



## 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:** Bob Grewe, AICP, Manager

**DATE:** January 21, 2005

**SUBJECT:** **Amendments to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 Annual Action Plan and FY 2004-2005 Annual Action Plan**

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### **Description**

Staff has identified a number of necessary amendments that need to be made to the CDBG Programs referenced in the FY 2003-2004 and FY 2004-2005 Annual Action Plans (AAP):

### **Issues**

Any substantial amendments to the City's Annual Action Plans must be approved by the Urbana City Council before submission to HUD. Staff requests that the Community Development Commission consider the proposed amendments and forward a recommendation to the Urbana City Council.

### **Background**

The FY 2003-2004 and FY 2004-2005 Annual Action Plans were previously reviewed by the Community Development Commission and approved by the Urbana City Council. The proposed amendments are necessary to account for fiscal and administrative changes that occurred since the initial approval of the Annual Action Plans.

The first amendment concerns Family Service of Champaign County. Enclosed is a January 11, 2005 letter from the Family Service of Champaign County. The letter indicates that Family Service has an interest in changing their project's scope of work from making ADA-related improvements to their restroom facilities to replacing windows in their facility. The letter states that the proposed change is due to the lack of funding to complete the restroom improvement project.

To incorporate this proposed change, the current language in the 2004-2005 Annual Action Plan would be amended as provided below:

**3. Family Service of Champaign County Center Restroom Improvements**

Funds will be used to replace windows ~~renovate and make ADA provisions to the restroom facilities~~ at the Family Service facility.

**\$12,000 (\$12,000 NG)**

**Specific Objective A-3**

**Citation – [24CFR 570.201 (c)]**

**Environmental – ENVIRONMENTAL ASSESSMENT**

**NOTE: Davis Bacon Labor Requirements**

The next amendment concerns the City’s Transitional Housing Program. For a number of years the Transitional Housing Program has operated on a very limited budget, with very little annual increases. The limited budget is due to the fact that funding for the program is from the Public Service portion of the Community Development Block Grant program. The Public Service funding is limited to only 15% of the annual CDBG grant award. This tight budget has resulted in some deferred maintenance to the 3 units owned by the City of Urbana and 2 units leased to Urbana by Carle Hospital.

This year it seems that the City will realize a significant cost saving to operating the Neighborhood Clean Up Program. This program is also included in the Public Service part of the CDBG budget. Estimates for the spring and fall clean up events were around \$15,000. However, the spring clean only cost \$3,300. The lower price is due to the low bid provided by Central Waste and the utilization of their transfer station on N. Lincoln in Urbana. Staff plans to reserve \$5,000 for the fall clean up. This provides a savings of \$6,700. Staff recommends that this funding be reallocated to the Transitional Housing Program to help address deferred maintenance items. These items include heating and air conditioning, appliances, exterior and structural concerns.

To incorporate this proposed change, the current language in the 2004-2005 Annual Action Plan would be amended as provided below:

**1. Transitional Housing for Homeless Families With Children (FY 04-05)**

Funds will be contributed to the City of Urbana's transitional housing program. Five dwellings are available for homeless families with children. Rent receipts will be another source of revenue. Properties acquired by the City through a federal funding source will be properly mowed and cleaned according to city ordinance as long as they are the responsibility of the City.

\$29,000 (personnel)

~~\$17,000~~ \$23,700 (programming)

**~~\$46,000~~ \$52,700 (~~\$46,000~~ \$52,700 NG)**

Specific Objective A-1 & C-1

**Citation - [24 CFR 570.201(b)&(e)]**

**Environmental - EXEMPT**

**3. Neighborhood Clean-Up (FY 04-05)**

One-day neighborhood clean-up activities will be held in fall, 2004, and spring, 2005, in the Community Development Target Area. Activities will include disposal of junk, debris and recyclable metal. The program will be co-sponsored by the UCAP Committee.

~~\$21,000~~ **\$8,300** (~~\$15,000~~ **\$8,300 NG**; ~~\$6,000 CD Sink~~)

Specific Objectives J-1 & L-2

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

The FY 2004-2005 Annual Action Plan provided United Citizens and Neighbors (UCAN) funding for a housing rehabilitation/resale project. UCAN has indicated that they will be able to pursue this project. The project narrative below states that the funding will revert to the City's Owner-Occupied Housing Rehabilitation budget. The amendment will delete the project and reallocate the funding to the City's housing rehabilitation program.

To incorporate this proposed change, the current language in the 2003-2004 Annual Action Plan would be amended as provided below:

~~**United Citizens and Neighbors—Property Acquisition Renovation and Resale**~~  
Funds will be used to acquire, rehabilitate and re-sell a single-family house within city's community development target area. The house will be re-sold to a household with an income below 80% of the median family income for Champaign County. Proceeds from the sale of the house will be returned to Urbana's HOME Consortium account. \$24,500 will be used for rehabilitation and \$3,500 for project management. Should the City and UCAN both determine that the project would not be pursued, funds will revert to the City's Owner-Occupied Housing Rehabilitation budget.

~~**\$28,000 (\$22,400 HOME; \$5,600 Match)**~~

~~Specific Objective C-4~~

~~Citation [24 CFR 92.206(a)(2)]~~

~~Environmental—Categorically Excluded First Tier Review~~

### **Owner-Occupied Housing Rehabilitation**

Funds will be allocated for the rehabilitation of ~~(4) units~~ (5) units, including grants and deferred-payment loans in the amount of \$25,000-\$28,000 per household. Funds are intended to address code deficiencies, major renovation needs, relocation expenses and lead-based paint issues.

~~**\$112,000**~~ **\$140,000** (~~**\$89,600**~~ **112,000 HOME; \$22,400 28,000 Match**)

Specific Objective C-4

Citation - [24 CFR 92.206(a)(2)]

Environmental - CATEGORICALLY EXCLUDED

## **Options**

1. Recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 and FY 2004-2005 Annual Action Plan.
2. Recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 and FY 2004-2005 Annual Action Plan, with additional changes.
3. Do not recommend approval of An Ordinance Approving Modification to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2003-2004 and FY 2004-2005 Annual Action Plan.

## **Fiscal Impacts**

The proposed amendments to the Annual Action Plans will not change the amount of funding available but only reallocate the total amount of CDBG funding.

## **Recommendations**

Staff recommends that the Community Development Commission forward a favorable recommendation to the Urbana City Council concerning the proposed amendments to the Annual Action Plans.

**Memorandum Prepared By:**

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**Bob Grewe, AICP**  
Grants Management Division Manager

## **Attachments:**

January 11, 2005 letter from Family Service of Champaign County – **Not Available Electronically**