



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 Tyler, AICP, City Planner/Director

DATE: April 1, 2004

SUBJECT: **City Comments on the Housing Authority of Champaign County “SECTION 8 ADMINISTRATIVE PLAN: Project Based Assistance Plan DRAFT 5” and City Comments on the Lakeside Terrace Relocation Plan Prepared by the Housing Authority of Champaign County**

Attached are updated copies the City Comments on the Housing Authority of Champaign County’s SECTION 8 ADMINISTRATIVE PLAN: Project Based Assistance Plan DRAFT 5 and the Lakeside Terrace Relocation Plan. The updated letters include the comments from City Councilpersons at the March 22, 2004 meeting of the Committee of the Whole.

The additional text is underlined.

Memorandum Prepared By:

**Bob Grewe, AICP
Manager, Grants Management Division**

Attachments:

- (1) City of Urbana comment letter on the SECTION 8 ADMINISTRATIVE PLAN Project Based Assistance Plan DRAFT 5
- (2) City of Urbana comment letter on the HOUSING AUTHORITY OF CHAMPAIGN COUNTY LAKESIDE TERRACE RELOCATION PLAN - DRAFT March 4, 2004

cc:
Ed Bland
Matthew Hogan

April 5, 2005

Matthew Hogan
Housing Authority of Champaign County
205 West Park Avenue
Champaign, IL 61820

Dear Mr. Hogan:

On behalf of the City of Urbana, please accept the following comments on the SECTION 8 ADMINISTRATIVE PLAN Project Based Assistance Plan DRAFT 5.

The City of Urbana would like to see the Project Based Assistance (PBA) Plan be developed to provide a framework for subsequent Requests for Proposals for Section 8 Project Based Rental Assistance to be pursued. As it is, the document seems to provide a framework and evaluation criteria for a singular event to allocate all the available Project Based Assistance Rental resources. It would seem that a more strategic approach would be to request proposals from developers as specific development opportunities or housing needs are identified over a period of time.

Page 1 Program Set-Aside

This section provides information on the maximum amount of Project Based Assistance that could be provided. It would helpful to indicate in this section how the HACC will determine the amount of Project Based Assistance will be determined. For instance, might it be that the Housing Authority of Champaign County Board of Commissions will determine on an as-needed basis that amount of Project Based Assistance that will available for a given program year.

Page 1 Agency Plan

Paragraph two (2) indicates that to assure consistency with deconcentration of poverty, all new Project Based Assistance agreements or Housing Assistance Payments, must be for units located in census tracts with poverty rates of less than 20%, unless there is an exception from HUD. It would be helpful to include information that identifies what census tracts in Champaign County meet this criteria. This information should be included in the Plan. Attached is spreadsheet

prepared by the Champaign County Regional Planning Commission that highlights census tracts with poverty rates that are less than 20%.

Page 1 Eligible Housing Units

The first paragraph seems to reference singular criteria for the allocation of the all the Projected Based Assistance resources and does not allow for other criteria, should affordable housing needs and opportunities change. This section should reference that the criteria in this plan will serve as a framework, but that specific evaluation criteria will be developed for each Request for Proposal process that the HACC pursues to obtain applications from developers for PBA.

Page 2 Notification of Program Availability

This section could be revised to reflect the concept of the Housing Authority of Champaign County conducting Requests for Proposals process, as deemed appropriate to meet affordable housing needs or to address strategic affordable housing opportunities. This would be preferred rather than the singular event that the current language seems to present.

Page 3 Owner Application Requirements

A copy of the application form, prescribed by the HACC should be included in the Plan.

This section should include: Agreement to offer every tenant of a subsidized, project-based unit a one year's lease which may be renewed for subsequent years unless the owner demonstrates good cause for refusing to enter into a new lease or lease renewal. 'Good cause' should be defined in the same manner as it is for public housing leases." The most important benefit of public housing is the guarantee of good cause termination rights which protect housing stability. Without this benefit, project-based assistance is not very different from tenant-based assistance.

Page 4 Evaluation Criteria

It would seem beneficial to provide more general evaluation criteria to create the framework for the Project Based Assistance Plan, with provisions to develop more specific evaluation criteria in the course of pursuing future Request for Proposals. This will provide the flexibility to consider new affordable housing opportunities.

To ensure the participation of the CHDOs, the Evaluation Criteria should include a criterion: "The applicant is a Community Housing Development Organization – 40 points."

Minimum evaluation criteria should include: "The applicant has never been cited by the City for any violation of property maintenance or building codes at any property owned or managed by the applicant; or if the applicant has ever been

cited for a violation, repairs were completed by the deadline in the first notice of violation.”

Page 5 Housing Assistance Payments Contracts
Include HUD Form 52530-A in the Plan.

Page 6 Tenant Selection

It would seem that the provisions in first paragraph negatively impact tenants. The provision seems to imply that if you are tenant and your unit is selected for Project Based Assistance, you will be placed on the Section 8 waiting list. The impacted tenant should be given a choice to receive a tenant voucher immediately or be given the opportunity to reside in the new Project Based Assistance unit.

Page 6 Tenant Selection

Paragraph three (3) indicates that 75% of all new admissions on an annual basis must be at or below 30% of the median family income of the area. Is this a HUD requirement or a requirement set forth by the HACCC? If it is not a HUD provision, are there Fair Housing concerns associated with such a provision?

Paragraph five (5) indicates that after one year of occupancy in a PBA unit, a tenant may move. There should be a provision for emergency situations if a tenant has to move prior to one year.

Paragraph six (6) references written tenant selection criteria approved as part of the original proposal for the PBA program. These tenant selection criteria should be part of the Plan.

Page 6 of the Plan says HUD requires that at least 75% of project-based subsidies go to people whose income is below 30% MFI. Does that mean that 25% must go to people whose income is over 30% MFI? If so, only those units that may be rented to households with incomes below 30% MFI should be considered “replacement units” for the purpose of determining consistency with the City of Urbana Consolidated Plan.

Page 7 Other Policies

The policies of the Section 8 administrative plan related to the occupancy of Section 8 tenant-based assistance units should be part of the Plan.

Thank you in advance for your consideration of these comments.

Questions regarding this correspondence should be directed to Bob Grewe, Manager, Grants Management Division at 217.384.2441 or bpgrewe@city.urbana.il.us.

Sincerely,

Tod Satterthwaite, Mayor
City of Urbana

cc:
Edward Bland Jr.

Attachment:

1999 Persons for whom poverty status is determined
Source: U.S. Census Bureau, Census 2000, Summary File 3
(prepared by Champaign County Regional Planning Commission)

1999 Persons for whom poverty status is determined

Source: U.S. Census Bureau, Census 2000, Summary File 3.

| Geography Identifier | Geographic Summary Level | Geography | Population for whom poverty status is determined: Total | Below Poverty Level | At or Above the Poverty Level | Percent of Population in Poverty |
|----------------------|--------------------------|--|---|---------------------|-------------------------------|----------------------------------|
| 14000US17019000100 | 140 | Census Tract 1, Champaign County, Illinois | 467 | 159 | 308 | 34.0% |
| 14000US17019000200 | 140 | Census Tract 2, Champaign County, Illinois | 1558 | 569 | 989 | 36.5% |
| 14000US17019000300 | 140 | Census Tract 3, Champaign County, Illinois | 5917 | 3869 | 2048 | 65.4% |
| 14000US17019000400 | 140 | Census Tract 4, Champaign County, Illinois | 4944 | 3978 | 966 | 80.5% |
| 14000US17019000500 | 140 | Census Tract 5, Champaign County, Illinois | 4132 | 737 | 3395 | 17.8% |
| 14000US17019000600 | 140 | Census Tract 6, Champaign County, Illinois | 3393 | 486 | 2907 | 14.3% |
| 14000US17019000700 | 140 | Census Tract 7, Champaign County, Illinois | 3429 | 663 | 2766 | 19.3% |
| 14000US17019000800 | 140 | Census Tract 8, Champaign County, Illinois | 2264 | 268 | 1996 | 11.8% |
| 14000US17019000901 | 140 | Census Tract 9.01, Champaign County, Illinois | 4823 | 1043 | 3780 | 21.6% |
| 14000US17019000902 | 140 | Census Tract 9.02, Champaign County, Illinois | 3054 | 256 | 2798 | 8.4% |
| 14000US17019001000 | 140 | Census Tract 10, Champaign County, Illinois | 4494 | 446 | 4048 | 9.9% |
| 14000US17019001100 | 140 | Census Tract 11, Champaign County, Illinois | 3676 | 100 | 3576 | 2.7% |
| 14000US17019001201 | 140 | Census Tract 12.01, Champaign County, Illinois | 6666 | 372 | 6294 | 5.6% |
| 14000US17019001203 | 140 | Census Tract 12.03, Champaign County, Illinois | 4893 | 57 | 4836 | 1.2% |
| 14000US17019001204 | 140 | Census Tract 12.04, Champaign County, Illinois | 2736 | 75 | 2661 | 2.7% |
| 14000US17019001205 | 140 | Census Tract 12.05, Champaign County, Illinois | 1870 | 78 | 1792 | 4.2% |
| 14000US17019001206 | 140 | Census Tract 12.06, Champaign County, Illinois | 2040 | 0 | 2040 | 0.0% |
| 14000US17019001301 | 140 | Census Tract 13.01, Champaign County, Illinois | 6346 | 404 | 5942 | 6.4% |
| 14000US17019001302 | 140 | Census Tract 13.02, Champaign County, Illinois | 4095 | 170 | 3925 | 4.2% |
| 14000US17019001400 | 140 | Census Tract 14, Champaign County, Illinois | 1527 | 232 | 1295 | 15.2% |
| 14000US17019005100 | 140 | Census Tract 51, Champaign County, Illinois | 57 | 0 | 57 | 0.0% |
| 14000US17019005200 | 140 | Census Tract 52, Champaign County, Illinois | 2361 | 1216 | 1145 | 51.5% |
| 14000US17019005300 | 140 | Census Tract 53, Champaign County, Illinois | 3196 | 1160 | 2036 | 36.3% |
| 14000US17019005400 | 140 | Census Tract 54, Champaign County, Illinois | 6931 | 978 | 5953 | 14.1% |
| 14000US17019005500 | 140 | Census Tract 55, Champaign County, Illinois | 5042 | 575 | 4467 | 11.4% |
| 14000US17019005600 | 140 | Census Tract 56, Champaign County, Illinois | 5598 | 1031 | 4567 | 18.4% |
| 14000US17019005700 | 140 | Census Tract 57, Champaign County, Illinois | 7145 | 706 | 6439 | 9.9% |

| | | | | | | |
|--------------------|-----|---|------|------|------|-------|
| 14000US17019005800 | 140 | Census Tract 58, Champaign County, Illinois | 4015 | 1047 | 2968 | 26.1% |
| 14000US17019005900 | 140 | Census Tract 59, Champaign County, Illinois | 2486 | 1714 | 772 | 68.9% |
| 14000US17019006000 | 140 | Census Tract 60, Champaign County, Illinois | 1626 | 519 | 1107 | 31.9% |
| 14000US17019010100 | 140 | Census Tract 101, Champaign County, Illinois | 4938 | 734 | 4204 | 14.9% |
| 14000US17019010201 | 140 | Census Tract 102.01, Champaign County, Illinois | 1143 | 56 | 1087 | 4.9% |
| 14000US17019010203 | 140 | Census Tract 102.03, Champaign County, Illinois | 3520 | 406 | 3114 | 11.5% |
| 14000US17019010300 | 140 | Census Tract 103, Champaign County, Illinois | 3223 | 170 | 3053 | 5.3% |
| 14000US17019010400 | 140 | Census Tract 104, Champaign County, Illinois | 5153 | 363 | 4790 | 7.0% |
| 14000US17019010500 | 140 | Census Tract 105, Champaign County, Illinois | 4123 | 300 | 3823 | 7.3% |
| 14000US17019010601 | 140 | Census Tract 106.01, Champaign County, Illinois | 5046 | 211 | 4835 | 4.2% |
| 14000US17019010602 | 140 | Census Tract 106.02, Champaign County, Illinois | 8060 | 585 | 7475 | 7.3% |
| 14000US17019010700 | 140 | Census Tract 107, Champaign County, Illinois | 6649 | 220 | 6429 | 3.3% |
| 14000US17019010800 | 140 | Census Tract 108, Champaign County, Illinois | 4391 | 209 | 4182 | 4.8% |
| 14000US17019010900 | 140 | Census Tract 109, Champaign County, Illinois | 7643 | 298 | 7345 | 3.9% |

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