFR 570.201(a)(b)(d)(f)(1)(II)&(i)] *ENVIRONMENTAL ASSESSMENT FIRST-TIER REVIEW*

HOUSING REHABILITATION ACTIVITIES

Improvements to City of Urbana Transitional Housing Units Funds will be committed for the renovation of three properties owned by the City and used in its transitional housing program for homeless families with children. Code-related repairs will be

addressed first and any remaining funds may be used to upgrade unit appearances. \$10,000 (10,000 NG) *Specific Objective A-3* [24 CFR 570.202(a)(2)&(b)(1)] *CATEGORICALLY EXCLUDED*

Emergency Grant and Access Grant Programs (FY00/01 ENC) Funds will be encumbered to affect payment of any outstanding expenses related to program activities from the previous fiscal year. \$20,000 (20,000 oco)

Emergency Grant and Access Grant Programs Funds will be contributed for two programs providing repairs necessary to alleviate hazardous conditions which pose a threat to the health and safety of a homeowner and general improvements necessary to remove barriers to accessibility by persons with disabilities. Homeowners earning less than 50% of the Median Family Income for Champaign County are eligible for the Emergency Grant Program. The Access Grant Program is available for homeowners or renters who earn less than 80% of Median Family Income. Both programs are available city-wide. All work activities will be accomplished through contract arrangements. \$100,000 (100,000 NG) *Specific Objectives B-1 & C-4* [24 CFR 570.202(a)(1)] [24 CFR 570.202(b)(10) & (11)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

Urbana Senior Repair Service (FY00/01 ENC) Funds will be encumbered to affect payment of any outstanding expenses related to program activities from the previous fiscal year. \$1,000 (1,000 oco)

Urbana Senior Repair Service (FY01/02) Funds will be contributed to a home maintenance repair program for very low-income homeowners 62 years old or older and for very low-income homeowners with disabilities (any age). To be eligible for this program a family must earn less than 50% of the Median Family Income as established annually by HUD. This program is available city-wide. \$15,000 (15,000 NG) *Specific Objectives L-1 & L-3* [24 CFR 570.202(a)(1) & (b)(10)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

(Urban League of Champaign County) House Siding Program (FY01/02) The City will contract with Urban League to facilitate painting and/or siding of exterior trim, gutters and downspouts at houses owned and occupied by very low-income families or individuals residing within the corporate limits of Urbana. \$6,000 (6,000 NG) *Specific Objective C-4* [24 CFR 570.202(a)(1)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

PUBLIC FACILITIES AND IMPROVEMENTS

Census Tract 55 Street Lighting (FY98/99 ENC) Funds will be encumbered to facilitate final payout for the new street lighting system in Census Tract 55. Funds will continue to be carried over until city staff can complete the necessary Davis-Bacon requirements. \$5,000 (5,000 OCO) *Strategy D9 (Consolidated Plan FY 1995-1999)* 0019/1999/620 CT 55 Curb/Gutter/Paving \$5,000 Underway

King Park Neighborhood Center Funds will be allocated towards development of a neighborhood community center to be located in Census Tract 53. Efforts will be concentrated towards construction of a timeframe for execution of this project, identifying the stakeholders, and developing partnerships to secure additional funding. It is possible that additional monies will be allocated to this activity in future fiscal years to replace the recaptured funding. \$3,000 (3,000 RF) *Specific Objective J-1* [24 CFR 570.201(c)] *EXEMPT*

Street Reconstruction This is the second of three years in which funds will be set aside as a contribution towards resurfacing and installation of curbs and gutters on Oakland Avenue from Broadway Avenue to Division Avenue, and on Division Avenue from Oakland Avenue to Thompson Street. Reconstruction activities are scheduled for Summer, 2002. \$127,033 (65,480 NG/61,553 OCO) *Specific Objective K-1* [24 CFR 570.201(c)] *ENVIRONMENTAL ASSESSMENT FIRST-TIER REVIEW* 0011/2000/717 Street Reconstruction \$61,553 Funds Budgeted

Series Streetlight Replacement Area 3B/Street Improvements A total of \$150,000 in CDBG funds and city general funds will be contributed towards replacement of streetlights in Census Tract 55 and/or improvements to Green & Illinois Streets. Funds will be set aside in annual increments for three years to accomplish this commitment. Activities are scheduled for Construction Year 2002-2003. \$100,000 (50,000 NG/50,000 OCO) *Specific Objective K-2 and K-3* [24 CFR 570.201(c)] *ENVIRONMENTAL ASSESSMENT FIRST-TIER REVIEW* 0012/2000/718 Series Street Lighting Replacement \$50,000 Funds Budgeted

Accessibility and Visitability Site Improvement to C-U Independence Apartments CDBG funds will be committed to Developmental Services Center to purchase all necessary materials and labor to complete modifications and installation of a power operator to the main entry door of the facility located at 610 East Kerr Avenue, Urbana. This site improvement will increase accessibility and visitability to residents and their guests as they enter and exit the building. \$4,505 (4,505 NG) *Specific Objective B-3* [24 CFR 570.202(a)(1) and (b)(11)] *CATEGORICALLY EXCLUDED*

Planned Parenthood Roof Repair Funds may be contributed towards repairing the storm damage to the roof on the facility located

at 302 East Stoughton in Champaign. \$7,795 (7,795 NG) *Specific Objective B-6* [24 CFR 570.201(c)] **CATEGORICALLY EXCLUDED**

New Construction of Transitional Housing and Educational Facility for Center for Women in Transition A total of \$100,000 in CDBG funds will be contributed over a period of two years towards the new construction of a facility to be located at 504 East Church Street, Champaign, Illinois. Such facility will accommodate an educational/meeting area to be located on the first floor and a transitional housing program on the second floor to serve 2-4 homeless families. Other funds contributed to this project include a \$100,000 grant from United Parcel Service, and a contribution from the City of Champaign. While this project is located outside the City's CDBG jurisdiction, it is necessary to its community development and Consolidated Plan objectives. This project will benefit the City by expanding much needed services to homeless women and children. \$50,000 (25,000 NG/25,000 RF) *Specific Objective A-7* [24 CFR 570.309] **ENVIRONMENTAL ASSESSMENT**

PUBLIC SERVICES

Transitional Housing for Homeless Families With Children Funds will be contributed to the City of Urbana's transitional housing program. Five dwellings are 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. \$31,300 (31,300 NG) *Specific Objective A-1 & C-1* [24 CFR 570.201(b)&(e)] **EXEMPT**

Public Service Activities under Consolidated Social Service Funding Program The balance of available funding @ 15% of 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 Program as youth services, rental assistance, and job-training activities that would further apprenticeship opportunities with local contractors for youth and adults. \$39,550 (39,550 NG) *Specific Objectives I-1, O-1 & O-2* [24 CFR 570.201(e)] **EXEMPT**

Youth Programs

Children's Home and Aid Society of Illinois	\$11,000
Lakeside Terrace Residents Council	\$ 4,300
Planned Parenthood of East Central Illinois	\$12,000
Urban League of Champaign County	\$ 3,000
Urbana Park District	\$ 2,550

Rent Assistance to Prevent Homelessness
El Centro por Los Trabajadores \$ 5,000

Job-Training
Urban League of Champaign County \$ 1,700

Neighborhood Clean-Up One-day neighborhood clean-up activities will be held in Fall, 2001, and Spring, 2002, in the Community Development Target Area. Activities will include appliance, metal, and landscape materials recycling. The program will be co-sponsored by the UCAP Committee. \$26,500 (26,500 NG) *Specific Objectives J-1 & L-2* [24 CFR 570.201(f)(1)(ii)] *EXEMPT*

TOTAL PUBLIC SERVICE EXPENSE \$97,350 (14.38%)

TOTAL EXPENDITURES: \$932,427

**Urbana HOME Consortium
HOME Investment Partnership Program
Fiscal Year 2001 - 2002**

Resources-Federal

2001-2002 Grant:	\$1,039,000
FY 99/00 HOME Reallocation	<u>80,000</u>
TOTAL	\$1,119,000

Resources-Other

Local Match:	\$248,647
TOTAL REVENUES	\$1,368,361

ACTIVITIES TO BE UNDERTAKEN:

ADMINISTRATIVE

General Administration Activities [24 CFR 92.206(d)] *EXEMPT*

Personnel: \$55,870

 Manager@25%

 GCII@80%

 Secretary@5%

 IMRF

 FICA

 Insurance

Other Administrative Expenses \$13,744

 Conference/Training 4,644

 Audit 950

 Printing/Publication 1,000

 Postage 100

 Office Supplies 1,000

 Dues & subscriptions 500

 Program overhead 5,550

TOTAL ADMINISTRATIVE EXPENSE \$69,614

Community Housing Development Organizations (CHDOs)

Homestead Corporation Rental Housing Development Funds will be allocated to Homestead Corporation for the acquisition and rehabilitation of a single-family home in the City of Champaign for rent to a low-income family. \$20,963 (16,770 HOME; 4,193 Match) *Specific Objective C-7* [24 CFR 92.205(a)(1)] *CATEGORICALLY EXCLUDED*

Urban League Lease Purchase Program Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase and minor rehabilitation of single-family homes in the Cities of Champaign and Urbana. During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the low-income family. \$175,500 (\$140,400 HOME; \$35,100 Match) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED*

Total CHDO Project Expenses: **\$155,400 HOME**
 \$ 39,293 Match
 \$196,463 Total

Illinois Center for Citizen Involvement Funds will be allocated to ICfCI for operating expenses associated with continuing towards the completion of the HomeBuild3 Program and the Eads at Lincoln Program, both of which are previously HOME funded projects. \$51,950 (\$51,950 HOME; \$0 Match) *Specific Objective C-2* [24 CFR 92.208(a)] *EXEMPT*

CHDO Operating Expenses: **\$51,950 HOME**
 \$ 0 Match
 \$51,950 Total

City of Champaign

Urban League Lease Purchase Program Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase and minor rehabilitation of single-family homes in the City of Champaign. During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the low-income family. \$44,500 (\$35,600 HOME; \$8,900 Match) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED*

Full Home Rehab Program HOME funds will be used along with private loan funds to assist low and moderate income homeowners make home repairs. Grants and low-interest loans in the amount of \$25,000-\$30,000 per household are intended to address code deficiencies, major renovation needs, and lead-based paint issues. \$375,440 (\$300,352 HOME; \$75,088 Local Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] *CATEGORICALLY EXCLUDED*

Taylor Thomas Development The City of Champaign will use funds to develop the Taylor Thomas Subdivision, which will contain 10-14 newly constructed, single-family homes. The funds will be used as downpayments or other subsidies to make the new homes affordable to low- and moderate-income homebuyers. \$65,000 (\$52,000 HOME; \$13,000 Match) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED NOT SUBJECT TO REVIEW*

IHDA Downpayment Assistance The City of Champaign will participate in the Illinois Housing Development Authority's low-interest loan program. The program will provide below-market rate home loans to low- and moderate-income homebuyers through local IHDA-approved lenders. In addition to the low-interest loans, the City of Champaign will use HOME funds to provide downpayment assistance to qualified buyers. \$37,000 (\$29,600 HOME; \$7,400 Match) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED NOT SUBJECT TO REVIEW*

Total City of Champaign Expenses: **\$417,552 HOME**
 \$104,388 Match
 \$521,940 Total

Village of Rantoul

The Village of Rantoul participated in the Urbana HOME Consortium during FY2000-2001. The Village of Rantoul has opted not to continue their membership in the consortium and therefore will no longer be eligible to use the Consortium’s HOME funds.

Champaign County

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. \$86,207 (66,215 HOME; 19,992 Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] *PREVIOUSLY ASSESSED*

Program Delivery Champaign County will allocate a portion of its funds for staffing and overhead expenses related to its housing rehabilitation program. \$13,752 (13,752 HOME; Match provided through completion of one rehabilitation project) [24 CFR 92.207] *EXEMPT*

Total Champaign County Expenses: **\$79,967 HOME**
 \$19,992 Match
 \$99,959 Total

City of Urbana

Owner-Occupied Housing Rehabilitation Funds will be allocated for the rehabilitation of 4 units, including program delivery costs, relocation, and lead-based paint services. \$184,022 (147,217 HOME; 36,805 Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] *CATEGORICALLY EXCLUDED*

Program Delivery Funds will be allocated for coordinating and monitoring HOME projects funded with the City of Urbana’s share of HOME Consortium funds. \$43,148 (34,518 HOME; 8,630 Match) [24 CFR 92.207] *EXEMPT*

Rental Housing Development Funds will be allocated to Homestead Corporation for the acquisition and rehabilitation of two (2) single-family homes for rent to low-income families. These funds were previously allocated in FY1999-2000 to Homestead Corporation for refinancing debt for their single-room occupancy facility. ~~\$100,000 (\$80,000 HOME; 20,000 Match)~~ \$64,649.00 (\$51,719.20 HOME; \$12,929.80 Match) *Specific Objective C-7* [24 CFR 92.205(a)(1)] *CATEGORICALLY EXEMPT*

New Housing Construction

Funds will be used to facilitate the construction of new affordable owner-occupied and/or rental housing units. This funds may be used for land acquisition/improvement, development costs, professional services, management fees and downpayment assistance.

\$35,351.00 (\$28,280.80 HOME; \$7,070.20 Match)

Specific Objective C-9

Citation – 24CFR92.206(d)

Environmental – Non-Exempt/Non Categorically Excluded

Total Urbana Expenses: **\$342,747 HOME**
 \$85,688 Match
 \$428,435 Total

Recommended to Urbana City Council by Community Development Commission _____
Approved by Urbana City Council Resolution No. _____
Amended by Urbana City Council Resolution No. _____

City of Urbana and Urbana HOME Consortium



Annual Action Plan FY 2002-2003

Version 3.5
Amendment # 2

Prepared by:
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**CITY OF URBANA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FY 2002 – 2003**

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

FEDERAL CITATION FOR AUTHORIZATION

ENVIRONMENTAL REVIEW STATUS

NG=New Grant

OCO=Obligated Carryover

PI=Program Income

RF=Recaptured Funds)

Resources-Federal:

2002-2003 Grant	\$539,000
Recapture Funds	\$53,598
Program Income	\$32,857
Available Resources	\$625,455
Obligated Carryover	\$536,550
<hr/>	
TOTAL RESOURCES	\$1,162,005

ADMINISTRATION

General Administration Activities

Specific Objective Q-2 [24 CFR 570.206(a)] EXEMPT

Personnel - Administrative	66,950	(27,995 NG/38,955 PI)
Division Manager @ 50%		
Grants Coordinator II @ 55%		
Secretary @ 10%		
IMRF/FICA @ 11.44%		
Insurance		
Other Administrative Expenses	24,500	(24,500 NG)
Books & Periodicals	1,000	
Office Supplies	1,500	
Photo Supplies	300	
Printing	3,000	
Dues & Subscriptions	1,500	
Travel & Conference	5,100	
Postage	1,500	
Recording Fees	100	
Audits	500	
Program Overhead	10,000	
Public Information	5,000	(5,000 NG) [24 CFR 570.206(b)] EXEMPT

Neighborhood Organization Grant Program VII (FY02/03) Funds will be contributed towards the capacity-building activities of two (2) neighborhood organizations, Historic East Urbana Neighborhood Association (HEUNA)\$2,500 and United Citizens and Neighbors \$ 2,500 (5,000 NG) *Specific Objective Q-1* [24 CFR 570.205(b)] EXEMPT

TOTAL ADMINISTRATION EXPENSE **\$ \$101,450 (18.8%)**

UN-PROGRAMMED FUNDING \$12,726 (4,000 NG 8,726 RF)

AFFORDABLE HOUSING PROGRAM

Program Delivery

Specific Objective Q-3 [24 CFR 570.202(b)(9)] EXEMPT

Personnel - Administrative \$54,271 (54,270 NG)

Grants Coordinator II @ 26%

Housing Rehab. Coordinator @ 50%

Secretary @ 55%

IMRF/FICA @ 11.44%

Insurance

Case Preparation \$4,000 (3,000 NG)
[24 CFR 570.202(b)(9)] EXEMPT

NEW FUNDING ACTIVITIES

HOUSING REHABILITATION ACTIVITIES

Predevelopment Activities Related to Lake Terrace Apartments Area (FY 02-03) Funds will be used for architectural and engineering services necessary to redevelop these public housing units and surrounding area/neighborhood. \$40,000 (40,000 NG) *Specific Objectives D-5* [24 CFR 570.202(a)(2) &(b)(9)] EXEMPT

Emergency Grant and Access Grant Programs (FY 02-03) Funds will be contributed for two programs providing repairs necessary to alleviate hazardous conditions which pose a threat to the health and safety of a homeowner and general improvements necessary to remove barriers to accessibility by persons with disabilities. Homeowners earning less than 50% of the Median Family Income for Champaign County are eligible for the Emergency Grant Program. The Access Grant Program is available for homeowners or renters who earn less than 80% of Median Family Income. Both programs are available citywide. All work activities will be accomplished through contract arrangements. \$80,000 (80,000 NG) *Specific*

Objectives B-1 & C-4 [24 CFR 570.202(a)(1)] [24 CFR 570.202(b)(10) & (11)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

Urbana Senior Repair Service (FY 02/03) Funds will be contributed to a minor home repair program for very low-income homeowners 62 years old or older and for very low-income homeowners with disabilities (any age). To be eligible for this program a family must earn less than 50% of the Median Family Income as established annually by HUD. This program is available citywide. \$15,000 (15,000 NG) *Specific Objectives L-1 & L-3 [24 CFR 570.202(a)(1) & (b)(10)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

Provena Behavioral Mental Health at the Mental Health Center Group Home Renovation (FY 02-03) Funds will be used to make priority renovations to multi-family, group homes located on Elm Street and Cottage Grove that serve low and very low-income persons with psychiatric disabilities. \$9,000(\$9,000 NG). *Specific Objectives B-1 [CFR 570.202 (a)(1)] CATEGORICALLY EXCLUDED*

Urban League of Champaign County House Siding Program (FY 02/03) The City will contract with Urban League to facilitate painting and/or siding of exterior trim, gutters and downspouts at houses owned and occupied by very low-income families or individuals residing within the corporate limits of Urbana. \$5,000 (5,000 NG) *Specific Objective C-4 [24 CFR 570.202(a)(1)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

Improvements to City of Urbana Transitional Housing Units (FY 02/03) Funds will be committed for the renovation of three properties owned by the City and used in its transitional housing program for homeless families with children. Code-related repairs will be addressed first and any remaining funds may be used to upgrade unit appearances. \$5,249 (5,249 NG) *Specific Objective A-3 [24 CFR 570.202(a)(2)&(b)(1)] CATEGORICALLY EXCLUDED*

PUBLIC FACILITIES AND IMPROVEMENTS

Prairie Center Health Systems Inc. (FY 02/03) Funding goal for this project is \$100,000 investment in CDBG funds over a two-year period for the rehabilitation, purchase or construction of facilities to house residential and outpatient services. The initial \$40,000 investment will go toward rehabilitation of Prairie Center's Hill Street facility in Champaign. Subsequent investment of an additional \$60,000 from FY 2003-2004 will go toward rehabilitation efforts of the same Hill Street facility or a new facility that has not yet been identified. \$40,000 (40,000 NG) *Specific Objective J-1 [24 CFR 570.201(C)] FIRST TIER ENVIRONMENTAL ASSESSMENT*

Family Service of Champaign County (FY 02/03) Funds in the amount of \$16,000 will be used for architectural services related to the preparation of construction and bid documents for construction and renovation activities. \$16,000 (16,000 NG) Specific Objective J-1 [24 CFR 570.201 (C)] EXEMPT

Series Streetlight Replacement Area 3B/Street Improvements (FY 02/03) A total of \$150,000 in CDBG funds and city general funds will be contributed towards replacement of streetlights in Census Tract 55 and/or improvements to Green & Illinois Streets. Funds will be set aside in annual increments for three years to accomplish this commitment. Activities are scheduled for Construction Year 2002-2003. \$50,000 (50,000 NG/100,000 and \$185,553 from streetlighting project: 58,500 NG/127,033 OCO OCO) *Specific Objective K-2 and K-3 [24 CFR 570.201(c)] ENVIRONMENTAL ASSESSMENT FIRST-TIER REVIEW* 0012/2000/718 Series Street Lighting Replacement \$50,000 and \$50,000 Funds Budgeted

New Construction of Transitional Housing and Educational Facility for Center for Women in Transition (FY 02/03) A total of \$100,000 in CDBG funds will be contributed over a period of two years towards the new construction of a facility to be located at 504 East Church Street, Champaign, Illinois. Such facility will accommodate an educational/meeting area to be located on the first floor and a transitional housing program on the second floor to serve 2-4 homeless families. Other funds contributed to this project include a \$100,000 grant from United Parcel Service, and a contribution from the City of Champaign. While this project is located outside the City's CDBG jurisdiction, it is necessary to its community development and Consolidated Plan objectives. This project will benefit the City by expanding much needed services to homeless women and children. \$50,000 (50,000 NG/ 50,000 OCO) funds budgeted previously *Specific Objective A-7 [24 CFR 570.309] ENVIRONMENTAL ASSESSMENT*

PUBLIC SERVICES

Transitional Housing for Homeless Families With Children (FY 02/03) Funds will be contributed to the City of Urbana's transitional housing program. Five dwellings are 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. \$40,274 (1,500 NG/38,774 RF) *Specific Objective A-1 & C-1 [24 CFR 570.201(b)&(e)] EXEMPT*

Public Service Activities under Consolidated Social Service Funding Program (FY 02/03) The balance of available funding @ 15% of 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 Program as youth services, rental assistance, and job-training activities that would further apprenticeship opportunities with local contractors for youth and adults. \$40,585 (20,485 NG; \$20,100 City General Fund) *Specific Objectives I-1, O-1 & O-2 [24 CFR 570.201(e)] EXEMPT*

*Programs to be determined via Social Service Funding Program Applications.

Neighborhood Clean-Up (FY 02/03) One-day neighborhood clean-up activities will be held in fall, 2002, and spring, 2003, in the Community Development Target Area. Activities will include appliance, metal, and landscape materials recycling. The program will be co-sponsored by the UCAP Committee. \$25,000 (25,000 NG) *Specific Objectives J-1 & L-2 [24 CFR 570.201(e)] EXEMPT*

TOTAL PUBLIC SERVICE EXPENSE \$85,759 (15% CAP = \$86,693)

CARRYOVER ACTIVITIES

ADMINISTRATION ACTIVITIES

Neighborhood Organization Grant Program VI (FY01/02) Funds will be contributed towards the capacity-building activities of two neighborhood organizations, North Broadway Neighbors and United Citizens and Neighbors (UCAN). \$3,500 (3,500 OCO) *Specific Objective Q-1 [24 CFR 570.205(b)] EXEMPT*

Neighborhood Organization Grant Program V (FY99/00 ENC) Funds will be encumbered to affect any outstanding administrative expenses associated with capacity-building activities related to acquisition and rehabilitation of property for sale to a low-income homebuyer by United Citizens and Neighbors (NOG V) \$55 (55 OCO) 0028/1999/641 United Citizens & Neighbors \$2,500 Underway

HOUSING REHABILITATION ACTIVITIES

Acquisition of Real Property, Disposition, Relocation, and Clearance & Demolition

Property Acquisition for Renovation: United Citizens and Neighbors (ENC 97/98) Funds will be encumbered for UCAN to purchase and rehabilitate a deteriorating structure in Census Tract 53. The renovated house will then be sold to a low- to moderate-income family. Funds resulting from the sale of the property will either be used to purchase another deteriorating property for rehabilitation and sale or will be returned to the City for use in other CDBG-eligible activities. HOME Program funds will also be used. \$1,696 (\$1,696 OCO) 0002/1997/156 \$25,000 Underway

Property Acquisition for Renovation: United Citizens and Neighbors CDBG monies will be committed to UCAN for the purchase and rehabilitation of another deteriorating structure in the area of Crystal Lake Park neighborhood (Census Tract 53). The renovated house will be sold to a very low- to moderate-income family. Funds resulting from the sale of the property will either be used to purchase another property for rehabilitation and sale, or will be returned to the City for use in other CDBG-eligible activities. Funds received by UCAN from the sale of property associated with a previous project will also be contributed. \$30,000 (30,000 OCO) *Specific Objective C-4* [24 CFR 570.202(b)(1)] *CATEGORICALLY EXCLUDED FIRST-TIER REVIEW*

Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY99/00 ENC) Funds will be encumbered to purchase lots primarily in Census Tracts 53, 54, and 55, and donated for new housing construction to a non-profit housing developer. If necessary lots will be cleared of substandard structures or debris. Any necessary relocation activities will be governed by the Federal Uniform Relocation Act. Properties may also be acquired and cleared for blight abatement purposes only. \$59,949 (59,949 OCO) [24 CFR 570.201(a)(b)(d)&(i)]

Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY01/02) Funds will be allocated to purchase lots primarily in Census Tracts 53, 54, and 55, and donated for new housing construction to a non-profit housing developer. If necessary lots will be cleared of substandard structures or debris. Any necessary relocation activities will be governed by the Federal Uniform Relocation Act. Properties may also be acquired and cleared for blight abatement purposes only. City-owned properties acquired through the City's federal and non-federal funding sources will be properly maintained as long as they are the responsibility of the City and until they may be contributed to a non-profit housing developer for new construction of affordable housing.

\$66,984 (66,984 OCO) *Specific Objective C-1* [24 CFR 570.201(a)(b)(d)(f)(1)(II)&(i)]
ENVIRONMENTAL ASSESSMENT FIRST-TIER REVIEW

Emergency Grant and Access Grant Programs (FY00/01 OCO) Funds will be encumbered to affect payment of any outstanding expenses related to program activities from the previous fiscal year.

\$5,282 (5,282 OCO)

Emergency Grant and Access Grant Programs (FY 01-02) Funds will be contributed for two programs providing repairs necessary to alleviate hazardous conditions which pose a threat to the health and safety of a homeowner and general improvements necessary to remove barriers to accessibility by persons with disabilities. Homeowners earning less than 50% of the Median Family Income for Champaign County are eligible for the Emergency Grant Program. The Access Grant Program is available for homeowners or renters who earn less than 80% of Median Family Income. Both programs are available citywide. All work activities will be accomplished through contract arrangements. \$47,214 (47,214 OCO) *Specific Objectives B-1 & C-4* [24 CFR 570.202(a)(1)] [24 CFR 570.202(b)(10) & (11)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

Urbana Senior Repair Service (FY 01/02) Funds will be contributed to a home maintenance repair program for very low-income homeowners 62 years old or older and for very low-income homeowners with disabilities (any age). To be eligible for this program a family must earn less than 50% of the Median Family Income as established annually by HUD. This program is available citywide. \$6,401 (6,401 OCO) *Specific Objectives L-1 & L-3* [24 CFR 570.202(a)(1) & (b)(10)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

(Urban League of Champaign County) House Siding Program (FY01/02) The City will contract with Urban League to facilitate painting and/or siding of exterior trim, gutters and downspouts at houses owned and occupied by very low-income families or individuals residing within the corporate limits of Urbana. \$6,000 (6,000 OCO) *Specific Objective C-4* [24 CFR 570.202(a)(1)] *CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT*

PUBLIC FACILITIES AND IMPROVEMENTS

Accessibility and Visitability Site Improvement to C-U Independence Apartments CDBG funds will be committed to Developmental Services Center to purchase all necessary materials and labor to complete modifications and installation of a power operator to the main entry door of the facility

located at 610 East Kerr Avenue, Urbana. This site improvement will increase accessibility and visitability to residents and their guests as they enter and exit the building. \$4,505 (4,505 oco) *Specific Objective B-3* [24 CFR 570.202(a)(1) and (b)(11)] *CATEGORICALLY EXCLUDED*

King Park Neighborhood Center Funds will be allocated towards development of a neighborhood community center to be located in Census Tract 53. Efforts will be concentrated towards construction of a timeframe for execution of this project, identifying the stakeholders, and developing partnerships to secure additional funding. It is possible that additional monies will be allocated to this activity in future fiscal years to replace the recaptured funding. \$3,000 (3,000 oco) *Specific Objective J-1* [24 CFR 570.201(c)] *EXEMPT*

Census Tract 55 Street Lighting (FY98/99 ENC) Funds will be encumbered to facilitate final payout for the new street lighting system in Census Tract 55. Funds will continue to be carried over until city staff can complete the necessary Davis-Bacon requirements. \$5,000 (5,000 oco) *Strategy D9 (Consolidated Plan FY 1995-1999)* 0019/1999/620 CT 55 Curb/Gutter/Paving \$5,000 Underway

PUBLIC SERVICES

Public Service Activities under Consolidated Social Service Funding Program (FY 01/02) The balance of available funding @ 15% of 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 Program as youth services, rental assistance, and job-training activities that would further apprenticeship opportunities with local contractors for youth and adults. \$19,931 (19,931 oco) *Specific Objectives I-1, O-1 & O-2* [24 CFR 570.201(e)] *EXEMPT*

**Urbana HOME Consortium
HOME Investment Partnership Program
Fiscal Year 2002 - 2003**

Resources-Federal

2002-2003 Grant:	\$1,039,000
HOME Reallocation	0
TOTAL GRANT FUNDS	\$1,039,000

Resources-Other

Local Match:	\$220,789
TOTAL REVENUES	\$1,259,789

ACTIVITIES TO BE UNDERTAKEN:

ADMINISTRATIVE

General Administration Activities [24 CFR 92.206(d)] *EXEMPT*

Personnel: \$69,490

- Manager@40%
- GCI@80%
- Secretary@5%
- IMRF
- FICA
- Insurance

Other Administrative Expenses \$34,410

- Conference/Training 4,078
- Audit 950
- Printing/Publication 1,000
- Postage 100
- Office Supplies 1,000
- Dues & subscriptions 500
- Program overhead 25,650

TOTAL ADMINISTRATIVE EXPENSE \$103,900

Community Housing Development Organizations (CHDO) 15% Set Aside

Homestead Corporation ~~Rental~~ New Housing Development Funds will be allocated to Homestead Corporation to facilitate the construction of new, affordable for the acquisition and rehabilitation of single-family homes (2 units) in the City of Champaign and one (1) unit in the City of Urbana for rent sale to a low-income income-qualified households. family. These funds may be used for land acquisition/improvements, development costs, professional services, management fees and downpayment assistance. \$50,000 (\$40,000HOME; \$10,000 Match Provided By CHDO) *Specific Objective C-7* [24 CFR 92.205(a)(1)] *CATEGORICALLY EXCLUDED*

Urban League Lease Purchase Program Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase and minor rehabilitation of single-family homes in the Cities of Champaign (8 units) and Urbana (4 units). During the leasing period, a low-income family will undergo homebuyer counseling. Upon

successful completion, the home will be sold to the low-income family. \$117,813 (\$94,250 HOME; \$23,563 Match Provided By CHDO) *Specific Objective C-5* [24 CFR 92.206(c)] **CATEGORICALLY EXCLUDED**

Homestead Corporation Eads at Lincoln Project, funds will be provided to help facilitate the completion of the Eads at Lincoln homebuyer assistance program. \$27,000 (\$21,600 HOME grant and \$5,400 Match) *Specific Objective C-5* [24 CFR 92.206(c)] **CATEGORICALLY EXCLUDED**

Total CHDO Project Expenses:
\$155,850 HOME
\$ 38,963 Match
\$194,813 Total

Community Housing Development Organizations (CHDOs) Operating Funds

Homestead Corporation Funds will be allocated to Homestead Corporation for operating expenses. \$26,950 (\$26,950 HOME; \$0 Match) *Specific Objective C-2* [24 CFR 92.208(a)] **EXEMPT**

Urban League Development Corporation of Champaign County (CHDOs) Funds will be allocated to Urban League for operating expenses \$25,000 (\$25,000 HOME; \$0 Match) *Specific Objective C-2* [24 CFR 92.208(a)] **EXEMPT**

CHDO Operating Expenses:
\$51,950 HOME
\$ 0 Match
\$51,950 Total

City of Champaign

Urban League Lease Purchase Program Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase and minor rehabilitation of single-family homes in the City of Champaign. During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the low-income family. \$75,00 (\$60,000 HOME; \$15,000 Match) *Specific Objective C-5* [24 CFR 92.206(c)] **CATEGORICALLY EXCLUDED**

Full Home Rehab Program HOME funds will be used along with private loan funds to assist low and moderate income homeowners make home repairs. Grants and low-interest loans in the amount of \$25,000-\$30,000 per household are intended to address code deficiencies, major renovation needs, and lead-based paint issues. \$158,665 (\$126,932 HOME; \$31,733 Local Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] **CATEGORICALLY EXCLUDED**

Acquisition of Property for New Construction of Affordable Single-Family Homes HOME monies will be used by the City of Champaign for acquisition of, and clearance of, slum/blight properties to be made available for new construction of affordable housing. \$130,000 (\$104,000 HOME; \$26,000 Local Match) *Specific Objective C-7* [24 CFR 92.205(a)(2)] **CATEGORICALLY EXCLUDED**

Metanoia Center Funds will be allocated to Metamoya for staffing, program delivery, and construction of three (3) new single-family residences, targeted for households in the city's designated target areas. \$84,080 (\$67,264 HOME; \$16,816 Local Match) *Specific Objective C-9* [24 CFR 92.206(d)] **FIRST-TIER EXEMPT**

Taylor Thomas Development The City of Champaign will use funds to develop the Taylor Thomas Subdivision, which will contain 10-14 newly constructed, single-family homes. The funds will be used as downpayments or other subsidies to make the new homes affordable to low- and moderate-income homebuyers. \$35,000 (\$28,000 HOME; \$7,000 Match) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED NOT SUBJECT TO REVIEW*

Total City of Champaign Expenses: **\$386,196 HOME**
 \$ 96,549 Match
 \$482,745 Total

Champaign County

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. \$116,550 (\$89,640 HOME; \$26,910 Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] *PREVIOUSLY ASSESSED*

Program Delivery Champaign County will allocate a portion of its funds for staffing and overhead expenses related to its housing rehabilitation program. \$18,000 (\$18,000 HOME; Match provided through completion of one rehabilitation project) [24 CFR 92.207] *EXEMPT*

Total Champaign County Expenses: **\$107,640 HOME**
 \$ 26,910 Match
 \$134,550 Total

City of Urbana

Owner-Occupied Housing Rehabilitation Funds will be allocated for the rehabilitation of 4 units, including program delivery costs, relocation, and lead-based paint services. \$158,935 (\$127,148 HOME; \$31,787 Match) *Specific Objective C-4* [24 CFR 92.206(a)(2)] *CATEGORICALLY EXCLUDED*

Program Delivery Funds will be allocated for coordinating and monitoring HOME projects funded with the City of Urbana's share of HOME Consortium funds. \$59,309 (\$47,447 HOME; \$11,861 Match) [24 CFR 92.207] *EXEMPT*

Urban League Lease Purchase Program Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase and minor rehabilitation of single-family homes in the Cities of Champaign (8 units) and Urbana (4 units). During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the low-income family. \$9,687 (\$7,750 HOME; \$1,937 Match Provided By CHDO) *Specific Objective C-5* [24 CFR 92.206(c)] *CATEGORICALLY EXCLUDED*

Property Acquisition Funds will be used to provide the five (5) remaining lots associated with the Eads at Lincoln Homebuyer Assistance Project with the necessary utilities and infrastructure to support affordable housing.
\$63,900 (\$51,119 HOME; \$12,780 Match)

Total Urbana Expenses: **\$233,465 HOME**
 \$58,365 Match
 \$291,830 Total

City of Urbana and Urbana HOME Consortium



Annual Action Plan FY 2003-2004

Version 2.5

Prepared by:
City of Urbana
Community Development Services
Grants Management Division
400 South Vine Street
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Recommended to Urbana City Council by Community Development Commission March 25, 2003
Approved by Urbana City Council Resolution No. 2003-04-006 May 5, 2003
Amended by Urbana City Council Resolution No. _____

City of Urbana/Urbana HOME Consortium
Annual Action Plan FY 2003-2004
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Target Area Map

Public Comment

Minutes from meetings held earlier in the year to solicit input
on use of CDBG and HOME funding.

Minutes from public hearings-

March 10, 2003 10:00 AM and 6:00 PM Council Chambers

INTRODUCTION

The Urbana HOME Consortium and the City of Urbana Annual Action Plan for FY 2003-2004 identifies activities to be implemented by the City of Urbana and members of the Urbana HOME Consortium during the period beginning July 1, 2003, and ending June 30, 2004. The Annual Action Plan budgets the use of two federal housing entitlement funds: Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME). The CDBG portion of the Annual Action Plan identifies uses of CDBG entitlement funds by the City of Urbana. The HOME portion of the plan identifies uses of HOME funds by members of the Urbana HOME Consortium (a.k.a. the Champaign/Urbana/Champaign County HOME Consortium).

The Annual Action Plan for FY 2003-2004 has been developed to further five-year strategies identified in the *Urbana HOME Consortium and City of Urbana Consolidated Plan for Program Years 2000-2004*. The Annual Action Plan identifies activities to be undertaken during the fourth year of the Consolidated Plan five-year planning period.

The Annual Action Plan has been on file for public review and comment during a period beginning February 3, 2003 and ending March 7, 2003.

On March 10, 2003 the City of Urbana held public hearings to obtain comments regarding a draft Annual Action Plan. The hearings were held at 10:00 a.m. and 6:00 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 included in the Annual Action Plan.

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

Bob Grewe, City of Urbana, Grants Management Division, at 384-2447 or bpgrewe@city.urbana.il.us.

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

Mary Ellen Wuellner, City of Champaign, Neighborhood Services Department, at 351-4427 or mewuellner@ci.champaign.il.us.

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

Scott Rose, Champaign County Regional Planning Commission, at 328-3313 or srose@ccrpc.org

EXECUTIVE SUMMARY

The FY 2003-2004 Urbana HOME Consortium and the City of Urbana Annual Action Plan identifies housing and community development activities to be implemented during the fourth year of the five-year Consolidated Plan period. The Annual Action Plan identifies activities to be undertaken by the City of Urbana with Community Development Block Grant (CDBG) funds during the year beginning July 1, 2003, 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 has been prepared by the City of Urbana in its dual capacity as CDBG recipient and lead entity of the Urbana HOME Consortium (a.k.a. Champaign/Urbana/Champaign County HOME Consortium). The Urbana City Council approved the Annual Action Plan on May 5, 2003. Prior to approving the Annual Action Plan, the City of Urbana obtained concurrence from the City of Champaign and Champaign County on use of HOME funds by those two Consortium members.

Activities in the Annual Action Plan address strategies identified in the five-year Consolidated Plan. Through its CDBG program the City of Urbana proposes to conserve housing through rehabilitation efforts provided by the following activities:

- Contribute toward the rehabilitation of a mental health outpatient treatment center (Prairie Center Health Systems, Inc.).
- Contribute toward the rehabilitation of a group home that serves low and very-low income persons with psychiatric disabilities (Provena Behavioral Health).
- Support capacity building activities for neighborhood organizations (UCAN).
- Provide improvements necessary to remove barriers to accessibility to persons with disabilities and alleviate hazardous conditions that pose a threat to health and safety (Access/Emergency Grants).
- Provide funds for home maintenance repair for elderly and very-low income households (Senior Repair Grants).
- Contribute toward the replacement of streetlights in Census Tract 55 to create a safer environment.
- Support public service programs and other activities targeted toward very low-income Urbana residents.
- Sponsor special neighborhood cleanup activities.
- Contribute to renovation of homeless shelter's washroom facilities (TIMES Center).

Through the HOME program, the Urbana HOME Consortium members developed the following projects:

- Provide operating funds to the Community Development Housing Organizations (CHDO).
- Contribute toward a program that assists low-income families purchase home through lease purchase arrangements (Urban League Development Corp.)
- Contribute towards the acquisition of single-family units to be rented to low-income households (Homestead Corp.)
- Rehabilitate owner-occupied housing in Champaign, Urbana and in the unincorporated areas of Champaign County.
- Continue to fund tenant-based rental assistance for low-income households.
- Provide funding for the redevelopment of Burch Village in Champaign.
- Provide funding for new housing construction programs.

The Annual Action Plan has been developed by the City of Urbana in accordance with its Citizen Participation Plan. The city's Community Development Commission sponsored numerous public hearings to obtain input prior to and during plan preparation.

Morning and evening meetings were held for social service agencies on January 8, 2003 and neighborhood meetings were held on January 14, 15 and 16, 2003 at various locations in Urbana. On February 17, 2003, a draft version of the Annual Action Plan was placed on file for public review at the Urbana Public Library, City Clerk's Office and the Community Development Services office. The official public review period began on February 18 and ended March 19, 2003. During the public review period, staff conducted a public hearing of the draft plan, on March 10, 2003. In addition to these meetings, the City of Champaign sponsored public hearings on its Annual Action Plan, including its proposed use of HOME Consortium funds.

The Urbana City Council discussed the Annual Action Plan on April 14, 2003 meeting of the Committee of the Whole. City Council approved the Annual Action Plan May 5, 2003 at the regularly scheduled Council meeting. Prior to approval of the plan by the Urbana City Council, the Champaign City Council and Champaign County Board approved their respective portions of the HOME Consortium budget as well as use of HOME funds.

NARRATIVE

The Urbana HOME Consortium and the City of Urbana Annual Action Plan for FY 2003-2004 identifies activities to be implemented by the City of Urbana and members of the Urbana HOME Consortium during the period beginning July 1, 2003, and ending June 30, 2004. The Annual Action Plan budgets the use of two federal housing entitlement funds: Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME). The CDBG portion of the Annual Action Plan identifies uses of CDBG entitlement funds by the City of Urbana. The HOME portion of the plan identifies uses of HOME funds by members of the Urbana HOME Consortium (a.k.a. the Champaign/Urbana/Champaign County HOME Consortium).

The Annual Action Plan for FY 2003-2004 has been developed to further five-year strategies identified in the *Urbana HOME Consortium and City of Urbana Consolidated Plan for Program Years 2000-2004*. The Annual Action Plan identifies activities to be undertaken during the fourth year of the Consolidated Plan five-year planning period.

The following information is provided in response to Section 91.220 of the Consolidated Plan regulations (published January 5, 1995).

a) Form Application

See Standard Forms HUD-424.

b) 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 \$577,000 in FY 2003-2004 CDBG entitlement funds. These funds will be combined with an estimated \$10,000 in program income, \$90,000 in recaptured funds and \$144,750 in funds carried over from FY 2002-2003 to create a total CDBG program budget of \$821,750.

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). Numerous CDBG-funded activities involve leveraging of other public and private funds.

- CDBG funds for improvement activities within Census Tract 55 will be combined with City of Urbana general funds.
- Sub-recipients will combine CDBG funds for public services activities with non-CDBG monies pledged.
- CDBG funds allocated for construction of the TIMES Center will be combined with other donations.

- CDBG funds allocated for renovating a Training and Employment Center for Developmental Services Center's Vocational Services Program will be combined with other donations.
- CDBG funds allocated for Prairie Center Health Systems, Inc to purchase/construct a new outpatient facility will be leveraged with other funding sources and donations.
- CDBG funds allocated for improvements to Provena Behavioral Mental Health Center Group Home will be leveraged with our funding sources.

The Urbana HOME Consortium expects to receive \$1,178,315 in FY 2003-2004 HOME funds. As with the CDBG program, many HOME-assisted activities involve leveraging non-HOME funds.

- HOME funds allocated to the Urban League of Champaign County Development Corporation for a its lease purchase program will be leveraged by Urban League's credit counseling and related value-added homebuyer counseling services.
- HOME funds allocated to the Homestead Corporation for a its acquisition/rehabilitation program will be leveraged by commercial loans and other value added services and donations

The HOME Program match requirement will be satisfied primarily through allocation of local government funds by the City of Urbana, the City of Champaign, and Champaign County. Community Housing Development Organizations will use non-Federal funds such as Illinois Affordable Housing Trust funds and funds from the Federal Home Loan Bank of Chicago to meet HOME match requirements.

c) Activities to be Undertaken
See Listing of Proposed Projects

d) 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. A graphic depicting the Community Development Target Area is attached.

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

e) Homeless and Other Special Needs Activities

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

- The City of Urbana CDBG budget includes the following:
- \$44,695 to support the city's Transitional Housing Program for homeless families with children. This program has been operating for twelve years.
- \$3,000 to assist with the implementation of a Homeless Management Information System (HMIS), that will coordinated with the Champaign County Continuum of Care.
- \$10,000 to renovate washroom facilities at the TIMES Center.

f)

Other Actions 91.220

The City of Urbana has utilized its allocation of CDGB and HOME funds to foster decent housing, address lead based paint, reduce number of persons below the poverty line, and provided assistance in coordinating housing and service agencies. These funded activities are noted within the previous listing and budget for FY 2003-2004 projects.

The following is a listing of other proposed activities by the City of Urbana to address the HUD regulations 91.220(f).

Fostering decent housing

The City of Urbana will provide \$2,729,624 in private activity bond authority for two (2) homeownership programs. These programs provide significant financial resources to assist first time homebuyers structure financial packages for the purchase of a home. The programs often aid in leveraging other resources for first time homebuyers. These programs are described as follows:

AssistUrbana

AssistUrbana reduces the amount of money needed to purchase a home in Urbana. The program offers qualified individuals and families 4.25 % of the amount borrowed on a mortgage in the form of a non-repayable and non-taxable grant for down payment and closing costs. The FHA/VA loans are offered at 7.30 percent while conventional loans are offered at competitive interest rates. All are 30-year, fixed-rate mortgages. New or existing single-family houses, town homes, and condominiums meeting purchase price requirements qualify under AssistUrbana. This program will be funded in the amount of \$682,406.

IHDA – Home Equity Loan Program (HELP)

The IHDA-Home Equity Loan Program (HELP) provides qualified first time homebuyers 4.25 % of the amount borrowed on a mortgage in the form of a non-repayable and non-taxable grant for down payment and closing costs. The program also provides a fixed rate mortgage. All are 30-year, fixed-rate mortgages. New or existing single-family houses, town homes, and condominiums meeting purchase price requirements qualify under AssistUrbana. This program will be funded in the amount of \$2,047,625.

The City will continue to work closely with the Community Reinvestment Group (CRG) in identifying and supporting efforts to increase

homeownership. The CRG is sponsoring its third Affordable Housing Fair at Lincoln Square Mall, Urbana. The event will held April May 31, 2003. This event continues to be very popular. The expectation is that this event will be held again in 2004 with improvement and refinements to make the event even more successful in promoting and supporting homeownership.

Public housing improvements and resident initiatives

City staff committed a significant amount of time and resources related to public housing improvements last year and anticipate a greater level of involvement in FY2003-2004.

The Housing Authority of Champaign County has indicated in the 2003 Annual Action Plan that they intend to demolish and redevelopment the 99 unit Lakeside Terrace public housing apartment complex.

City plans to continue to regularly with the Housing Authority staff and their development partners in order to effectively plan for the implementation of this redevelopment project.

Evaluation and reduction of lead-based hazards

Addressing new lead based paint hazard requirements is a priority activity for the coming year. The City staff has spent a significant amount time in FY 2002-2003 attending workshops, reviewing our rehabilitation handbook and coordinating with contractors and environmental regulatory agencies.

In FY 2002-2003 the City continued to pursue activities to ensure compliance with Title X lead based paint regulations. The Grants Management Division staff is committed to meeting these obligations and doing so in the most cost-effective methods available. The following is listing of measures the City intends to pursue:

- Continue to work with the City of Champaign and Champaign County to address best practice in meeting new lead-based paint requirements. This will include but not be limited to attending HUD sponsored lead based paint training workshops, internet training applications and related HUD efforts to provide lead based paint hazard training.
- Coordination with the Illinois Department of Public Health (IDPH), Division of Environmental Health.

- Follow up on grant request to the Illinois Department of Public Health (IDPH) for assistance and financial resources in addressing lead-based paint concerns. The City of Urbana expended \$19,000 dollars in grant funds from IDPH to address lead based paint hazards in two (2) units and has received another grant award for \$30,000 to address lead based paint hazards in four (4) units.
- 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 and IDPH lead based paint requirements with the City of Urbana, Community Development Services Department, Building Safety Division. These activities will pay large dividends as the City begins to institutionalize lead based paint hazard protocols.

Reducing the number of persons below the poverty line

Urbana and Urbana Township will provide \$232,000 to social service agencies. Most of funded projects are designed to assist lower-income households and persons below the poverty line. The projects range from shelters to technology training centers.

Urbana will also continue to operate a HUD funded Supportive Housing Program and two (2) Shelter Plus Care programs. While non-profit agencies deliver services, the City staff administers the program and aid in structuring strategic initiatives that enhance program opportunities.

City staff provides technical assistance to other non-profit organizations whose mission is to assist persons below the poverty line.

City staff also serves on a number of voluntary boards and commissions whose mission is to assist in reducing the number of persons below the poverty level.

Developing institutional structures/enhancing coordination between housing and services agencies.

Urbana staff is an acknowledged resource for information on housing and service agencies. Staff takes dozens of calls each week 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. Internet website applications continue to aid in this effort.

In FY 2003-2004 the City of Urbana plans to make programmatic changes to its HOME-funded Tenant Based Rent Assistance (TBRA) program. The goal of these changes is to increase the level of participation.

Assisting troubled public housing agencies.

The City of Urbana works closely with the Housing Authority of Champaign County (HACC). Early scores this year for Housing Authority indicated they were a troubled agency. However, after the HACC followed up with supplemental information, their score improved they are no longer classified as a "troubled public housing agency".

This year City has continued to partner with the Housing Authority to pursue the rehabilitation of the Lakeside Terrace PHA property in Urbana. Staff has spent consider time providing technical assistance and planning services. \$40,000 in CDBG funds were allocated to provide architectural and engineering services related to this rehabilitation project.

City have participated in HACC committee to procure a developer to redevelopment certain public housing rental properties and a consultant to assist the HACC with improving management systems and hire a new executive director.

Also, the HACC assists the City with processing the City's Tenant Based Rent Assistance clients and providing related administrative services.

During the next year, Urbana HOME Consortium members will continue to work closely with the three community housing development organizations (CHDO) to improve their capacity to deliver affordable housing. Development of private non-profit housing development capacity is identified in the Consolidated Plan as a primary community goal. To this end, Consortium members will continue to work with other area organizations to further develop their potential as CHDOs.

Currently, officially designated CHDOs are the Illinois Center for Citizen Involvement (now referred to as the Public Interest Fund of Illinois), Homestead Corporation and the Urban League of Champaign County Development Corporation. However, it is not clear if the Public Interest Fund of Illinois will meet CHDO criteria, since they are no longer actively pursuing the delivery of affordable housing. HOME Consortium members

will continue to support affordable housing efforts on the part of these three organizations and encourage applications for CHDO designation by other organizations.

g) Program Specific Requirements

Proposed CDBG- and HOME-funded activities are described in the Listing of Proposed Projects and in the accompanying narrative.

Resale Requirements pursuant to Section 92.254(a)(5) of the HOME Regulations: The City of Urbana, Urbana HOME Consortium members, and designated Community Housing Development Organizations agree that, to the extent allowable by law, a warranty deed or land use restriction agreement shall be prepared and executed for any housing property receiving HOME funds and 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 a period of affordability which is determined in the HOME regulations as a function of HOME funds invested in said house.

h) 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* and *CDBG Basics* prepared by TONYA, Inc. will be utilized. A key consideration in the monitoring activities will be to insure compliance with program requirements, including the timeliness of expenditures.

Progress toward meeting Consolidated Plan goals and objectives will be monitored by the Urbana Grants Management Division staff, the Urbana Community Development Commission, and the Urbana City Council. 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 Consortium, and other housing-related programs. The Commission meets monthly at the Urbana City Building Complex to review staff progress toward housing goals. The Commission recommends the annual CDBG and HOME applications to the Urbana City Council and reviews requests for other housing-related funds.

Work processes and checklists are in place to insure compliance with HOME program requirements related to housing code concerns.

Sub-recipients will be monitored at least once a year. Programmatic expectations regarding monitoring will be detailed in subrecipient agreements.

The Grants Management Division will submit performance reports to the appropriate funding agencies in accordance with program guidelines.

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**CITY OF URBANA
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
FY 2003 – 2004**

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

Citation = FEDERAL CITATION FOR AUTHORIZATION

Environmental = ENVIRONMENTAL REVIEW STATUS

NG=New Grant

OCO=Obligated Carryover

PI=Program Income

RF=Recaptured Funds

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

Resources-Federal:

2003-2004 Grant	\$577,000
Recapture Funds (RF)	\$90,000
Program Income Estimate (PI)	<u>\$10,000</u>
Available Resources	\$677,000
<u>Obligated Carryover</u>	<u>\$144,750</u>
TOTAL RESOURCES	\$821,750

ADMINISTRATION

General Administration Activities

Personnel - Administrative

Division Manager @ 40%

Grants Coordinator II @ 76%

Secretary @ 20%

IMRF/FICA

Insurance

\$90,700 (\$90,700 NG)

Specific Objective Q-2

Citation - [24 CFR 570.206(a)]

Environmental - EXEMPT

Other Administrative Expenses	
Books & Periodicals	\$1,000
Office Supplies	\$1,500
Dues & Subscriptions	\$1000
Travel & Conference	\$4,600
Postage	\$500
Recording Fees	\$300
Audits	\$500
Program Overhead	\$10,000

\$19,400 (\$9,400 NG, \$10,000 PI)

Specific Objective Q-2
Citation - [24 CFR 570.206(a)]
Environmental - EXEMPT

Public Information

\$4,800 (4,800 NG)

Citation - [24 CFR 570.206(b)]
Environmental - EXEMPT

Neighborhood Organization Grant Program VIII (FY02/03) Funds will be contributed towards the capacity-building activities of a neighborhood organization, United Citizens and Neighbors (UCAN).

\$2,500 (2,500 NG)

Specific Objective Q-1
Citation - [24 CFR 570.205(b)]
Environmental - EXEMPT

TOTAL ADMINISTRATION EXPENSE **\$117,400 (100%)**

AFFORDABLE HOUSING PROGRAM

Program Delivery

Personnel – Administrative

Manager @ 10%

Grants Coordinator II @ 10%

Housing Rehab. Coordinator @ 50%

Secretary @ 55%

IMRF/FICA

Insurance

\$60,000 (60,000 NG)

Specific Objective Q-3

Citation - [24 CFR 570.202(b)(9)]

Environmental - EXEMPT

Case Preparation

\$4,000(4,000 NG)

Specific Objective Q-3

Citation - [24 CFR 570.202(b)(9)]

Environmental - EXEMPT

TOTAL PROGRAM DELIVERY EXPENSE

\$64,000 (\$64,000 NG)

NEW FUNDING ACTIVITIES

HOUSING REHABILITATION ACTIVITIES

Emergency Grant, Access Grant, and Get the Lead Out Match Programs (FY 03-04)

Funds will be contributed toward three programs:

1. 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.
2. General improvements necessary to remove barriers to accessibility by persons with disabilities. The Access Grant Program is available for homeowners or renters who earn less than 80% of Median Family Income.
3. Matching funds for the Illinois Department of Public Health Get the Lead Out Program, which will fund efforts to address lead based paint hazards in four (4) housing units.

All programs are available citywide. All work activities will be accomplished through contract arrangements.

\$80,000 (80,000 NG)

Specific Objectives B-1 & C-4

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

Environmental - CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

Urbana Senior Repair Service (FY 03/04)

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

\$15,000 (15,000 NG)

Specific Objectives L-1 & L-3

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

Environmental - CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

City of Urbana Paint and Siding Program (FY 03/04)

Funds will be used as match for a Federal Home Loan Bank grant to facilitate painting and/or siding of exterior trim, gutters and downspouts at six (6), in Urbana, for income-qualified households.

\$12,000 (12,000 RF) Specific Objective C-4 [24 CFR 570.202(a)(1)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

Provena Behavioral Mental Health at the Mental Health Center Group Home Renovation (FY 03-04)

Funds will be used to replace windows in a group home located on Cottage Grove that serves low and very low-income persons with psychiatric disabilities.

\$10,700 (\$10,700 NG).

Specific Objectives B-6

Citation - (24CFR 570.201(c))

Environmental - CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

PUBLIC FACILITIES AND IMPROVEMENTS

Prairie Center Health Systems Inc. (FY 03-04)

This is the second installment of a two-year funding goal of \$100,000 in CDBG funds for the rehabilitation of their facility that provides residential and outpatient services.

\$60,000 (60,000 NG)

Specific Objective J-1

Citation – 24 CFR 570.201(c)

Environmental –SecondTier Environmental Assessment

Series Streetlight Replacement Area 3B/Street Improvements (FY 03/04)

A total of \$130,000 in CDBG funds and city general funds will be contributed towards replacement of streetlights in Census Tract 55 and/or improvements to Green & Illinois Streets. Funds will be set aside in annual increments for three years to accomplish this commitment. Construction activities are underway.

\$130,000 (130,000 NG)

Specific Objective K-2

Citation - [24 CFR 570.201(c)]

Environmental - ENVIRONMENTAL ASSESSMENT Second Tier REVIEW previously completed.

TIMES Center Washroom Improvements

Funds will be used to renovate the washroom facilities at the TIMES Center.

\$10,000 (\$10,000 NG)

Specific Objective A-3

Citation – [24CFR 570.202 (a)(3)]

Environmental – ENVIRONMENTAL ASSESSMENT

NOTE: Davis Bacon Labor Requirements

Developmental Services Center Training and Employment Center

Funds will be used to assist with renovating a Training and Employment Center for the Developmental Services Center’s Vocational Services Program. Funds will be targeted for improvements to make the building accessible.

\$99,172 (\$9,172 NG, 90,000 RF)

Specific Objective B-7 & P-3

Citation – [24 CFR 570.(a)(3)]

Environmental - Environmental Assessment

Note: Davis Bacon Labor Requirements

PUBLIC SERVICE

Transitional Housing for Homeless Families With Children (FY 03/04)

Funds will be contributed to the City of Urbana's transitional housing program. Five dwellings are 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.

\$28,445 (personnel)

\$16,250 (programming)

\$44,695(44,695 NG)

Specific Objective A-1 & C-1

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

Environmental - EXEMPT

Public Service Activities under Consolidated Social Service Funding Program (FY 03/04)

The balance of available funding @ 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. These are listed in rank order: Youth, Job-Training, Community Facilities, Special Populations, Seniors, and Anti-Crime. **\$40,585 (28,033 NG and \$12,552**

General Fund)

Specific Objectives I-1, O-1 & O-2

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

*Specific programs to be determined via Social Service Funding Program Applications.

Neighborhood Clean-Up (FY 03/04)

One-day neighborhood clean-up activities will be held in fall, 2003, and spring, 2004, in the Community Development Target Area. Activities will include disposal of junk, debris and recyclable metal. The program will be co-sponsored by the UCAP Committee.

\$15,000 (15,000 NG)

Specific Objectives J-1 & L-2

Citation - [24 CFR 570.201(f)(1)(ii)]

Environmental - EXEMPT

Homeless Management Information System (FY03-04)

This computer based information management system will be purchased in coordination with the Champaign County Continuum of Care. This funding will serve as match toward a supportive housing award that will cover the larger portion of the project cost.

\$3,000 (\$3,000 NG)

Specific Objectives A-5

Citation – [24 CFR 570.309]

Environmental - Exempt

TOTAL PUBLIC SERVICE EXPENSE

\$90,728 (15%)

CARRYOVER ACTIVITIES

The following is an estimate of CDBG funding that will be carried over to the FY 2003-2004 in order to complete projects and activities previously funded.

A complete fiscal analysis of funds to be carried over in the next fiscal year will be contained in the amended Annual Action Plan that is prepared after July 1, 2003, when accounting for FY 2002-2003 is complete.

HOUSING REHABILITATION ACTIVITIES

Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY01/02)

Funds will be allocated for the purchase and maintenance of lots primarily in Census Tracts 53, 54, and 55, and donated for new housing construction to a non-profit housing developer. If necessary, lots will be cleared of substandard structures or debris. 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 acquired through the City's federal and non-federal funding sources will be properly maintained as long as they are the responsibility of the City and until they may be contributed to a non-profit housing developer for new construction of affordable housing.

\$10,000 (10,000 OCO)

Specific Objective C-1 [24 CFR 570.201(a)(b)(d)(f)(1)(II)&(i)] ENVIRONMENTAL ASSESSMENT or EXEMPT

Emergency Grant and Access Grant Programs (FY02/03 OCO)

Funds will be contributed for two programs providing that provide for the following:

1. Emergency Grant - Repairs to alleviate hazardous conditions that 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.
2. Access Grant - General improvements necessary to remove barriers to accessibility by persons with disabilities. The Access Grant Program is available for homeowners or renters who earn less than 80% of Median Family Income. Both programs are available citywide.

All work activities will be accomplished through contract arrangements.

\$20,000 (20,000 OCO)

Specific Objectives B-1 & C-4 [24 CFR 570.202(a)(1)] [24 CFR 570.202(b)(10) & (11)]
CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

Urbana Senior Repair Service (FY 02/03)

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

\$5,000 (5,000 OCO)

Specific Objectives L-1 & L-3 [24 CFR 570.202(a)(1) & (b)(10)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

(Urban League of Champaign County) House Siding Program (FY 02/03)

The City will contract with Urban League to facilitate painting and/or siding of exterior trim, gutters and downspouts at houses owned and occupied by very low-income families or individuals residing within the corporate limits of Urbana.

\$2,000 (\$2,000 OCO)

Specific Objective C-4 [24 CFR 570.202(a)(1)] CATEGORICALLY EXCLUDED CONVERTED TO EXEMPT

PUBLIC FACILITIES AND IMPROVEMENTS

New Construction of Transitional Housing and Educational Facility for Center for Women in Transition (FY 02/03)

A total of \$100,000 in CDBG funds will be contributed over a period of two years towards the new construction of a facility to be located at 504 East Church Street, Champaign, Illinois. Such facility will accommodate an educational/meeting area to be located on the first floor and a transitional housing program on the second floor to serve 2-4 homeless families. Other funds contributed to this project include a \$100,000 grant from United Parcel Service, and a contribution from the City of Champaign. While this project is located outside the City's CDBG jurisdiction, it is necessary to its community development and Consolidated Plan objectives. This project will benefit the City by expanding much needed services to homeless women and children.

\$100,000 (50,000 NG/ 50,000 OCO)

Specific Objective A-7 [24 CFR 570.309] SECOND TIER ENVIRONMENTAL REVIEW

Note: Davis Bacon Labor Requirements

King Park Neighborhood Center

Funds will be allocated towards development of a neighborhood community center to be located in Census Tract 53. Efforts will be concentrated towards construction of a timeframe for execution of this project, identifying the stakeholders, and developing partnerships to secure additional funding. It is possible that additional monies will be allocated to this activity in future fiscal years to replace the recaptured funding.

\$2,750 (2,750 OCO)

Specific Objective J-1 [24 CFR 570.201(c)] EXEMPT

PUBLIC SERVICES

Public Service Activities under Consolidated Social Service Funding Program (FY 02/03)

The balance of available funding @ 15% of 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 Program as youth services, rental assistance, and job-training activities that would further apprenticeship opportunities with local contractors for youth and adults.

\$5,000 (5,000 OCO)

Specific Objectives I-1, O-1 & O-2 [24 CFR 570.201(e)] EXEMPT

**Urbana HOME Consortium
HOME Investment Partnership Program
Fiscal Year 2003 - 2004**

Resources-Federal
2002-2003 Grant: \$1,178,315

Resources-Other
Local Match: \$250,392
TOTAL REVENUES \$1,428,707

ACTIVITIES TO BE UNDERTAKEN:

ADMINISTRATION

General Administration Activities

Personnel:

- Manager@ 35%
- GCII@ 80%
- Secretary@5%
- IMRF
- FICA
- Insurance

\$81,481

Citation - [24 CFR 92.206(d)]
Environmental - EXEMPT

Other Administrative Expenses

- Conference/Training \$5,000
- Audit \$1,000
- Printing/Publication \$2,000
- Postage \$200
- Office Supplies \$1,000
- Dues & subscriptions \$1,500

\$10,700

Citation - [24 CFR 92.206(d)]
Environmental - EXEMPT

Program overhead **\$25,650**

TOTAL ADMINISTRATIVE EXPENSE \$117,831

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) 15% SET-ASIDE (PROJECT FUNDS)

Homestead Corporation ~~Rental-New~~ Housing Development

Funds will be allocated to Homestead Corporation to facilitate the construction of new, affordable single-family homes two (2) units in Champaign and one (1) unit in Urbana for sale to income-qualified households. These funds may be used for land acquisition/improvements, development costs, professional services, management fees and downpayment assistance for the acquisition of four (4) single-family homes, 2 in the City of Champaign and 2 in the City of Urbana for rent to low-income families:

\$127,191 (\$101,753 HOME; \$25,438 Match Provided By CHDO)

Specific Objective C-7

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

Environmental - CATEGORICALLY EXCLUDED

Urban League Lease Purchase Program

Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase of five (5) single-family homes. The targeted location for these five (5) single-family homes is two (2) in Champaign, two (2) in Urbana and one (1) in the un-incorporated area of Champaign County. Final locations of the homes will be identified in the CHDO Agreement, with the possibility of an exception clause that would allow Urban League to deviate from the target locations, with certain approvals. During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the low-income family.

\$93,744 (\$74,995 HOME; \$18,749 Match Provided By CHDO)

Specific Objective C-5

Citation - [24 CFR 92.206(c)]

Environmental - CATEGORICALLY EXCLUDED

Project Expenses:	\$176,748 HOME
	<u>\$44,187 Match</u>
	\$220,935 Total

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) 5% SET-ASIDE (OPERATING FUNDS)

Homestead Corporation

Funds will be allocated to Homestead Corporation for operating expenses.

\$31,783 (\$31,783 HOME; \$0 Match)

Specific Objective C-2

Citation - [24 CFR 92.208(a)]
Environmental - EXEMPT

Urban League Development Corporation of Champaign County (CHDOs)

Funds will be allocated to Urban League for operating expenses

\$27,132 (\$27,132 HOME; \$0 Match)

Specific Objective C-2

Citation - [24 CFR 92.208(a)]

Environmental - EXEMPT

CHDO Operating Expenses:	\$58,915 HOME
	<u>\$0 Match</u>
	\$58,915 Total

CITY OF CHAMPAIGN

Burch Village Redevelopment Project

Funding will be used to assist in the redevelopment of Burch Village, an obsolete public housing complex in Champaign. Although a specific plan for the redevelopment has not been finalized, the HOME funding will be used to create affordable housing units.

\$500,000 (\$400,000 HOME; \$100,000 Local match from bond cap allocation)

Specific Objective C-9

Citation – [24CFR 92.205 (a)(1)]

Environmental - Non-Exempt/Non-Categorically Excluded

Owner-Occupied Housing Rehab

Funding will be used to continue the Full Home Improvement program. HOME funds are combined with Federal Home Loan Bank and private loan funding to assist low-income homeowners with major home repairs. Grants and low-interest loans in the amount of \$25,000-\$30,000 per household are intended to address code deficiencies, major renovation needs, and lead-based paint hazards.

\$ \$17,065 (\$13,652 HOME; \$3,413 Local Match from the Federal Home Loan Bank)

Specific Objective C-4

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

Environmental - CATEGORICALLY EXCLUDED

Urban League Lease-Purchase Program

Funding will be used to reduce the purchase price of four single-family homes. The homes will be purchased by the Urban League and leased to income-eligible households. The agency works with the families to correct credit problems during the lease term. Once the credit issues are corrected, the family assumes ownership of the home from the Urban League. HOME funding will be provided in the form of grants at \$10,000 per unit purchased. The Urban League will provide the matching funds for this program.

\$50,000 (\$40,000 HOME; \$10,000 Match Provided By Urban League)

Specific Objective C-5

Citation - [24 CFR 92.206(c)]

Environmental - CATEGORICALLY EXCLUDED

Total City of Champaign Expenses:	\$453,652 HOME
	<u>\$113,413 Match</u>
	\$567,065 Total

CHAMPAIGN COUNTY

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.

\$90,937 (\$69,285 HOME; \$21,652 Match)

Specific Objective C-4

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

Environmental - PREVIOUSLY ASSESSED

Program Delivery

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

\$17,321 (\$17,321 HOME); Match provided through completion of one rehabilitation project)

Citation - [24 CFR 92.207]

Environmental - EXEMPT

Total Champaign County Expenses:	\$86,606 HOME
	<u>\$21,652 Match</u>
	\$108,258 Total

CITY OF URBANA

Owner-Occupied Housing Rehabilitation

Funds will be allocated for the rehabilitation of five (5) four (4) units, including grants and deferred-payment loans in the amount of \$25,000-\$28,000 per household are intended to address code deficiencies, major renovation needs, relocation expenses and lead-based paint issues.

\$112,000 (\$89,600 HOME; \$22,400 Match)

Specific Objective C-4

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

Environmental - CATEGORICALLY EXCLUDED

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.

\$63,000 (\$50,400 HOME; \$12,600 Match)

Specific Objective C-4

Citation - [24 CFR 92.207]

Environmental - EXEMPT

New Housing Construction

Funds will be used to facilitate the construction of new affordable owner-occupied and/or rental housing units. The funds may be used for land acquisition and development costs, professional services, management fees, and downpayment assistance.

\$112,704 (\$90,163 HOME; \$22,541 Match)

Specific Objective C-9

Citation – 24CFR92.206(d)

Environmental – Non-Exempt/Non-Categorically Excluded

Tenant Based Rent Assistance

Funds will be allocated to continue the City of Urbana's Tenant Based Rent Assistance Program.

\$40,000 (\$32,000; \$8,000 Match)

Specific Objective D-4

Citation - [24 CFR 92.207]

Environmental – EXEMPT

United Citizens and Neighbors - Property Acquisition-Renovation and Resale
Funds will be used to acquire, rehabilitate and re-sell a single-family house within city's community development target area. The house will be re-sold to a household with an income below 80% of the median family income for Champaign County. Proceeds from the sale of the house will be returned to Urbana's HOME Consortium account. \$24,500 will be used for rehabilitation and \$3,500 for project management. Should the City and UCAN both determine that the project would not be pursued; funds will revert to the City's Owner-Occupied Housing Rehabilitation budget.

\$28,000 (\$22,400 HOME; \$5,600 Match)

Specific Objective C-4

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

Environmental - Categorically Excluded First Tier Review

Total Urbana Expenses:	\$284,563 HOME
	<u>\$71,141 Match</u>
	\$355,704 Total

MINUTES OF PUBLIC HEARING

REGARDING PROPOSED AMENDMENTS TO THE URBANA HOME CONSORTIUM AND THE CITY OF URBANA CONSOLIDATED PLANS FOR PROGRAM YEARS 2000-2004 AND TO THE CITY OF URBANA AND CHAMPAIGN/URBANA/CHAMPAIGN COUNTY HOME CONSORTIUM FY 2003-2004, FY 2002-2003, AND FY 2001-2002, ANNUAL ACTION PLANS

10:00 AM, MONDAY, DECEMBER 22, 2003
URBANA CITY BUILDING, 400 S. VINE STREET, URBANA, IL

Present: Bob Grewe, City of Urbana; see the attached list for additional attendees.

Bob Grewe called the hearing to order at 10:00 AM.

Mr. Grewe gave an overview of the proposed Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004, FY 2002-2003 Annual Action Plan and FY 2001-2002 Annual Action Plan.

Jean Algee, with the Urban League of Champaign County indicated that while it seems that for the time being Homestead Corporation is no longer pursuing the development of larger rental units for families with Section 8 Vouchers, this should not be viewed as a indication that the need for affordable rental housing units in the Champaign-Urbana community has decreased.

Matthew Hogan, with the Housing Authority of Champaign County, agreed with Mrs. Algee's observation, indicating that with the planned redevelopment of Burch Village and Lakeside Terrace, the need for affordable rental units may likely increase. Mr. Hogan noted that the HACC has calculated that in order to relocate persons from Burch Village and Lakeside Terrace, approximately 160 rental units will be utilized.

Mrs. Algee added that the 3-4 bedroom units that Homestead Corporation has developed in the past are in great demand and that families continue to have difficulty finding larger units, even with a Section 8 Vouchers.

Jean Algee also mentioned that Urban League of Champaign County is preparing to purchase two existing apartment buildings in Champaign that will provide 24 rental units. Ms. Algee indicated that the Continuum Care has indicated that the need for affordable housing units is significant and that these units could be rented very quickly.

Mrs. Algee noted concern about the timely use of the funds being provided to Homestead Corporation for new single-family construction. Further, Mrs. Algee indicated that the Urban League is prepared by purchase the above mentioned apartment building sometime between January and March 2004 and they could utilize this funding immediately, without delay.

Mr. Grewe noted that HOME Consortium does not have any specific policies in existence about how Community Housing Development Organization (CHDO) funds are to re-programmed. In the absence of such policies, the Consortium Technical Committee endorsed the Annual Action Plan amendment that allow Homestead Corporation to use the funds for a homeownership program, rather than a rental housing project. Grewe noted that in the future the Consortium would likely develop more specific procedures for addressing a change in a CHDO's use of funds.

Mrs. Algee inquired about the timely use of the Consortium's HOME funds. Mr. Grewe noted that the funding is viewed in the aggregate of total funds over a seven-year span and the Consortium has always met HUD's expenditure requirement.

Both Jean Algee and Matthew Hogan indicated that they believe the HOME Consortium should support and reward organizations that are moving forward with additional funding.

Meeting adjourned at 10:49 AM

Respectfully Submitted,

Bob Grewe

**PUBLIC HEARING ON
 PROPOSED AMENDMENTS TO THE URBANA HOME CONSORTIUM AND THE CITY OF URBANA
 CONSOLIDATED PLANS FOR PROGRAM YEARS 2000-2004 AND TO THE CITY OF URBANA AND
 CHAMPAIGN/URBANA/CHAMPAIGN COUNTY HOME CONSORTIUM
 FY 2003-2004, FY 2002-2003, and FY 2001-2002, ANNUAL ACTION PLANS**

**10:00 A.M., MONDAY, December 22, 2003
 URBANA CITY COUNCIL CHAMBERS**

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>ORGANIZATION</u>
Bob Grewe	400 S. Vine St Urbana	384-2441	City of Urbana
Matthew Horns	205 W PARK AVE Champaign	378 7100	HACC
Kathie Speegal	302 E Staughton	359-4768	Planned Parent.
Jean ALGEE	314 S. Neel, C	363-3333	Urban League of CC.

