



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Elizabeth H. Tyler, FAICP, Community Development Director

FROM: Kelly H. Mierkowski, Manager, Grants Management Division

DATE: July 18, 2014

SUBJECT: A RESOLUTION APPROVING MODIFICATIONS TO THE CITY OF URBANA AND URBANA HOME CONSORTIUM FY 2012-2013 ANNUAL ACTION PLAN (HOME County TBRA Amendment)

Introduction

Included on the agenda of the July 22, 2014 Urbana Community Development Commission meeting is a resolution approving modifications to the Fiscal Year 2012-2013 Annual Action Plan to allocate \$115,000 in HOME funding for the Tenant Based Rental Assistance program operated by Champaign County Regional Planning Commission.

Tenant Based Rental Assistance (TBRA)

The City of Urbana currently administers all Tenant Based Rental Assistance (TBRA) subrecipient contracts for the Consortium. Funding source for each contract varies; some are funded by the Consortium, others are funded by specific Consortium members. Three entities are operating TBRA programs in the Consortium area: Champaign County Regional Planning Commission (CCRPC), The Center for Women in Transition (now Courage Connection), and Community Elements, Inc.

As a member of the Urbana HOME Consortium, CCRPC currently allocates all of its HOME entitlement to its TBRA Program, called *No Limits*, and receives approximately \$90,000 each year for this program. The City of Champaign, also a member of the Consortium, allocates an additional \$45,000 to both CCRPC and Courage Connection on an annual basis.

The proposed amendment to allocate an additional \$115,000 to CCRPC will allow them to continue their program for an additional year. Continuing this program will further the goals identified in the *City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2010-2014* by continuing to assist special needs populations, particularly persons with mental disabilities.

On August 1, 2014 a public hearing is scheduled regarding the proposed amendment. Written input is also being accepted until 5:00 p.m. on August 1, 2014.

Fiscal Impacts

The proposal will assist the City in committing funds necessary to avoid a shortfall. Under the HOME Program guidelines, all Participating Jurisdictions must commit each year's allocation within 48 months of signing a contract with HUD. The deadline for committing all of the City of Urbana's FY 2012-2013 funds is August 31, 2014. Any funds that do not have contracts at that time will be considered a shortfall, and the funds would be revoked by HUD. The proposed amendment will ensure that the City is maintaining an acceptable level of funding commitments and solve the City's current shortfall this year, which is \$115,000.

Programmatic Impacts

The most recent amendment to address the HOME commitment shortfall was to provide \$80,000 in HOME funding to Habitat for Humanity for the demolition and construction of a single family unit at 301 Thompson. However, there will be a delay with the 301 E. Thompson project due to the need to complete the environmental review prior to the commitment of funds, per recent policy direction by HUD. This will affect the contract, which will not be able to be signed by the commitment deadline.

The only HOME activity allowed that will meet both the August 31, 2014 commitment deadline and comply with the environmental review request is the Tenant Based Rental Assistance (TBRA) Program. Staff confirmed with Darlene Kloepfel, Social Service Director at Champaign County Regional Planning Commission, that their agency would be able to take the additional \$115,000 in funding for their *No Limits* program.

This amendment will further the goals outlined in the *City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2010-2014* by providing HOME funds for rehabilitation of rental housing units to rent to households with incomes at or below 60% of the area median income.


Options

1. Approve the Resolution Approving Modifications to the City of Urbana and Urbana HOME Consortium FY 2012-2013 Annual Action Plan.
2. Approve the Resolution with changes.
3. Do not approve the Resolution.

Recommendation

Staff recommends that Council approve the Resolution Approving Modifications to the City of Urbana and Urbana HOME Consortium FY 2012-2013 Annual Action Plan to the Urbana City Council with a recommendation for approval.

Memorandum Prepared By:


Kelly H. Mierkowski, Manager
Grants Management Division

Attachments:

1. A RESOLUTION APPROVING MODIFICATIONS TO THE CITY OF URBANA AND URBANA HOME CONSORTIUM FY 2012-2013 ANNUAL ACTION PLAN (HOME County TBRA Amendment)
2. City of Urbana and Urbana HOME Consortium Proposed Amendment to Annual Action Plan FY 2012-2013

RESOLUTION NO. _____

A RESOLUTION APPROVING MODIFICATIONS TO THE CITY OF URBANA
AND URBANA HOME CONSORTIUM FY 2012-2013 ANNUAL ACTION PLAN
(HOME County TBRA Amendment)

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") and Home Investment Partnerships 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 ordinances authorizing submittal to HUD of the Annual Action Plan for FY 2012-2013 that included proposed budgets for the HOME Programs and HUD subsequently approved said Annual Action Plan; and

WHEREAS, on July 17, 2014, the City of Urbana published on the City website a notice of a 15-day public review period regarding said proposed budgetary amendments to the Annual Action Plan; and

WHEREAS, on August 1, 2014 the City of Urbana, the Grants Management Division of the Community Development Services Department, as lead entity for the Urbana HOME Consortium, 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 2012-2013.

NOW, THEREFORE, BE IT RESOLVED 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 City of Urbana and

Champaign/Urbana/Champaign County HOME Consortium Annual Action Plan for FY 2012-2013, in substantially the same form as such amendments are referenced in the attachment hereto.

Section 2. 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 amendments to the Annual Action Plan for FY 2012-2013, and any prior approved Annual Action Plan or Amendment, including, without limitations, to execute any documents necessary to commit applicable HOME funds to the projects, submittal of the Annual Action Plan Amendment 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:

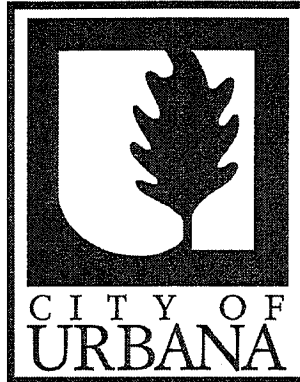
ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Laurel Lunt Prussing, Mayor

City of Urbana and Urbana HOME Consortium



Minor Amendment to FY 2012-2013 Annual Action Plan

(FY 2012-2013 HOME County TBRA)

Prepared by:
City of Urbana
Community Development Services
Grants Management Division
400 South Vine Street
Urbana, IL 61801
217.384.2447

Approved by Urbana City Council
Ordinance No.

**MINOR AMENDMENT TO CITY OF URBANA and URBANA HOME CONSORTIUM
FY 2012-2013 ANNUAL ACTION PLAN**

The Urbana HOME Consortium proposes to amend the HOME Program budget for Champaign County in the FY 2012-2013 Annual Action Plan (AAP) to allocate additional funds to the project budget outlined below. The minor amendment allocates an additional amount of **\$115,000** in HOME funding to the Champaign County Regional Planning Commission, No Limits Program from unobligated HOME funds.

URBANA HOME CONSORTIUM PROPOSED HOME AMENDMENT:

<u>HOME Budget Item</u>	<u>Current</u>	<u>Proposed Amended</u>
City of Urbana Unobligated Funds FY 12-13 (c.o.)	\$115,000.00	-0-
FY 12-13 CCRPC TBRA	-0-	\$115,000.00

AUGMENT CURRENT PROGRAM:

- 3. Tenant Based Rental Assistance Program.** HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients follow a team-approved plan for achieving self-sufficiency and make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.