



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, Grants Management Division

DATE: March 17, 2005

SUBJECT: Draft Annual Action Plan for FY 2005-2006

Description

The City of Urbana, Grants Management Division, has prepared a Draft Annual Action Plan (AAP) for FY 2005-2006. The Annual Action Plan must be submitted to the Department of Housing and Urban Development (HUD) by May 15, 2005 in order for the City of Urbana to continue to receive Community Development Block Grant (CDBG) and Home Investment Partnership Act (HOME) funding for FY 2005-2006.

Issues

The issue before the Community Development Commission (CDC) is to review and evaluate the Draft Annual Action Plan for FY 2005-2006 and formulate a recommendation to the Urbana City Council.

Background

At the February 22, 2005 Community Development Commission regular meeting, staff provided the Commission with a rough draft of the FY 2005-2006 Annual Action Plan and a memorandum explaining staff's recommendations.

At that meeting, the Commission discussed a number of items related to the AAP. The following is additional information on these items.

Target Area

Commission members questioned if the new census block groups that are being added to the Community Development Target Area are lower income areas as compared with other areas of the City. The Commission's concern was that these new block groups may not constitute lowest income and most challenged areas of the community.

The main focus for adding Block Groups 1, 2, 3, 4 and 5 in Census Tract 56 is related to concerns about the potential for this area to decline. The area has been negatively impacted with

higher than usual crime incidents and has experienced difficulties associated with rental property management issues that have resulted in additional challenges to the area.

Other census tracts in the community that may have a higher percentage of low/moderate income persons are located near campus and are thought to be more populated with students than with persons needing housing and community development assistance. Other areas that reflect lower income block groups are located near the edge of the incorporated areas, and the majority of the population in these areas are not Urbana residents.

There was a related concern that increasing the Target Area could dilute the effectiveness of the CDBG and HOME programs. The Target Area provides access to the Neighborhood Cleanup Program, Owner-Occupied Housing Rehabilitation and the *Neighborhood News* newsletter. Staff believes that future efforts can be made to increase funding in these areas so that the programs are not diluted. Staff also submits that it could prove beneficial to expand the Target Area for the Owner-Occupied Housing Rehabilitation Program so new projects and properties can be identified.

Code Inspection

Commission members also inquired about the impact of using CDBG funding for code inspection. Specifically, questions were focused on what will be the impact of funding a code inspector to only write up problems.

Staff has spoken to the Building Safety Division about this concern. Staff has indicated that the value of the investment in code enforcement will be realized when the inspectors continue to follow up on the findings of their inspections and ensure that the problems are remedied. Follow-up with property owners is as much or more the inspector's work as the initial inspection.

Enclosed in this packet is an edited version of the initial draft of the FY 2005-2006 AAP. The edits involved formatting changes and mathematical corrections concerning grant and match amounts for the HOME program. Specifically, \$22,750 was added to the HOME budget as City of Champaign program income.

A Public Hearing to accept comments on the Draft Annual Action Plan has been scheduled for 7:00 p.m. March 29, 2005 prior to the Community Development Commission meeting. A 30-day public comment period will run from March 8, 2005 through April 6, 2005. To date, no comments have been submitted.

Staff requests that the Commission forward a recommendation to the Urbana City Council concerning the approval of the FY 2005-2006 Annual Action Plan.

HUD requires that the AAP be submitted 45 days prior to the beginning of the program year, which is July 1, 2005. In order to meet this submittal deadline, the Urbana City Council will have to approve the AAP at their April 18 or May 2, 2005 meeting

Fiscal Impact

Staff has prepared spreadsheets in the FY 2005-2006 Annual Action Plan to reflect the fiscal

analysis associated with programs and projects that staff has recommended and included in the Draft AAP.

It should be noted that the HOME funds do require a 25% match of \$63,469 for Urbana's HOME Allocation of \$253,874. This match will come from the City's Capital Improvement Fund.

Recommendation

Staff recommends that the Community Development Commission recommend that the Urbana City Council adopt the FY 2005-2006 Annual Action Plan.

Prepared By: _____
Bob Grewe
Manager, Grants Management

Attachments:

DRAFT (Edited Version) FY 2005-2006 ANNUAL ACTION PLAN

Click the link below to view the draft Annual
Action Plan FY 2005-2006 in pdf format

[Annual Action Plan](#)