



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management Division*

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

**TO:** Elizabeth H. Tyler, AICP, City Planner/Director

**FROM:** John A. Schneider, Manager, Grants Management Division

**DATE:** June 20, 2008

**SUBJECT: ORDINANCES APPROVING AND AUTHORIZING THE EXECUTION OF  
THE URBANA HOME CONSORTIUM COMMUNITY HOUSING  
DEVELOPMENT ORGANIZATION DEVELOPER AGREEMENTS  
Homestead Corporation of Champaign-Urbana (2)  
Urban League of Champaign County Development Corporation**

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### **Description**

Included on the agenda of the June 24, 2008 meeting of the Community Development Commission are the Urbana HOME Consortium Community Housing Development Organization (CHDO) Developer Agreements with three CHDOs to develop three (3) affordable housing projects. Funding for the proposed projects is as follows: Homestead Corporation Affordable Housing Program, \$85,030; Homestead Corporation of Champaign-Urbana (Homestead) Douglas Park Infill Project, \$30,000; and Urban League of Champaign County Development Corporation (ULCCDC) Lease Purchase Program, \$60,000.

These projects and respective funding amounts are included in the City of Urbana and Urbana Home Consortium Annual Action Plan for Fiscal Year (FY) 2008-2009.

### **Issues**

The issue is whether the Community Development Commission should forward the ordinances approving agreements to the Urbana City Council with a recommendation for approval.

### **Background**

In FY 2008-2009 the Urbana HOME Consortium, a Participating Jurisdiction (PJ) in the federal HOME Investment Partnership Program (HOME Program), was awarded \$1,010,254 for eligible HOME Program activities. The HOME Program regulations require that PJs set aside a minimum 15 percent of its total annual HOME funding to be allocated to CHDOs for local projects. The Urbana HOME Consortium FY 2008-2009 Annual Action Plan (AAP) has allocated \$175,030 for three CHDO set-aside projects.

After the public input and Community Development Commission review process, the Urbana City Council approved the FY 2008-2009 Annual Action Plan (AAP) on April 21, 2008. The AAP identifies activities to be funded under the HOME Program including three (3) CHDO affordable housing projects.

Since the Urbana HOME Consortium consists of the City of Urbana, the City of Champaign and Champaign County, CHDO set aside projects may be completed in any of those three areas. The AAP includes the following CHDO affordable housing development projects and their proposed locations:

1. \$85,030 to Homestead for the new construction of two (2) single family homes as part of their Affordable Housing Program.
2. \$30,000 (in combination with FY 2007-2008 funds) to Homestead for the new construction of three (3) single family homes as part of the Douglass Infill Project in the Douglass Park area of Champaign.
3. \$60,000 to ULCCDC to purchase four (4) homes for their Lease Purchase Program in Champaign, IL, Urbana, IL or unincorporated areas of Champaign County.

The agreements for each of these projects are attached for CDC review and recommendation to Council.

## **Options**

1. Forward the ordinances approving the agreements as written to City Council with a recommendation for approval.
2. Forward the ordinances approving the agreements with amendments to City Council with a recommendation for approval.
3. Do not recommend approval of the ordinances to City Council.

## **Fiscal Impacts**

There will be no fiscal impact to the city budget. The HOME funds for CHDO set aside were allocated in the City of Urbana and Urbana HOME Consortium Annual Action Plan for Fiscal Year 2008-2009, which is included in the FY 2008-2009 City of Urbana budget.

## **Recommendations**

Staff recommends that the Community Development Commission forward the agreements to the Urbana City Council with a recommendation for approval.

**Memorandum Prepared By:**

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**Janel D. Gomez  
HOME Coordinator  
Grants Management Division**

**Attachments:**

1. An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation Affordable Housing Program FY 2008-2009)
2. Urbana HOME Consortium Community Housing Development Organization Developer Agreement (Homestead Corporation Affordable Housing Program FY 2008-2009)
3. An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation Douglas Park Infill Project FY 2008-2009)
4. Urbana HOME Consortium Community Housing Development Organization Developer Agreement (Homestead Corporation Douglas Park Infill Project FY 2008-2009)
5. An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Urban League of Champaign County Development Corporation Lease Purchase Program FY 2008-2009)
6. Urbana HOME Consortium Community Housing Development Organization Developer Agreement (Urban League of Champaign County Development Corporation Lease Purchase Program FY 2008-2009)