



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management Division*

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

**TO:** Laurel Lunt Prussing, Mayor

**FROM:** Elizabeth H. Tyler, AICP, Director Community Development Services

**DATE:** July 5, 2007

**SUBJECT:** Urbana HOME Consortium Community Housing Development  
Organization Developer Agreements  
Ecological Construction Laboratory  
Homestead Corporation of Champaign-Urbana  
Urban League of Champaign County Development Corporation

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### **Description**

Included on the agenda of the July 9, 2007 meeting of the Urbana City Council are ordinances approving the execution of four Urbana HOME Consortium Developer Agreements for the development of affordable housing. The proposed agreements are with the Consortium's three certified Community Housing Development Organization (CHDOs), Ecological Construction Laboratory, Homestead Corporation of Champaign-Urbana and Urban League of Champaign County Development Corporation. These CHDO set-aside projects are included in the City of Urbana and Urbana HOME Consortium Annual Action Plan for Fiscal Year 2007-2008.

### **Issues**

The issue is whether the Urbana City Council should approve the ordinances authorizing execution of the CHDO developer agreements.

### **Background**

In Fiscal Year (FY) 2007-2008 the Urbana HOME Consortium, a Participating Jurisdiction (PJ), was awarded \$1,041,394 for HOME Investment Partnerships Program (HOME Program) activities. The HOME Program regulations require that PJs set aside 15 percent of its HOME funding to be allocated to CHDOs annually. However, PJs may elect to set aside an amount less than 15 percent in one year, provided they set aside more than 15 percent the following year. The CHDO set aside allocation average over a two year period may not be less than 15 percent of the HOME funding over that same period. Because the Urbana HOME Consortium allocated less than 15 percent of FY 2006-2007 HOME funding for CHDO set aside, the set aside amount must

be increased in FY 2007-2008 in order to meet the two-year minimum average. The FY 2007-2008 Annual Action Plan (AAP) allocates \$312,418 for CHDO set aside projects.

The Urbana City Council approved the FY 2007-2008 Annual Action Plan (AAP) on April 16, 2007. The AAP identifies activities to be funded under the HOME Program including CHDO set aside funds for four (4) affordable housing development projects.

Following is a listing of the CHDO affordable housing development projects included in the FY 2007-2008 AAP:

1. \$31,000 to e-co lab for the new construction of one (1) super energy efficient home to be built within the boundaries of the Urbana HOME Consortium (exact location will be based on lot availability);
2. \$85,000 to Homestead for the new construction of three (3) single family homes as part of the Douglas Infill Project in Champaign;
3. \$40,000 to Urban League of Champaign County Development Corporation (ULCCDC) to purchase two (2) homes for its lease purchase program; and
4. \$156,000 to ULCCDC for the new construction of six (6) single family homes as part of their Affordable Six Homeownership Program in Urbana.

## **Options**

1. Approve the Ordinances authorizing the execution of the Urbana HOME Consortium Community Housing Development Organization Developer Agreements.
2. Approve the Ordinances authorizing the execution of the Urbana HOME Consortium Community Housing Development Organization Developer Agreements with changes.
3. Do not approve the Ordinances.

## **Fiscal Impacts**

There will be no fiscal impact to the city budget. The HOME program funding for CHDO set aside was allocated in the City of Urbana and Urbana HOME Consortium Annual Action Plan for FY 2007-2008, and is included in the FY 2007-2008 City of Urbana budget.

## **Recommendations**

At its June 26, 2007 meeting, the Community Development Commission reviewed the proposed agreements and unanimously voted to forward the agreements to the Urbana City Council with a recommendation for approval. Staff recommends approval of the agreements.

**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 (Ecological Construction Laboratory - Super Energy Efficient Home FY 2007-2008)
- (2) Urbana HOME Consortium Community Housing Development Organization Agreement Ecological Construction Laboratory Super Energy Efficient Home – CHDO Developer – FY 2007-2008
- (3) An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Homestead Corporation of Champaign-Urbana - Douglas Park Infill Project FY 2007-2008)
- (4) Urbana HOME Consortium Community Housing Development Organization Agreement Homestead Corporation of Champaign-Urbana Douglas Park Infill Project – CHDO Developer – FY 2007-2008
- (5) An Ordinance Approving and Authorizing the Execution of an Urbana HOME Consortium Community Housing Development Organization Agreement (Urban League Development Corporation of Champaign County - Affordable Six Homeownership Project FY 2007-2008)
- (6) Urbana HOME Consortium Community Housing Development Organization Agreement Urban League of Champaign County Development Corporation - Affordable Six Homeownership Program – CHDO Developer – FY 2007-2008
- (7) 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 2007-2008)
- (8) Urbana HOME Consortium Community Housing Development Organization Agreement Urban League of Champaign County Development Corporation - Lease Purchase Program – CHDO Developer – FY 2007-2008