



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Mayor Laurel Lunt Prussing

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: April 8, 2010

SUBJECT: AN ORDINANCE APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) CONSOLIDATED PLAN FOR FISCAL YEARS 2010-2014 AND ANNUAL ACTION PLAN FOR FISCAL YEAR 2010-2011

Description

The City of Urbana, Grants Management Division, has prepared a CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) FY 2010-2014 CONSOLIDATED PLAN and an ANNUAL ACTION PLAN for FY 2010-2011. The Plans must be submitted to the US Department of Housing and Urban Development (HUD) by May 14, 2010 in order for the City of Urbana to continue to receive Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funding.

Issues

The issue is whether the Urbana City Council should approve the ordinance approving Consolidated Plan for FY 2010-2014 and Annual Action Plan for FY 2010-2011.

Background & Discussion

CONSOLIDATED PLAN FY 2010-2014. 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. HUD provides the following summary statement concerning the Consolidated Plan:

The overall goal of the community planning and development programs covered by this part is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

A more functional purpose of the Consolidated Plan is to guide the 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.

The proposed Consolidated Plan (copy attached) incorporates citizen input that was provided during the consolidated planning process. A series of focus group meetings were held during November of 2009 to identify community needs. In addition, to receive citizen input, public hearings were held on November 24, 2009 and March 23, 2010, and neighborhood meetings were held during the first week of January 2010 in locations convenient for residents of each of the Census Tracts in the Target Areas. A draft of the Plan was available for public review and comment beginning February 22, 2010 through March 23, 2010. The 30-day public comment period ended on March 23, 2010. All public comments received regarding the proposed Consolidate Plan have been included in Appendix "C" of the Plan.

The proposed Consolidated Plan is very similar to the previous Consolidated Plan that covered the period FY 2005-2009. The Executive Summary of the Plan provides an evaluation of the City's past performance and 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 2000 Census and other resources provided by HUD.

Many of the housing and community development goals and strategies are identical to those contained in the previous Consolidated Plan. However, providing tenant based rental assistance to households with incomes at or below 60 percent of the area median has now been placed at the top of top of the list of activities to address the strategy of increasing the supply of affordable housing under Goal 1. Input received from the public and focus groups during the citizen participation process in developing the Consolidated Plan, and recent situations in the community illustrate the need for increased Tenant Based Rental Assistance to help address the goal of providing affordable housing opportunities for low-income households.

Although the Consolidated Plan covers a five-year period, it can be amended at any time in order to reflect new concerns or opportunities in the community. Because the 2010 Census data will likely not be available until 2013, the City has been working with Consortium and community members to request qualifications for consultants to perform a countywide Housing Needs Study. The study would provide data to indicate if any additional goals or strategies are needed or if the current goals and strategies need to be adjusted. Necessary changes can be incorporated into the Consolidated Plan via a future amendment.

The Urbana Community Development Commission (CDC) reviewed the Annual Action Plan during its February 23 and March 23, 2010 meetings. The CDC voted to recommend that Council approve the Consolidated Plan. The beginning of the FY 2010-2011 program year is July 1, 2010. HUD requires that the Consolidated Plan and Annual Action Plan be submitted at least 45 days prior to the beginning of the program year (i.e. no later than Friday, May 14, 2010). In order to meet this submittal deadline, City Council approval by April 19, 2010 is being requested.

ANNUAL ACTION PLAN (AAP) FY 2010-2011. The Department of Housing and Urban Development (HUD) released the entitlement communities formula allocation amounts for the next fiscal year on April 1, 2010. For FY 2010-2011, the amount allocated to the Urbana HOME Consortium is **\$1,130,755** and the CDBG allocation is **\$505,007**. This is an increase of \$2,696 in HOME funding and \$37,773 in CDBG over last year's allocations.

The Urbana Community Development Commission (CDC) reviewed the Annual Action Plan during its February and March 2010 meetings. It should be noted that the CDC recommendations for funding two public facilities projects differ from staff recommendations. The recommended funding amounts by CDC were based on the agency's presentation and amount of grant requested, after consideration was given to the fact that the remaining funds would be utilized for the Property Acquisition Program. In addition, CDC believed that other funding might not be available for the projects.

Staff recommendation for funding the projects is based on the percentage of Urbana residents served by the applicant agency in the specific facility. This would be more equitable for the citizens of Urbana and would make the remaining funds available to be used for other Urbana programs, in this case the Property Acquisition Program. The funding could also be utilized for other important Urbana housing rehabilitation assistance programs or neighborhood projects to improve city infrastructure.

Following is a brief summary of the projects and budgets for both the CDBG and HOME programs included in the FY 2010-2011 Annual Action Plan:

A. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FY 2010-2011

For FY 2010-2011, the City of Urbana's CDBG allocation from HUD is **\$505,007**. The CDBG revenues are enhanced by an estimated **\$23,001** in program income from prior years. The total CDBG resources for FY 2010-2011 including estimated program income amounts to **\$528,008**.

The Annual Action Plan includes both CDC and Staff recommended amounts for funding Public Facilities projects (pages 29 & 30). The CDC recommendations are based on information received during applicant presentations, and the staff recommendations are based on percentage of Urbana residents served. Council input is requested regarding the funding of these projects, more specifically for A Woman's Fund (page 29) and Mental Health Center Lincolnshire Group Home (page 30). The AAP includes the following CDBG funded activities:

1. Administration

\$ 105,602

Funding for administration is limited to 20% of the current CDBG allocation and 20% of the program income received in the program year.

2. Program Delivery

\$ 77,000

These funds are used for personnel expenses more directly related to implementation of

specific internal housing and community development programs. Most expenses are related to the implementation of the City's housing rehabilitation programs. Funding is at generally the same level as for the previous fiscal year.

3. Emergency Grant/Access Grant and Get the Lead Out (GLO) Match

\$80,000

This Emergency Grant Program supports affordable housing by making necessary emergency repairs that keep homes habitable. The Access Grant Program helps persons with disabilities by providing access improvements to facilitate mobility. Staff will include the use of these funds to provide matching funds for the Get the Lead Out (GLO) Grant from the Illinois Department of Public Health. This grant will help eliminate lead hazards in eligible Urbana homes. Funding is at the same level as for the previous fiscal year.

4. Urbana Senior Repair Service Program

\$20,000

This program is essential in helping to meet affordable housing needs of Urbana's seniors. Funding is used to make minor repairs, which help to provide safe and functioning housing. This program is also funded at the same level as last year.

5. Property Acquisition in Support of New Construction and Relocation/ Clearance/ Disposition Activities

\$54,904 (Staff Recommendation)

\$43,582 (Community Development Commission Recommendation)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, 55, and 56/Block 1. Projects and utilization of the properties may include the following:

- Donation to non-profit housing developers to build affordable housing.
- City sponsored rehabilitation and re-sale to qualified homebuyers.
- Donation to other organizations to support CDBG-eligible programs.

Funds may also be used for the purchase of homes previously assisted with Urbana CDBG or HOME Consortium funds subject to possible foreclosure or related events that jeopardize the project benefit to low/moderate income persons. Lots will be cleared of substandard structures or debris as needed. The Federal Uniform Relocation Act will govern any necessary relocation activities. Properties may also be acquired and cleared for blight abatement purposes. City-owned properties will be properly maintained while they are the responsibility of the City. Funding for this program is impacted by the amount allocated to the Public Facilities and Improvements projects.

6. Public Facilities and Improvements (FY 10-11)

The following projects are proposed to be funded using CDBG funding from FY 2010-2011:

A Woman's Fund

Requested amount: \$99,520

Percentage of Urbana residents served: 32%

\$31,846 (Staff recommendation)

\$34,290 (Community Development Commission recommendation)

Funds will be used towards the repair of the foundation, installation of proper drainage and grading on the grounds, and installation of a new HVAC system, at the shelter operated by A Woman's Place, located on Main Street in Urbana.

Prairie Homes, Inc.

Requested amount: \$15,411

Percentage of Urbana residents served: 100%

\$15,411 (Staff recommendation)

\$15,411 (Community Development Commission recommendation)

Funds will be used towards the installation of a new kitchen sink and countertops, cabinets, and vinyl floor, as well as four power flush toilets, at the Hartle Group Home. This is a supported living group home for individuals with developmental disabilities and is located on Hartle Street in Urbana. Prairie Homes, Inc. facilitates the work of Developmental Services Center by managing the group home on Hartle Street.

Mental Health Center of Champaign County

Requested amount: \$20,404

Percentage of Urbana residents served: 100%

\$20,404 (Staff recommendation)

\$20,404 (Community Development Commission recommendation)

Funds will be used for the installation of new windows and exterior doors in each unit of the supported apartments located on Elm Street in Urbana.

Mental Health Center of Champaign County

Requested amount: \$22,196

*Percentage of Urbana residents served: 60%**

\$13,318 (Staff recommendation)

\$22,196 (Community Development Commission recommendation)

Funds will be used to repair the foundation and replace the roof of the Lincolnshire Group home, located on Lincolnshire Drive in Champaign.

7. Public Facilities and Improvements -City Infrastructure Project:

CT 53 (King Park) Streetlight Reconstruction

\$30,322

Funds will be used toward the reconstruction of streetlights in part of Census Tract 53 (King Park neighborhood area), one of the City's Target areas.

8. Public Service Funding Programs

\$79,201 (Total Public Service Funding)

Funding for public service programs is limited to 15% of the current CDBG allocation and 15% of the prior year's program income. Public Service programs include:

Transitional Housing Program (FY 10-11)

Personnel \$33,500

Programming \$25,201

This level of funding provides for a \$5,000 increase from last year due to increased program costs for utilities, maintenance, and remodeling.

Consolidated Social Service Fund (FY 10-11)

\$12,500

Funding will be contributed to the City of Urbana and Cunningham Township's Consolidated Social Service Funding pool. CDBG eligible projects will be identified to utilize these funds.

Neighborhood Cleanup (FY 10-11)

\$8,000 (\$15,000 total proposed includes \$7,000 NIF or other City funds)

Although this neighborhood cleanup event is very popular, HUD regulations allow only 15% of the total CDBG allocation to be used for Public Services. The City may use Neighborhood Improvement Funds (NIF) or available funding sources to maintain the program at two cleanups per year.

B. HOME INVESTMENT PARTNERSHIP ACT (HOME) PROGRAM

The Urbana HOME Consortium allocation from HUD is expected to be **\$1,130,755** for FY 2010-2011. The City of Urbana HOME revenues are enhanced by the City of Champaign's estimated **\$34,562** in program income. Including the Consortium required 25% match, estimated ADDI and administrative funding carryover, and estimated program income, the total amount of Urbana HOME Consortium resources is approximately **\$1,420,602**.

1. Administration (FY 10-11)

The FY 2010-2011 funds will be used for personnel and administrative functions related to the HOME program.

City of Urbana	\$ 99,047
City of Champaign	\$ 11,302
Champaign County	\$ 2,727
Administration Total	\$ 113,076

2. CHDO Project (FY 10-11)

The HOME regulations require that a minimum of 15% of the annual allocation be utilized for CHDO projects. CHDO Project Funds or CHDO Reserve (CR) must be used for projects that produce actual housing units in which the CHDO acts as an owner, a developer, or a sponsor. Because the Urbana HOME Consortium has determined that there are no feasible

CHDO Projects ready to be funded, \$169, 613 in CHDO Project Reserve funds is being set aside for a future eligible CHDO Project.

Un-programmed CHDO RESERVE Funds

\$169,613 HOME (\$ 42,403 Match must be provided by CHDO)

3. CHDO Operating (FY 10-11)

The Urbana HOME Consortium recognizes the Homestead Corporation and Ecological Construction Laboratory as CHDOs. As such, they are eligible for a portion of the 5% of the HOME funds set aside for CHDO operating funds, provided they continue to work on HOME funded projects. These agencies will be recertified as CHDOs prior to the end of FY 2010-2011.

Ecological Construction Laboratory	\$ 22,500
Homestead Corporation	\$ 22,500
Reserved for New CHDO	<u>\$ 11,538</u>
Total CHDO Operating Expense:	\$ 56,538

4. Consortium Member Projects (FY 10-11)

Following is a listing of projects proposed to be undertaken by each member of the consortium:

City of Urbana

FY 10-11 HOME:	\$ 199,758
Match Funds:	<u>\$ 49,940</u>
Total Available Funds:	\$ 249,698

City of Urbana

\$129,798 HOME (\$32,450 Match required)

Owner Occupied Whole House Rehabilitation Program (4-5 units)

This program is a fundamental part of the Grants Management Division. The Owner Occupied Housing Rehabilitation Program provides an essential tool to maintain the City's stock of affordable housing and to improve and stabilize neighborhoods. The program also creates a core competency within the GMD staff to engage in housing rehabilitation programming and to obtain additional housing resources such as Federal Home Loan Bank of Chicago and Illinois Housing Development Authority.

City of Urbana

\$69,960 HOME (\$17,490 Match Required)

Program Delivery

Funding is used to cover expenses for personnel who are directly involved in the delivery of the program to clients.

City of Champaign (FY 10-11)

FY 10-11 allocation: \$ 337,438

Program Income: \$ 34,562

Match Requirement: \$ 84,360

Total Available Funds: \$ 456,360

Full Home Improvement Program (\$100,000 HOME; \$25,000 Match)

Tenant Based Rental Assistance (\$72,000 HOME; \$18,000 Match)

Acquisition Rehab Program (\$165,438 HOME; \$41,360 Match; \$34,562 P.I.)

Champaign County (FY 10-11)

FY 10-11 Regular allocation: \$ 77,445

Match Required (Housing Rehab): \$ 19,361

Consortium TBRA Allocation \$ 176,887

Match Required (TBRA): \$ 44,222

TOTAL HOME plus Match \$ 317,915

Housing Rehabilitation (\$71,820 HOME; \$19,361 Match required)

Program Delivery (\$5,265 HOME)

Tenant Based Rental Assistance (\$176,877 HOME; \$44,222 Match required)

Fiscal Impact

There are considerable fiscal impacts associated with the preparation of the FY 2010-2014 Consolidated Plan. The Consolidated Plan will guide the annual expenditure of an estimated \$505,007 in CDBG funding and \$1,130,755 in HOME funding. The main impact of the Consolidated Plan is that it can influence funding availability and utilization of CDBG and HOME funding. If a proposed project is not consistent with the goals and strategies of the Consolidated Plan, the project cannot be funded with CDBG or HOME funding, unless the Consolidated Plan is amended to include the project.

The proposed Annual Action Plan FY 2010-2011 includes revenue from HUD of **\$505,007** in CDBG funds, and HOME program revenue from HUD of **\$1,130,755**. Urbana match funding required for its share of the HOME program for FY 2010-2011 is estimated to be **\$49,940**. These matching funds are allocated in the Capital Improvement Funds from City general funds.

Failure to submit the Consolidated Plan and Annual Action Plan to HUD by the May 14, 2010 deadline could result in a significant delay in accessing CDBG and HOME funds, which would create a financial burden for the City to advance funds for these programs.

Options

1. Approve the Ordinance approving the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2010-2014 and the Annual Action Plan FY 2010-2011 with staff recommended funding amounts.
2. Approve the Ordinance approving the Consolidated Plan for FY 2010-2014 and the Annual Action Plan for FY 2010-2011 with Community Development Commission recommended funding amounts.
3. Approve the Ordinance approving the Consolidated Plan for FY 2010-2014 and the Annual Action Plan for FY 2010-2011 with other funding amounts.
4. Do not approve the Ordinance.

Recommendation

At its March 23, 2010 meeting, the Urbana Community Development Commission voted unanimously to forward the Ordinance approving the City of Urbana and Urbana HOME Consortium Consolidated Plan FY 2010-2014 and the Annual Action Plan FY 2010-2011 to the Urbana City Council with a recommendation for approval. Staff also recommends approval of the ordinance.

Prepared By:

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

Attachments:

1. AN ORDINANCE APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) CONSOLIDATED PLAN FOR PROGRAM YEARS 2010-2014 AND ANNUAL ACTION PLAN FOR PROGRAM YEAR 2010-2011
2. CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) CONSOLIDATED PLAN FY 2010-2014
3. CITY OF URBANA AND URBANA HOME CONSORTIUM (CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) ANNUAL ACTION PLAN FY 2010-2011
4. March 23, 2010, unapproved Urbana Community Development Commission meeting minutes

ORDINANCE NO. 2010-04-024

**AN ORDINANCE APPROVING THE CITY OF URBANA AND URBANA HOME CONSORTIUM
(CHAMPAIGN/URBANA/CHAMPAIGN COUNTY) CONSOLIDATED PLAN FOR FISCAL
YEARS 2010-2014 AND ANNUAL ACTION PLAN FOR FISCAL YEAR 2010-2011**

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-Gonzales 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 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, public hearings were held in neighborhood locations to solicit input on the Urbana Consortium and the City of Urbana Consolidated Plan for Fiscal Years 2010-2014 (hereinafter the "Consolidated Plan") and the City of Urbana Annual Action Plan for Fiscal Year 2010-2011 (hereinafter the "Annual Action Plan") on January 4, 5, 6, and 28, 2010; and

WHEREAS, the Urbana Community Development Commission, assisted by the Urbana Grants Management Division staff, has prepared the Consolidated Plan and Annual Action Plan for public review; and

WHEREAS, said Consolidated Plan and Annual Action Plan were placed on file for public review beginning February 22, 2010, and ending March 23, 2010; and

WHEREAS, the Urbana Community Development Commission sponsored a public hearing on November 24, 2009 at the Urbana City Building, 400 South Vine Street, Urbana, Illinois, to solicit input on the consolidated planning process, and another public hearing was held on March 23, 2010 to receive comments on the Draft Consolidated Plan and Annual Action Plan; and

WHEREAS, the Urbana Community Development Commission recommended the Consolidated Plan and Annual Action to the Urbana City Council at its March 23, 2010, meeting.

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 (Champaign/Urbana/Champaign County) Consolidated Plan for Fiscal Years 2010-2014 and Annual Action Plan for Fiscal Year 2010-2011, in substantially the form as attached hereto, are 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 Consolidated Plan and Annual Action Plan to implement the CDBG and HOME programs and to provide such additional information as may be required.

Section 3. That the Mayor is hereby designated to execute subgrantee agreements for the Public Service Activities under Consolidated Social Service Funding Program in said Annual Action Plan.

Section 4. That subgrantee agreements for the following 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.

- A Woman's Fund

- Prairie Homes, Inc.
- Mental Health Center of Champaign County - East Elm Street Apartments
- Mental Health Center of Champaign County - Lincolnshire Group Home
- Ecological Construction Laboratory Operating Funds (5% CHDO Set-Aside)
- Homestead Corporation Operating Funds (5% CHDO Set-Aside)

PASSED by the City Council this _____ day of _____, 2010.

AYES:

NAYS:

ASTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2010.

Laurel Lunt Prussing, Mayor



UNAPPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, March 23, 2010, City Council Chambers
400 South Vine Street, Urbana, IL 61801

Public Hearing on the Proposed City of Urbana & Urbana HOME Consortium Consolidated Plan FY 2010-2014 & Annual Action Plan FY 2010-2011: Chairperson Cobb called the public hearing to order and declared it open at 7:14 p.m. No one spoke. Chairperson Cobb then closed the public hearing at 7:16 p.m.

Call to Order: Chairperson Cobb called the meeting to order at 7:17 p.m.

Roll Call: Connie Eldridge called the roll. A quorum was present.

Commission Members Present: Fred Cobb, Janice Bengtson, Chris Diana, Brad Roof, Anne Heinze Silvis

Commission Members Absent: George Francis, Theresa Michelson, Jerry Moreland, Dennis Vidoni

Others Present: John Schneider, Kelly Hartford, Jennifer Gonzalez, Randy Burgett and Connie Eldridge, Community Development Services; Nikki Kopmann, Developmental Services Center.

Approval of Minutes: *Chairperson Cobb asked for approval or corrections to the February 23, 2010 minutes. Commissioner Silvis moved to approve the minutes, and Commissioner Bengtson seconded the motion. The motion carried unanimously.*

Petitions and Communications: None.

Staff Report: Mr. Schneider provided updates and distributed the following: a staff briefing memorandum dated March 23, 2010 and updated pages 31-32 and 35-36 to the Draft Annual Action Plan (AAP) for Fiscal Year (FY) 2010-2011. Randy Burgett discussed new federal laws for every contractor in the United States (US) who disturbs paint on any building built before 1978. The Cities of Urbana and Champaign recently provided lead based paint training to all general contractors on their bidders list. The new lead laws are effective April 22, 2010.

Old Business: **An Ordinance Approving the City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) Consolidated Plan for Fiscal Years 2010-2014 and Annual Action Plan for Fiscal Year 2010-2011** – Mr. Schneider stated the Consolidated Plan provides the framework for how the City of Urbana plans to spend its Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds over the next five years. The Annual Action Plan (AAP) is the annual budget for the Consolidated Plan. Because the current census data will not be available for two to three years, most of the current Consolidated Plan is based on the 2000 Census and 2003 Comprehensive Housing Affordability Strategy (CHAS) data.

Jennifer Gonzalez provided an overview of the draft Consolidated Plan and noted its geographic area includes the City of Urbana, City of Champaign and unincorporated Champaign County. The plan discusses current housing stock, age, type, and presence of lead. It also identifies homeless needs, antipoverty strategies, and other social service opportunities. One example of the coordination efforts between the City of Urbana and the HOME Consortium is the Tenant Based Rent Assistance (TBRA) Program. Funds for the TBRA Program will be taken out of the FY 2010-2011 HOME Consortium allocation before any funds are prorated among the entities.

Mr. Schneider added that the City of Urbana was working with the City of Champaign and Champaign County on a housing needs study for the area. Also, the Housing Authority of Champaign County (HA) is conducting a rental survey. If the information gathered is significantly different, then the City will likely amend its Consolidated Plan.

Ms. Gonzalez noted changes to the Consolidated Plan's Citizen Participation Plan. Concerning substantial program amendments, any expenditure increase, or reduction for any activity included in the approved AAP of 50% or \$50,000, whichever is greater, will go through a formal amendment process that requires submittal to the Department of Housing and Urban Development (HUD). Mr. Schneider added these numbers were the result of surveying different communities. One example of a substantial amendment was the American Recovery and Reinvestment Act (ARRA) of 2009, which provided CDBG-R funds for Green Street. The City's HUD representative indicated the City of Urbana does not have to send program amendments until the end of the fiscal year. HUD accepts the amendments as long as the City and HOME Consortium follow its Citizen Participation Plan. Staff has requested additional updates from the City of Champaign relative to its narrative and tables, which will be updated prior to presenting the Consolidated Plan to the Urbana City Council.

Referencing page 77, Chairperson Cobb announced that the Veterans Affairs Office has a new address.

In order to evaluate the CDBG & HOME programs, Chairperson Cobb suggested distributing a follow-up survey for participants and applicants. Mr. Schneider responded that the Executive Summary is an evaluation of past performance. Also, surveys can be gathered from persons who receive assistance. Commissioner Roof suggested a simplified matrix to provide a snapshot of each participating agency's performance. Mr. Schneider felt this was a separate issue and discussed the impact of staff reductions among the HOME entities and social service agencies.

Mr. Schneider stated the City's CDBG timeliness requirement has been met for this year. HUD does not allow grantees to have more than 1.5 of their grant amount unexpended on May 1 of each year. The HOME Program requires funds be committed within two years and expended within five years.

Chairperson Cobb questioned what the City was doing and what local job training programs were available to meet Objective 3: Expand economic opportunities for low- and moderate-income residents. Mr. Schneider explained one example that the City had assisted in the past was the Urban League's Summer Youth Program. Unfortunately, the local schools no longer offer vocational training for the trades, but that there was a combined program being offered in the community. He was not aware of other training. He clarified that Consolidated Social Service

Funds (CSSF), rather than CDBG, could be used for job training. In response to Commissioner Roof, Mr. Schneider said the Consolidated Plan goals also included other City funds such as CSSF. If an agency requested funds for its job training programs, Mr. Schneider indicated the City would support this. For example, the City provides a CSSF grant for an educational program in the Neighborhood Community Center, 1401 E. Main St, Urbana. The Housing Authority provides the space, and Janice Mitchell runs the programs.

Commissioner Roof thought the Consolidated Plan only concerned HOME and CDBG funding. Mr. Schneider stated it also concerns how the City of Urbana addresses needs in our community. The City and Urbana HOME Consortium have to depend on agencies to provide programs to address those needs. He discussed how economic development activities such as Tax Increment Finance (TIF) funds support new businesses, which then provide job opportunities.

Commissioner Roof requested the City explore other uses of the Private Activity Bond Cap rather than using it for first-time homebuyer programs. Mr. Schneider mentioned discussions with the City's Economic Division Manager, Tom Carrino, on encouraging new businesses. However, a business must meet certain criteria in order to access the Private Activity Bond Cap. In the past, the City set aside bond cap funds for the redevelopment of Lakeside Terrace public housing. Because the project did not get started in time, funds were lost. Funds were also set aside for an assisted living facility, but the developer decided not to pursue that funding so the bond cap was ceded to Assist and IHDA programs. The City has since ceded the bond cap to the Illinois Housing Development Authority (IHDA) and Stern Brothers Assist Program to help first-time low- and moderate-income homebuyers. The City anticipates more requests for downpayment assistance as persons look for help to buy their first home.

Kelly Hartford reviewed the changes to the proposed Annual Action Plan (AAP). The estimated federal CDBG allocation was \$467,234. Also, \$30,322 of CDBG funds in the capital improvement budget was allocated for CT 53 King Park Streetlight Reconstruction but was not included in the draft AAP. As a result of recent HUD requirements, the AAP now includes three tables which summarize pages of forms: Table 3A – Summary of Specific Annual Objectives; Table 3B – Annual Affordable Housing Completion Goals; Table 3C – Consolidated Plan Listing of Projects. Commissioner Roof remarked this format was exactly what he had requested and asked how often these would be updated. There was discussion on how HUD determined this format and provided the charts. The AAP includes projected goal numbers, while the actual numbers will be reported in the City's Consolidated Annual Performance and Evaluation Report (CAPER) at the end of the fiscal year.

Commissioner Roof inquired how the differences in the CD Commission and staff recommendations for CDBG funding were reflected in the AAP. Mr. Schneider indicated that both recommendations were included in the proposed AAP. Staff will review the reasoning for both recommendations to City Council. The difference impacts the property acquisition line item.

Commissioner Diana moved to recommend to City Council an Ordinance Approving the City of Urbana and Urbana HOME Consortium (Champaign/Urbana/Champaign County) Consolidated Plan for Fiscal Years 2010-2014 and Annual Action Plan for Fiscal Year 2010-2011 with the suggested changes. Commissioner Roof seconded the motion, and the motion carried unanimously.

New Business: A Resolution Amending Housing Rehabilitation Program Operational Guidelines as Originally Authorized by Resolution No. 2005-08-012R (City of Urbana Housing Program Manual Program Years 2010-2014) - Mr. Schneider stated this manual is revised every five years to reflect current program and community needs. The title has been changed to Housing Program Manual because it covers more than housing rehabilitation programs. Program years are similar to the Consolidated Plan.

Randy Burgett reviewed the new guidelines and programs: Grant/Deferred Loans; Grant/Installment Loans; Emergency Grants; Access Grants; Senior Repair Service Grants; Secondary Structure Demolition Program; Purchase/Rehab/Resell/Program; Contracting Policies and Procedures; Property Acquisition/Disposition. The City has acquired property for many years; now the guidelines are included in the Housing Program Manual. Another change was increasing the maximum annual grant amount of the Urbana Senior Repair Service from \$850 to \$1,000.

There is an interview and verification process to insure applicants meet HUD's income and program guidelines. HUD's current income limits for one person are: 50% Median Family Income (MFI) is \$22,800; 80% MFI is \$36,500.

The grant for the Secondary Structure Demolition Program has been increased to up to \$5,000 for each structure, which reflects increased demolition costs. This program greatly improves the neighborhood by removing dilapidated structures. Mr. Schneider added the income limit has been increased from 50% to 80% Median Family Income (MFI). Currently if a household is at 51% MFI, they do not qualify.

Referencing the memorandum's page 4, Property Qualifications, item 1, Chairperson Cobb preferred the word "viewed" be changed to "considered." Commissioner Roof agreed with this change.

Commissioner Diana asked about the difficulty of expending funds under the old program limits. Mr. Schneider noted it takes about \$5,000 to demolish a garage, and many are filled with junk. Commissioner Roof questioned whether the program should provide a loan rather than a grant. Mr. Burgett stated most homeowners will take a loan to rehabilitate their homes; however, they will not borrow funds to demolish an old garage or shed. The goal of this program is to rid the neighborhoods of dilapidated structures. While rehabilitating a home can add value, demolishing a garage does not add significant value. Chairperson Cobb asked if removing secondary structures would reduce property taxes. Mr. Schneider answered that the concrete slab remains, so there is on-site parking, and the homeowner may build a new structure. He was not aware of any tax ramifications.

Commissioner Silvis moved to recommend to City Council a Resolution Amending Housing Rehabilitation Program Operational Guidelines as Originally Authorized by Resolution No. 2005-08-012\$ (City of Urbana Housing Program Manual Program Years 2010-2014) with the wording change requested by Chairperson Cobb. Commissioner Diana seconded the motion, and the motion carried unanimously.

CDBG Public Service Funding Priorities as part of the Consolidated Social Service Funding (CSSF) Pool – Ms. Hartford stated the CSSF applications were available March 8 and are due April 9. The CD Commission identifies the priorities for the CDBG portion of the CSSF monies. Last year the CD Commission recommended the following priorities: (1) Youth & Seniors; (2) Homelessness; (3) Special (Needs) Populations. After the City Council approves the CSSF applications, Ms. Hartford meets with Carol Elliott, Cunningham Township Supervisor, and chooses program that meet CDBG regulations and the CD Commission’s priorities. Current grantees are: Family Service HomeCare Program, Mental Health Center Roundhouse Youth Shelter, and Greater Community AIDS Project. Staff would recommend the same priorities and likely the same programs.

Chairperson Cobb suggested the priority “Services & Training for Low- & Moderate-Income Persons.” There was discussion on whether an agency would apply for funds for that particular priority. Chairperson Cobb asked about seeking out agencies. Mr. Schneider discussed providing information to the agencies, how an agency must serve Urbana residents to receive funding, and priority of other funds. Chairperson Cobb suggested adding this priority as an objective in the Consolidated Plan.

Commissioner Roof asked if “Affordable Housing” was affordable rental housing rather than affordable homeownership. Mr. Schneider noted that the Tenant Based Rent Assistance (TBRA) Program was the first item in the Consolidated Plan’s goals and strategies.

Commissioner Silvis moved to recommend to City Council the following priorities: (1) Youth & Senior; (2) Homelessness; (3) Special (Needs) Populations; (4) Services & Training for Low- & Moderate-Income Persons. Commissioner Roof seconded the motion, and the motion carried unanimously.

Mr. Schneider announced that Money Smart Week is April 17-24, 2010. This is a state-wide effort to provide educational opportunities to help people learn how to handle money and investments. Staff is working with the Community Reinvestment Group (CRS). The Annual Housing Fair marks the last day of Money Smart Week. It will be held on Saturday, April 24 in the Champaign City Building.

Mr. Schneider thanked the CD Commission for reviewing all of the documents and providing feedback.

Adjournment: Chairperson Cobb adjourned the meeting at 8:28 p.m.

Recorded by Connie Eldridge