



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management Division*

**m e m o r a n d u m**

**TO:** Mayor Diane Wolfe Marlin and City Council Members

**FROM:** Sheila Dodd, Interim Community Development Services Director  
Breaden Belcher, Community Development Specialist

**DATE:** April 15, 2022

**SUBJECT:** A RESOLUTION APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) ANNUAL ACTION PLAN FOR FISCAL YEAR 2022-2023

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**Description**

The City of Urbana, Grants Management Division, seeks approval of the CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) ANNUAL ACTION PLAN for FY 2022-2023. The Plan will be submitted to the US Department of Housing and Urban Development (HUD) for review and approval. This will enable the City of Urbana to continue receiving Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funding. The Plan is available for review on the City's website at <https://www.urbanaininois.us/government/community-development/grants-management/annual-action-plan>. A hard copy of the Plan is on file with the City Clerk's Office.

**Background & Discussion**

**The Consolidated Plan FY 2020-2024** was adopted by City Council on June 8, 2020. As a recipient of CDBG and HOME entitlement funding from the U.S. Department of Housing and Urban Development, the City of Urbana and the Urbana HOME Consortium are required to submit a Five-Year Consolidated Plan. The Consolidated Plan guides utilization of the City's HOME and CDBG resources. Any project funded with CDBG and/or HOME funds must be consistent with the goals, strategies, and objectives included in the Consolidated Plan. An annual plan outlining activities to meet the goals of the Consolidated Plan is required by HUD.

**The FY 2022-2023 Annual Action Plan** is completed electronically and submitted to HUD through the Integrated Disbursement and Information System (IDIS). The beginning of the FY 2022-2023 program year is July 1, 2022. HUD requires submission of the Annual Action Plan no fewer than 45 days prior to the beginning of the program year.

The Executive Summary of the Plan provides a description of the performance measurement framework required by HUD. The demographic information/data, housing/community development information, and related background information are based on information from the Census and other resources provided by HUD. Many of the housing and community development

goals and strategies are similar to those contained in the previous Annual Action Plan.

A draft of the Plan was available for public review and comment from March 15, 2022 to April 15, 2022. Staff held virtual public hearings to gain citizen feedback on the Annual Action Plan on September 14, 2021; January 26, 2022; and March 17, 2022. Staff disseminated information regarding these meetings through neighborhood groups, the City's website, and social media. Staff also solicited feedback on the Plan from social agencies in the community including the Homestead Corporation, the Continuum of Service Providers to the Homeless, Community Reinvestment Group, and the Human Services Council of Champaign County. On March 22, the Community Development Commission reviewed the plan and was provided an opportunity to comment.

In addition, staff sent out two surveys to gather input on community needs. One survey targeted Urbana residents, and the other survey targeted homeless service providers and housing advocates. The surveys were sent via direct email, and were posted on City's website and social media accounts. Staff received over 40 individual responses. A summary of the survey results are attached to the Plan.

HUD has not yet announced the final allocations for the 2022-2023 fiscal year. The City expects to receive a CDBG allocation of \$516,972 and the Urbana HOME Consortium expects an allocation of \$819,687. These amounts would be consistent with the previous year allocation. At the recommendation of HUD, once final allocations are received, budgets for each proposed activity in the FY22-23 Annual Action Plan will be proportionally increased or decreased from the estimated funding levels to match actual allocation amounts. HUD recommends this procedure in order to prevent the delay and potential forfeiture of grant funding. Staff has followed this procedure in the past when final allocations were not known at the time the Action Plan was adopted.

### **Fiscal Impact**

There are considerable fiscal impacts associated with the preparation of the FY 2022-2023 Annual Action Plan. Failure to submit an Action Plan for FY 2022-2023 by the deadline will result in the automatic loss of FY 2022-2023 CDBG and HOME funds to the City. Furthermore, the City cannot use CDBG or HOME funding for projects that are inconsistent with the goals and strategies of the Consolidated Plan unless the City amends the plan to include the project.

The proposed Annual Action Plan FY 2022-2023 includes estimated revenue from HUD of **\$516,972** in CDBG funds and **\$819,687** in HOME funds. The proposed budget is attached.

### **Options**

1. Forward the Resolution to City Council on the consent agenda for approval.
2. Forward Resolution to City Council with recommended changes
3. Do not approve the Resolution and forfeit the federal funding

### **Recommendation**

Staff recommend approval of the City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2022-2023.

**BUDGET AND SUMMARY OF RECOMMENDATIONS**

**HOME PROGRAM FY 2022-2023 Proposed Budget**

<b>HOME Grant Allocation</b>	<b>\$819,687</b>
<b>Administration (10%)</b>	
Personnel/Administrative Costs	<b>\$81,968.7</b>
<b>CHDO Set-Aside (15%)</b>	
CHDO Project Applications (15%)	<b>\$122,953.05</b>
<b>CHDO Operating</b>	<b>40,984.35</b>
<b>CONSORTIUM SPLIT</b>	<b>\$573,780.90</b>
City of Champaign (53%)	\$304,103.88
County (17%)	\$97,542.75
Urbana (30%)	\$172,134.27
<b>TOTAL Budget</b>	<b>\$819,687</b>

**CDBG PROGRAM FY 2022-2023**

<b>CDBG Federal Allocation</b>	<b>\$516,972</b>
<b>ADMINISTRATION</b>	<b>\$103,394</b>
Personnel and Associated Costs	\$103,394
<b>PUBLIC SERVICE</b>	<b>\$61,000</b>
Transitional Housing, Neighborhood Cleanups, Public Services	\$61,000
<b>NEIGHBORHOOD REVITALIZATION PROGRAMS</b>	<b>\$352,578</b>
Capital Improvement Projects, Blight Reduction, Code Enforcement, Public Facility, Economic Development	\$217,578
<b>Housing-Related Programs and Program Delivery</b>	
Emergency/Access/Senior Repair	\$85,000
Energy Efficiency Programs	\$25,000
Property Acquisition/Demolition/New Construction (estimated)	\$25,000
<b>TOTAL Budget</b>	<b>\$516,972</b>

CDBG	Planned Activities	<p>Funding will be used to support housing rehabilitation and neighborhood revitalization and housing activities including the Emergency Grant, Access Grant, Senior Repair Service Grant, and the Energy Efficiency Grant in partnership with Ameren Illinois. The Emergency Grant Program allows up to \$8,000 in repairs that risk the health and safety of household occupants, such as a furnace failing in the winter months or an actively leaking roof that needs to be patched/repared. The Access Grant provides improvements necessary to remove barriers to accessibility to person with disabilities. It is available for renters or homeowners who earn less than 80% of the Median Family Income. The Senior Repair Service Program provides home maintenance repair for elderly or persons with disabilities who are at or below 50% of the Median Family Income. The Energy Efficiency Grant provides supplemental assistance to low income households seeking to make energy efficiency upgrades to their homes. The ultimate goal of these programs is to sustain housing so occupants can remain in their home.</p>
HOME	Planned Activities	<p>Neighborhood revitalization activities undertaken by the City of Urbana, include Down Payment Assistance, Acquisition-Rehab, Purchase-Rehab-Resell, Rental Rehabilitation, Tenant Based Rental Assistance, Owner-Occupied (Whole House) Rehabilitation, Lot Acquisition/Demolition, and/or other programs currently under development or may be proposed that further the affordable housing goals and mission of the City, Council, and Grants Management Division. Program must comply with applicable local, state, and federal regulations, including but not limited to HOME regulations. Anticipated funds will be used for the Whole House Rehabilitation Program, but the City of Urbana may pursue investing in multi-family housing projects that will be developed in targeted areas of the City of Urbana.</p>

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING THE CITY OF URBANA  
AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN  
COUNTY)**

**FY 2022-2023 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 Grant (hereinafter "CDBG") funds upon proper submittal being made to the United States Department of Housing and Urban Development (hereinafter "HUD"); and

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

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

**WHEREAS**, the Urbana City Council approved the *City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) FY 2020-2024 Consolidated Plan* on June 8, 2020; and

**WHEREAS**, the Urbana Community Development Commission, assisted by Urbana Community Development Services staff, has prepared the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2022-2023* (hereinafter the "Annual Action Plan"); and

**WHEREAS**, on September 9, 2021; January 13, 2022; and March 10, 2022, notices were published on the City of Urbana website describing the Annual Action Plan, requesting public input, and announcing public hearings that were held on September 14, 2021; January 26, 2022; and March 17, 2022, regarding the Annual Action Plan; and

**WHEREAS**, on March 15, 2021, a notice was published on the City of Urbana social media and website describing the Annual Action Plan; announcing a public review period beginning March 15, 2022 and ending April 15, 2022 during which members of the public are able to view a Draft Annual Action Plan and provide input;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

Section 1. That the *City of Urbana and Urbana HOME Consortium Annual Action Plan FY 2022-2023*, in substantially the form as attached hereto and incorporated herein by reference, is hereby approved.

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

Section 3. That upon review and comment by the Urbana Community Development Commission and Urbana City Council, the Mayor is hereby designated to execute subgrantee agreements for programs and activities identified in said Annual Action Plan.

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

**PASSED** by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

**APPROVED** by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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Diane Wolfe Marlin, Mayor