



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Community Development Commission

FROM: John A. Schneider, Manager

DATE: February 22, 2008

SUBJECT: Draft Annual Action Plan - FY2008-2009

Description

Included in the agenda for the February 26, 2008 meeting of the Community Development Commission is a review of the Draft Annual Action Plan (AAP) for Fiscal Year 2008-2009. Staff is requesting input and recommendations regarding the proposed programs, projects, and budgets outlined the Draft Annual Action Plan for FY 2008-2009.

Issues

The issue before the Community Development Commission (CDC) is to review and evaluate the the Draft AAP for FY 2008-2009 and provide input regarding the proposed allocations of funding. At its January 2008 meeting, CDC reviewed grant applications that had been submitted as part of the annual HOME Investment Partnerships (HOME) Program and Community Development Block Grant (CDBG) grant process for housing and public facility projects, and recommended a funding amount for each application. The Draft AAP for FY 2008-2009 will be made available for public review and comment beginning February 25, 2008. At the end of the thirty-day public review period staff will incorporate public comments and CDC input into the Draft Action Plan. During the March 25, 2008 regular meeting, CDC will review the draft with changes and will be asked to forward a final recommendation to the Urbana City Council.

Background

The City has received notice from HUD of the amount of the FY 2008-2009 formula allocations for the HOME and CDBG funds. For FY 2008-2009, the allocation for the Urbana HOME Consortium is \$1,010,203 in HOME funds, and \$9,506 was awarded in a separate allocation for the American Dream Downpayment Initiative (ADDI) Program. The City of Urbana also received \$460,655 in CDBG funds.

As a result of the review of the grant applications at its January 29, 2008 meeting, CDC approved funding of projects from the CDBG and HOME programs. The Draft AAP includes the CDC recommended funding amounts for projects to be included in the Draft Annual Action Plan FY 2008-2009.

In accordance with the Citizen Participation Plan outlined in the 2008-2009 Consolidated Plan, staff conducted public hearings to gather citizen input on the proposed utilization of the City's CDBG and HOME funding. The Draft Annual Action Plan includes comments from these public meetings/hearings that were held as follows:

NEIGHBORHOOD OPEN HOUSES/PUBLIC HEARINGS

- Monday, January 7, 2008, 7:00 PM
Prairie School Gym, 2102 E. Washington Street, Urbana
- Tuesday, January 8, 2008, 7:00 PM
City of Urbana Executive Conference Room, 400 S. Vine Street, Urbana
- Wednesday, January 9, 7:00 PM
Anita Purves Nature Center, 1505 N. Broadway Avenue, Urbana
- Thursday, January 10, 2008, 7:00 PM
King School Library, 1108 W. Fairview Avenue, Urbana

PUBLIC HEARINGS FOR NON-PROFIT AGENCIES AND ORGANIZATIONS

- Wednesday, January 9, 10:00 AM
City of Urbana Council Chambers, 400 S. Vine Street, Urbana

The Draft Annual Action Plan for 2008-2009 includes staff recommendations for utilizing the CDBG and HOME Program entitlement funds. Information included regarding potential carry-over projects may change in the upcoming 60 day period as previous City of Urbana and Urbana HOME Consortium Annual Action Plans may need to be amended to reflect any changes in projects or funding amounts.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

For FY 2008-2009, the City of Urbana's CDBG allocation from HUD amounts to \$460,655. This has been reduced for five consecutive years from the \$535,412 allocated for FY 2004-2005 to the current amount. The President's proposed budget for FY 2009-2010 recommends an additional twenty five percent (25%) decrease in CDBG funding. The CDBG revenues are enhanced by the availability of an estimated \$5,000 in recaptured funding/program income from prior years. Total estimated CDBG resources for FY 2008-2009, including unobligated carryover and estimated program income, amounts to \$583,655. Following is a summary of staff recommendations regarding the utilization of the Community Development Block Grant funds:

City Of Urbana CDBG

Administration

\$ 92,131

Funding for administration is limited to 20% of the current CDBG allocation and 20% of the program income received in the program year. Reductions in overall CDBG funding have created a very tight administration line item.

In order to maintain staffing and programming levels, a portion of staff salaries will be reallocated to the Program Delivery line item. Other administration line items are also reduced to stay within available budget resources.

Program Delivery

\$80,500

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 the same level as for the previous fiscal year.

Emergency Grant/Access Grant/Get the Lead Out 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. This year, staff plans to 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 decreased by \$20,000 from last year. The funding amount is based on the average expended over the past three years.

Senior Repair Program

\$20,000

This program is funded at the same level as last year. 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.

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

\$100,000

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 only. City-owned properties will be properly maintained while they are the responsibility of the City.

Public Service Funding Programs

Funding for public service programs is limited to 15% of the current CDBG allocation and 15% of the prior year's program income. This provides total resources of \$69,098. Programs to be funded from the Public Service Fund include the following:

Transitional Housing Program

Personnel \$32,000

Programming \$17,108

This level of funding provides for an \$860.00 increase from last year due to increased staffing costs, utility costs, maintenance, etc.

Neighborhood Clean Up

\$7,490

Although this neighborhood clean up event is very popular, HUD regulations allow only 15% of the total allocation to be used for Public Services. In light of the reductions, funding for this program has been decreased slightly. However, the City may use NIF funds or other funding sources, if available, to maintain the program at two clean-ups per year.

Consolidated Social Service Fund

\$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.

Public Facilities and Improvements

The following projects are proposed to be funded using CDBG funding from FY 2008-2009:

A Woman's Fund

\$4,108 (Community Development Commission recommendation)

Funds will be used towards the repair of a chimney, site regrading, and sanding and refinishing the dining room floor, at the shelter operated by A Woman's Place, located at 1304 East Main Street, Urbana.

Center for Women in Transition (FY 08-09)

Funds would be combined with other funding for renovation of the 1500 foot duplex located at 304 North Fifth Street, Champaign, to make the building into a single dwelling, habitable for four single homeless women.

\$11,000 (Community Development Commission recommendation)

Center for Women in Transition (FY 08-09)

Funds will be used for the installation of a new HVAC system at the Evans House (506 East Church Street, Champaign), which has no air-conditioning and a very old system for heating (water-based radiators).

\$15,500 (Community Development Commission recommendation)

C-U Independence (FY 08-09)

Funds will be used to install an automatic fire sprinkler at its supported living apartment building for individuals with developmental disabilities, located at 610 East Kerr Avenue, Urbana.

\$50,000 (Community Development Commission recommendation)

Capital Improvement Projects - Kerr Avenue Sustainable Development

Funds will to be used towards installation of infrastructure at the Kerr Avenue sustainable, affordable housing development.

\$61,318

HOME INVESTMENT PARTNERSHIP ACT (HOME) PROGRAM

The Urbana HOME Consortium allocation from HUD is expected to be \$1,010,203 for FY 2008-2009, the same amount as was allocated in the previous year. The HOME revenues are enhanced by the availability of an estimated \$35,000 in program income. This budget also includes \$9,506 in American Dream Downpayment Assistance (ADDI) funding and \$50,661 in unexpended ADDI funding from previous years.

Including the Consortium required 25% match, the total amount of Urbana HOME Consortium resources is approximately \$1,378,249. The following is summary of staff recommendations regarding the utilization of the Home Investment Partnership Act (HOME) funds:

Administration.

These funds will be used for personnel and administrative functions related to the HOME program.

City of Urbana -	\$ 89,403
City of Champaign -	\$ 8,890
Champaign County -	\$ 2,727
Administration Total	\$ 101,020

CHDO Project

The HOME regulations require that a minimum of 15% of the annual allocation to be utilized for CHDO projects. CHDO Project Funds or CHDO Reserve (CR) may be used for projects that produce actual housing units in which the CHDO acts as an owner, a developer or a sponsor. Three (3) CHDO Project (CR) applications were received requesting FY2008-2009 HOME Program funds.

Homestead Affordable Housing Program (FY 07-08)
\$30,000 HOME Funding (\$7,500 Match by CHDO required)
Douglass Park Infill (3 Units)

These funds will be added to the funding allocated in the FY 07-08 Annual Action Plan to the Homestead Corporation to assist with the development and new construction of three (3) single-family homes to be sold to income qualifying (low- and moderate-income) households.

Urban League of Champaign County Development Corporation
\$60,000 HOME Funding (\$15,000 Match by CHDO required)
Lease-Purchase Program (4 units)

The Urban League will invest up to \$14,999 per house in this Lease Purchase Program. The level of funding requires an affordability period for the units assisted of five (5) years.

Homestead Affordable Housing Program (FY 08-09)
\$85,030 HOME Funding (\$21,250 Match by CHDO required)
Infill Housing - Various Lots (2 Units)

Funds will be provided to the Homestead Corporation to assist with the lot purchase, development and new construction of two (2) single family homes to be sold to income qualifying households.

CHDO Operating

The Urbana HOME Consortium recognizes Ecological Construction Laboratory, the Homestead Corporation and Urban League Development Corporation 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 were all recertified as CHDOs in the past year.

\$16,836	Ecological Construction Laboratory
\$16,836	Homestead Corporation
<u>\$16,836</u>	Urban League Development Corporation of Champaign County

\$50,508 Total CHDO Operating Funds

Consortium Member Projects

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

City of Urbana

FY 08-09 HOME:	\$ 222,185
Program Income (est.)	\$ 15,000
Match Funds:	<u>\$ 55,546</u>
Total Available Funds:	\$ 292,731

City of Urbana
\$150,000 (\$120,000 HOME; \$30,000 Match)

Owner Occupied Rehabilitation Program (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 Urbana’s stock of affordable housing, improve/stabilize neighborhoods. The program also creates a core competency within the GDM staff to engage in housing rehabilitation programming and obtaining additional housing resources such as Federal Home Loan Bank of Chicago, Illinois Housing Development Authority, and the Federal Home Loan Bank of Indianapolis. This level of funding is increased from last year.

City of Urbana

\$70,000 (\$56,000 HOME; \$14,000 Match)

Program Delivery

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

City of Urbana

\$72,731 (\$58,185 HOME; \$14,546 Match)

Kerr Avenue Sustainable Development

FY 08-09 HOME funds will be allocated toward a sustainable development of highly-energy affordable housing units on the vacant City property adjacent to the former site of Lakeside Terrace public housing. Funds may be used for down-payment assistance, development subsidy, or eligible site work. The project must be consistent with affordable housing goals as outlined in the 2005-2009 Consolidated Plan, the 2005 Comprehensive Plan, and the Lakeside Redevelopment Plan, and must comply with applicable local, state and federal regulations, including but not limited to HOME regulations.

City of Champaign

FY 08-09 allocation:	\$ 375,321
Program Income:	\$ 27,125
Match Funds:	<u>\$ 93,830</u>
Total Available Funds:	\$ 496,276

Full Home Improvement Program (\$100,000 HOME; \$25,000 Match)
 Acquisition Rehab Program (\$150,574 HOME; \$37,644 Match)
 Neighborhood Revitalization Program (\$131,455 HOME; \$32,861 Match)
 Program Delivery (\$15,000 HOME; \$3,750 Match)

Champaign County

FY 08-09 allocation:	\$ 86,139
Match Funds:	<u>\$ 21,535</u>

Total Available Funds: \$ 107,674

Housing Rehabilitation (\$79,539 HOME; \$21,534 Match)
Program Delivery (\$6,600 HOME)

Fiscal Impact

Staff has prepared spreadsheets in the FY 2008-2009 Annual Action Plan to reflect the fiscal analysis associated with programs and projects that staff has recommended and included in the Draft AAP. Note that the HOME funds do require a 25% match of \$55,546 for Urbana's HOME Allocation of \$222,183. This match will come from the City's Capital Improvement Fund.

Recommendation

Staff requests consideration of the recommendations set forth in this memo and the draft FY 2008-2009 Draft Annual Action Plan. Staff recommends that the CDC provide comments and perspective on the staff analysis of Urbana's community development and affordable housing programs. This input will aid staff with preparing the Final Draft of the FY 2008-2009 Annual Action Plan.

Prepared By: _____
John A. Schneider
Manager, Grants Management

Attachments:

DRAFT FY 2008-2009 ANNUAL ACTION PLAN



**City of Urbana
and
Urbana HOME
Consortium**

DRAFT



Prepared by:
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Approved by Urbana City Council Ordinance No.

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CITY OF URBANA and URBANA HOME CONSORTIUM ANNUAL ACTION PLAN – FY 2008-2009

Introduction

*The City of Urbana and the Champaign/Urbana/Champaign County HOME Consortium invite comments regarding this **PROPOSED** Annual Action Plan for the year beginning July 1, 2008. Please provide any comments regarding this Plan in writing to:*

John A. Schneider, City of Urbana, Grants Management Division,
400 S. Vine St., Urbana, IL 61801
217-384-2447 or
email: jaschneider@city.urbana.il.us

FY 2008-2009 Annual Action Plan:

The Urbana HOME Consortium and the City of Urbana Annual Action Plan for FY 2008-2009 identifies activities that are planned to be implemented by the City of Urbana and the members of the Urbana HOME Consortium during the period beginning July 1, 2008 and ending June 30, 2009.

This Annual Action Plan budgets the use of two federal housing entitlement funds, Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) Program. The Annual Action Plan for FY 2008-2009 has been developed to further five-year strategies identified in the *Urbana HOME Consortium and City of Urbana Consolidated Plan for Program Years 2005-2009*. The Annual Action Plan identifies activities that will be undertaken by the City of Urbana and the Urbana HOME Consortium during the fourth year of the five-year Consolidated Plan period.

The CDBG portion of the Annual Action Plan identifies the planned uses of CDBG entitlement funds by the City of Urbana for FY 2008-2009.

The HOME portion of the Annual Action plan identifies uses of HOME funds by members of the Urbana HOME Consortium. The members of the Urbana Consortium (a.k.a. the Champaign/Urbana/Champaign County HOME Consortium) are the City of Urbana, the City of Champaign, and Champaign County.

The Annual Action Plan will be on file and made available for public review and comment during the period beginning February 26, 2008 and ending March 27, 2008. On March 27, 2008 the City of Urbana held a public hearing to obtain comments regarding the draft Annual Action Plan. The hearing was held at 7:00 p.m. in the Council Chambers of the Urbana City Complex, 400 South Vine Street. All comments received at the hearing, as well as other written comments submitted during the public review period, are included in the Annual Action Plan.

For more information regarding the City of Urbana's use of CDBG or HOME funds, contact:

John A. Schneider, City of Urbana, Grants Management Division, at 217-384-2447 or by email at: jaschneider@city.urbana.il.us

For more information regarding use of CDBG or HOME funds in the City of Champaign, contact:

Kerri Spear, Neighborhood Programs Manager, City of Champaign, Neighborhood Services Department, at 217-403-7070. The Neighborhood Services Department email address is: NeighborhoodServices@ci.champaign.il.us.

For more information regarding use of HOME funds in unincorporated Champaign County, contact:

Scott Rose, Champaign County Regional Planning Commission, at 217-328-3313 or by email at srose@ccrpc.org

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EXECUTIVE SUMMARY

The FY 2008-2009 Urbana HOME Consortium and the City of Urbana Annual Action Plan identifies housing and community development activities to be implemented during the third year of the five-year Consolidated Plan period. The Annual Action Plan identifies activities to be undertaken by the City of Urbana with Community Development Block Grant (CDBG) funds during the year beginning July 1, 2008, as well as activities to be undertaken by the City of Urbana, City of Champaign, and Champaign County with HOME Investment Partnership (HOME) funds during the same year.

The Annual Action Plan has been prepared by the City of Urbana in its dual capacity as CDBG entitlement recipient and lead entity of the Urbana HOME Consortium. The Urbana City Council approved the Annual Action Plan at its regular meeting April 16, 2008. Prior to approving the Annual Action Plan, the City of Urbana obtained concurrence from the City of Champaign and Champaign County regarding the use of HOME funds by the Consortium members.

Activities in this Annual Action Plan address strategies identified in the five-year Consolidated Plan 2005-2009.

Through its **CDBG program** the City of Urbana proposes to:

- Conserve housing stock through rehabilitation
- Provide improvements necessary to remove barriers to accessibility to persons with disabilities and alleviate hazardous conditions that pose a threat to health and safety of residents (Access/Emergency Grants).
- Provide funds for home maintenance repair for elderly or persons with disabilities at any age, for very-low income households (Senior Repair Grants).
- Provide technical assistance and funding to redevelop Lakeside Terrace, formerly a public housing complex, into a new, affordable, rental housing development.
- Provide funding to C-U Independence to assist with the retrofit of fire sprinklers in its Urbana facility.
- Provide funding to A Woman's Fund for miscellaneous repairs to its main facility.
- Provide funding, which augments the City's general revenue fund, for street and sidewalk improvements in targeted neighborhoods.
- Provide funding to the Center for Women in Transition to replace inefficient heating and air conditioning system with energy efficient HVAC in its older transitional facility.
- Provide funding to the Center for Women in Transition to renovate a duplex into single dwelling for four single homeless women.
- Support public service programs and other activities targeted toward very low-income Urbana residents.
- Sponsor special neighborhood cleanup activities in the target areas.
- Provide assistance to homeless families through the City Transitional Housing Program.

Through the **HOME program**, the Urbana HOME Consortium members developed the following projects:

- Provide operating funds to the Community Development Housing Organizations (CHDO).
- Contribute toward a program that assists low-income families purchase homes through lease purchase arrangements (Urban League Development Corporation).
- Contribute toward projects providing homeownership of newly constructed energy efficient homes for low- and moderate-income families (Urban League Development Corporation and Homestead Corporation)
- Contribute toward programs that will provide homeownership units for low-and very-low income households (Habitat for Humanity- allocated in FY06-07.)
- Contribute toward a program that provides super-energy efficient homeownership opportunities to low-income households (Ecological Construction Laboratories).
- Rehabilitate owner-occupied housing in Champaign, Urbana, and in unincorporated areas of Champaign County.
- Contribute funds for the process of planning and designing affordable, sustainable housing on City-owned property.
- Provide down payment assistance income-qualified first-time homebuyers in Champaign, Urbana, and in unincorporated areas of Champaign County

The Annual Action Plan was developed by the City of Urbana in accordance with its Citizen Participation Plan. The Urbana Community Development Commission sponsored public hearings to obtain input prior to and during plan preparation. In order to encourage public participation by the broadest audience possible, the City held public hearings and solicited citizen input at various times and locations throughout the City.

Past Performance

Based on input received during public hearings, Community Development Commission meetings and City Council meetings, infrastructure projects such as the Harvey Street Improvement improvement will have helped to provide a more suitable and safe living environment. The demand for assistance through the Emergency and Senior repair programs fluctuates year-to-year. The City maintains a waiting list for Full Home Rehabilitation as the demand remains high due to limited funding availability.

Although owner-occupied housing rehabilitation programs have a positive impact for participants and help stabilize properties, they have been less successful at improving the overall appearance of the target neighborhoods (based on an informal windshield survey). As costs for housing continue to rise, the City's Emergency and Senior Repair programs provide much needed funds that mitigate the immediate and deferred maintenance issues for those who otherwise would not be able to afford such repairs. This is an essential part of helping to stabilize the target neighborhoods.

Based on current data from the County Assessor, Target area property values are lower than the citywide average. To address rental property conditions, the City instituted a Rental Registration program in 2007 that will be enforced on a city-wide basis to ensure that all rental units are in compliance with the current property maintenance codes. This action will help to stabilize neighborhoods through inspection of rental units to provide safe housing to the tenants. In the past year, city inspectors have inspected approximately 1500 dwelling units in six geographical area of Urbana. In the upcoming year, it is believed that inspections will increase based on staff capacity. The goal is for all rental units in the city to be systematically inspected at least every five years to ensure compliance with the current Property Maintenance Code standards.

Staff conducted a survey in the target neighborhoods to identify blighted secondary structures and vacant, deteriorated buildings blighted that either need to be repaired or demolished. The property owners will be notified regarding the status of their structure and the availability of City of Urbana programs for owner-occupants that will offset the cost of abatement. Code enforcement staff will work with owners to mitigate blighted conditions. In addition, staff will undertake a point - data collection regarding property values to see if the appreciation in property values in the target neighborhoods have kept pace with those of non-target neighborhoods. The City will work to identify more new programs to improve property values and neighborhood appearance; however, cuts in federal funding will limit the extent to which new programs can be carried out.

NARRATIVE

The Urbana HOME Consortium and the City of Urbana Annual Action Plan for FY 2008-2009 identifies activities to be implemented by the City of Urbana and members of the Urbana HOME Consortium during the period beginning July 1, 2008 and ending June 30, 2008. The Annual Action Plan budgets the use of two federal housing entitlement funds: Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME). The CDBG portion of the Annual Action Plan identifies uses of CDBG entitlement funds by the City of Urbana. The HOME portion of the plan identifies uses of HOME funds by members of the Urbana HOME Consortium.125

The Annual Action Plan for FY 2008-2009 has been developed to further five-year strategies identified in the *Urbana HOME Consortium and City of Urbana Consolidated Plan for Program Years 2005-2009*. The Annual Action Plan identifies activities to be undertaken during the fourth year of the Consolidated Plan five-year planning period. The following information is provided in response to Section 91.220 of the Consolidated Plan regulations (published January 5, 1995).

Form Application

See Standard Forms HUD-424.

Resources

The Annual Action Plan describes activities to be undertaken by the City of Urbana with CDBG funds and by Urbana HOME Consortium members with HOME funds. The City of Urbana expects to receive \$460,655 in FY 2008-2009 CDBG entitlement funds. These funds will be combined with an estimated \$5,000 in program income and an estimated \$118,000 in reprogrammed funds carried over from FY 2007-2008 to create a total estimated CDBG program budget of \$ 583,655. Also included in the CDBG budget will be obligated projects from previous years, in the estimated total of \$ 383,057, that are anticipated to be carried over into FY 2008-2009. The total amount of obligated carryover and CDBG funding for FY 2008-2009 is estimated at \$ 924,660.

Leveraging is one of three primary objectives used by the city to determine how CDBG funds are to be used in Urbana (the other two objectives are impact on community and collaboration with other agencies). Numerous CDBG-funded activities involve leveraging of other public and private funds.

- CDBG funds for infrastructure improvement activities within the targeted area will leverage other city resources and, in one case, federal funds for the project.
- All CDBG subrecipients have pledged non-CDBG funds as leverage for delivery of their CDBG-funded activities: A Woman's Fund has pledged 25%, Center for Women in Transition has pledged 76% for the Single Women's Transitional Shelter & 32% for the HVAC project; and C-U Independence (Developmental Services Center) has pledged 25%.

- The Urbana HOME Consortium expects to receive \$1,010,203 in FY 2008-2009 HOME funds. These funds are combined with \$ 170,911 in Local Match funds. Anticipated revenue from Program Income, estimated to be \$35,000 is added to the HOME and Local Match funds for a total estimated HOME budget of \$1,216,213 for FY 2008-2009. (Note because this is a Draft this does not include reprogrammed or carry-over funds).

The Urbana HOME Consortium also expects to receive \$ 9,506 in FY 2008-2009 funds from the American Dream Downpayment Initiative (ADDI).

As with the CDBG program, many HOME-assisted activities involve leveraging non-HOME funds.

- HOME funds allocated to the Urban League of Champaign County Development Corporation for its Lease Purchase program will be leveraged by Urban League's credit counseling and related value-added homebuyer counseling services.
- HOME funds allocated to the Urban League of Champaign County Development Corporation for its Affordable Six homeownership program will be leveraged by downpayment assistance provided through other agencies.
- HOME funds allocated to the Ecological Construction Laboratory for development of an energy efficient owner occupied home will be leveraged by volunteer participation, material donations, monetary donation, and down payment assistance.
- HOME funds allocated to the Homestead Corporation for its Douglass Park and Affordable Homeownership Program will be leveraged by downpayment assistance provided through other agencies.

The HOME Program match requirement for Consortium Members will be satisfied through a number of eligible sources, including, but not exclusively, allocation of local government funds, utilization of Carry-over Match Contributions from prior years, and other non-federal funds. Community Housing Development Organizations will use non-Federal funds such as Illinois Affordable Housing Trust funds, funds from the Federal Home Loan Bank of Chicago and private loans to meet their HOME match requirements.

Activities to be Undertaken

See Listing of Proposed Projects (CDBG...page -- & HOME Program...page --)

Homeless and Other Special Needs Activities

Numerous activities proposed in the Annual Action Plan are designed to address needs of homeless persons and persons with special needs. The City of Urbana CDBG budget includes the following:

- \$ 49,100 to support the city's Transitional Housing Program for homeless families with children. This program has been operating for fifteen years and will remain stable for the upcoming year.

Geographic Distribution

Since 1985, the City of Urbana has targeted its Community Development Block Grant funds to improve conditions in its Community Development Target Area, which consists of Census Tracts 53, 54, and 55 in north and east central Urbana. For the Five-Year Program Years associated with the FY 2005-2009 Consolidated Plan, the Community Development Target Area expanded to include Block Group 1 of Census Tract 56. A graphic (map) depicting the expanded boundary of Community Development Target Area is attached as Appendix III. The areas of Minority Concentration are Census Tracts 51:1, 53:2, 53:3 and 53:5. This information is provided graphically in the 2005-2009 Consolidated Plan as Map 4, in the map section of the plan.

The following table identifies the City of Urbana Census Tracts and Block Groups contained in the expanded Target Area and the percentage of low/moderate income persons within each Block Group. These areas correlate with the Community Development Target Area map in Appendix III.

Urbana Community Development Target Area		
CENSUS TRACT	BLOCK GROUP	LOW MOD INCOME%
53	1	64.1%
53	2	87.4%
53	3	81.0%
53	5	76.7%
54	4	79.3%
54	5	68.7%
54	6	51.5%
55	1	91.9%
55	3	69.5%
55	4	39.4%
55	5	48.1%
55	6	61.0%
56	1	58.7%

Urbana HOME Consortium funds are divided geographically through an intergovernmental agreement among the City of Urbana, City of Champaign, and Champaign County. Within the boundaries of each entity, HOME funds are generally used to support affordable housing activities jurisdiction-wide without further geographic targeting.

Citizen Participation

The Annual Action Plan was developed by the City of Urbana in accordance with its Citizen Participation Plan as provided in the 2005-2009 Consolidated Plan. The Urbana Community Development Commission sponsored public hearings to obtain input prior to and during plan preparation. In order to encourage public participation by the broadest audience possible, the City held public hearings and solicited citizen input at various times and locations throughout the City.

Date	Format	Target Audience	Location	Morn.	Eve.
12/10/08	Open Meeting	Social Service Agencies	Urbana City Building	✓	✓
1/07/08	Neighborhood Meeting	Neighborhood Residents/all Urbana citizens	Prairie Elementary School		✓
1/08/08	Public Meeting	Social Service Agencies	Urbana City Building	✓	
1/08/08	Neighborhood Meeting	Neighborhood Residents/all Urbana citizens	Urbana City Building		✓
1/09/08	Neighborhood Meeting	Neighborhood Residents/all Urbana citizens	Anita Purves Nature Center		✓
1/10/08	Neighborhood Meeting	Neighborhood Residents/all Urbana citizens	King Elementary School*		✓
2/25/08 3/25/08	Public Review & Comment	Urbana Citizens & all interested parties	Urbana Public Library	(Business Hrs)	
			City Clerk's Office	✓	✓
			Community Development Services Office	✓	
3/25/08	Public Hearing	Urbana Citizens & all interested parties	Urbana City Building		✓
<small>*This meeting was scheduled to follow the monthly meeting of one of our Neighborhood Groups. This increased the convenience for the group, and the participation for the Open House.</small>					

Comments Received –Citizen Participation

Comments received in January 2009 regarding the Annual Action Plan are in support of the City continuing support of Consolidated Social Service Programs and the funding for Public Facility improvements. Meeting minutes and attendance sheets are included as Appendix IV to this Action Plan.

In order to broaden public participation in the Consolidated Plan/Action Plan process, the City provided notice of neighborhood meetings and public hearings as follows:

- Included all meeting information in a newsletter which is sent to all residents of the City's target area
- Provided public notice by advertising in a local, widely read newspaper
- Provided announcements via a City operated public access television channel which is available to residents of the broader community (City of Urbana, City of Champaign and Champaign County)
- Provided public notice on City Website

Developing Institutional Structures

Urbana staff is an acknowledged resource for information on housing and service agencies. Staff takes dozens of calls each week and makes referrals to appropriate housing and service agencies. These efforts will continue in the coming year, with an emphasis on increasing communication between agencies and updating information. The City will continue to utilize available Internet website applications to aid in this effort.

Although the City of Urbana and the Housing Authority of Champaign County (HACC) are separate government agencies as prescribed by state law, the City will work with the HACC to provide input and assistance regarding the HACC's Annual Agency Plan. The seven-member HACC Board of Commissioners consists of two commissioners appointed by each of the Cities of Urbana and Champaign, an appointee that rotates between the two cities called a "floating" appointee, a commissioner appointed by the Champaign County Board and a commissioner appointed from among residents of the HACC properties.

The City of Urbana receives a draft Annual Agency Plan from the HACC for review and comment. The HACC will request that the City provide certification that the Agency Plan is consistent with the Urbana Home Consortium Consolidated Plan. The process includes City review of proposed capitol improvement, demolition, and disposition projects that are planned in the near future. The City will work with the HACC over the next year to implement the HACC's plan to redevelop the Lakeside Terrace housing complex. CDBG and HOME program funds previously allocated to this project have been carried over to the 2008-2009 AAP to assist with the redevelopment of Lakeside Terrace.

Monitoring

The City of Urbana and the Urbana HOME Consortium will utilize monitoring standards and procedures provided in existing publications and guidebooks. Specifically *HUD-2030-CPD Monitoring HOME Program Performance* and *CDBG Basics* prepared by TONYA, Inc. will be utilized. A key consideration in the monitoring activities will be to ensure compliance with program requirements, including the timeliness of expenditures.

The Urbana Grants Management Division staff, the Urbana Community Development Commission, and the Urbana City Council will monitor progress toward meeting Consolidated Plan goals and objectives. The Community Development Commission is appointed by the Mayor and the City Council to provide recommendations and oversight regarding the City's Community Development Block Grant Program, the HOME Consortium, and other housing-related programs. The Commission meets on a monthly basis (scheduled for the fourth Tuesday) at the Urbana City Building Complex to review staff progress toward housing goals. The Commission recommends the annual CDBG and HOME applications to the Urbana City Council and reviews requests for other housing-related funds.

The Grants Management Division of the City of Urbana Community Development Services Department is responsible for monitoring programs implemented with HOME and Community Development Block Grant funding to ensure compliance with all regulations associated with the grant funding.

Local building codes apply to properties assisted through the City's housing rehabilitation programs. Certified inspectors from the City's Building Safety Division enforce compliance with local building codes. Assisted properties are inspected for code violations by Building Safety staff in the initial phase of the rehab process. In addition, a risk assessment inspection is completed by trained and certified staff to identify potential hazards associated with lead-based paint. After the contract is executed and during project construction progress, rehab staff performs inspections periodically to ensure proper completion of the work. Payouts to contractors are issued only after both the rehab staff and owner approve the work quality. Building Safety Division performs a final inspection of all the work associated with building codes and issues a Certificate of Occupancy that indicates all work is complete in accordance with local code. No final payment is issued to the contractor until the Certificate of Occupancy is approved and the property has been tested to ensure lead-paint hazard clearance.

The City of Champaign and Champaign County will similarly monitor their HOME funded programs. Work processes and checklists are in place to ensure compliance with HOME program requirements related to housing code concerns.

Sub-recipients will be monitored at least once a year. Programmatic expectations regarding monitoring will be detailed in all subrecipient agreements.

The Grants Management Division will submit performance reports to the appropriate funding agencies in accordance with program guidelines.

Lead Based Paint

The City will continue to address lead based paint hazard requirements. In order to be current with developing standards, City staff continues to attend workshops, review and revise the rehabilitation manual, and coordinate with contractors and environmental regulatory agencies.

The Grants Management Division of the City will continue to ensure compliance with Title X lead based paint regulations. The Grants Management Division staff is committed to meeting these obligations and will do so in the most cost-effective methods available. The following list describes the measures to address lead based paint hazards the City intends to pursue in FY 2008-2009:

- Continue to work with the City of Champaign and Champaign County to address best practices in meeting lead-based paint requirements. This will include, but not be limited to, attending HUD sponsored lead based paint training workshops and related HUD efforts to provide lead based paint hazard training.
- Continue coordination with the Illinois Department of Public Health (IDPH), Division of Environmental Health, and the Champaign County Public Health District.
- Continue its participation in the Illinois Department of Public Health's *Get The Lead Out (GLO)* program. As part of Phase Five of this program, the City anticipates an award of \$ 91,104 in GLO program funding. If approved, these funds, in combination with CDBG funds, will be used to address lead based paint hazards in eight (8) households over a three year period (2008-2011).
- Continue to sponsor educational and training events for local government, contractors, public health officials, and other concerned parties on lead-based paint concerns.
- Continue efforts to coordinate activities in meeting HUD and IDPH lead based paint requirements with the City of Urbana, Community Development Services Department, Building Safety Division.

HOUSING

Housing activities to be undertaken in FY 2008-2009 are selected based on the needs of the community, as reflected in the FY 2005-2009 Consolidated Plan and input received from citizens during public hearings and neighborhood meetings.

Rehabilitation

The City will provide housing rehabilitation assistance to low- and moderate-income residents of the Target Area in order to address deferred maintenance and stabilize property values. The City will also provide assistance to income qualified residents to address health and safety hazards in their homes. Access Grant funds will be used to retrofit homes of income-qualified persons with disabilities and senior residents to remove barriers and allow for a more accessible home environment. Funding will be provided to eligible senior citizens through the Senior Repair Service to help defray costs of minor repairs that would otherwise become deferred maintenance.

Homeownership

The American Dream Downpayment Initiative (ADDI) program will continue to provide down payment assistance to increase homeownership. The City will be working with local non-profit Community Development Housing Organizations (CHDO) to continue to develop affordable, energy efficient homeownership opportunities for low- and moderate income residents. The City and CHDOs will work to augment City funds for homeownership by seeking grant funding from the Illinois Housing Development Authority, the Federal Home Loan Bank and other sources. Any funds acquired through such grants will be used to offset the costs of developing affordable housing.

Needs of Public Housing

Over the last few years, City of Urbana staff has spent a significant amount of time and resources related to public housing improvements and anticipate a greater level of involvement in FY 2008-2009. City staff attends the regular meetings of the board of directors of the Housing Authority of Champaign County. Staff also works with the Housing Authority to provide input, and foster coordination and cooperation between the two entities.

The Housing Authority completed the demolition of the 99-unit Lakeside Terrace public housing apartment complex in program year 2006 in preparation for new construction of affordable rental housing units. The Housing Authority is working with Brinshore Development to acquire financing for the 70 unit project now called Crystal View Townhomes.

The City has developed an internal plan to assist in the redevelopment of Lakeside Terrace housing complex. City staff intends to continue to regularly meet and coordinate with the Housing Authority staff and their development partners in order to effectively plan for the implementation of this redevelopment project.

As part of its Lakeside Redevelopment Plan, the City will continue to provide technical assistance to the Housing Authority and has allocated CDBG funds and HOME funds to the project over multiple fiscal years. The Urbana City Council has pledged to work with the Housing Authority to identify opportunities to provide replacement-housing units to low-income residents, in addition to the proposed affordable units as a result of redeveloping Lakeside Terrace.

In addition to working with the Housing Authority, outreach has been targeted directly to public housing residents and Section 8 voucher holders. Section 8 voucher holders have become homeowners with the assistance of City and Housing Authority programs over the last year. The Consortium intends to continue to work with both the Housing Authority and the voucher holders to improve the housing conditions and opportunities for these residents.

Addressing Barriers to Affordable Housing

The cost of housing within the Consortium is not significantly affected by public policies. The City of Champaign, the City of Urbana, and Champaign County have policies on taxation, land use, zoning, building codes, fees, etc., that are conventional and similar to other downstate Illinois and Midwest communities. Housing costs are influenced by the large number of transient tenants and homebuyers who are attending the University of Illinois. This high demand for housing has resulted in increased housing costs, especially in the rental housing market.

Additionally, the national housing market has affected housing costs throughout the entire Consortium area. With high demand for large single family homes on the fringes of the Cities, there is very little affordable housing being built within the Consortium Area.

In response to the above-mentioned market influences that affect the entire Consortium, the City of Urbana has enacted the following actions to reduce any remaining barriers to affordable housing:

- The Urbana City Council periodically reviews its land development code and zoning ordinance to identify development guidelines that may unnecessarily restrict or add to housing development costs.
- The City of Urbana has not implemented incentives to develop, maintain or improve housing that have created barriers to affordable housing.
- The City of Urbana has adopted a Human Rights Ordinance that does not allow housing discrimination based on the person's source of income. This has aided persons who are provided with housing assistance to more easily identify housing opportunities.
- The City of Urbana has also prepared and adopted an Analysis of Impediments to Fair Housing. This analysis did not identify any public policies that create barriers to affordable housing.
- The City of Urbana Community Development Services Department, when considering changes in housing related policies, will consider the potential impact any policy changes might have in creating barriers to affordable housing.
- The City will continue to seek and support educational and training opportunities, which focus on eliminating barriers to affordable housing.
- The City will support tenant advocacy and education efforts by agencies such as the C-U Tenant Union.
- In conjunction with other local governments and community entities, a validated testing program to document possible discrimination against parties to real estate transactions will be developed and conducted.
- Continue to implement strategies included in the City of Urbana Analysis of Impediments to Fair Housing Choice 2003-2004.

Home Investment Partnership Act (HOME)

The Urbana HOME Consortium invests all HOME funds as described in §92.205(b).

Resale/Recapture Provisions

Recapture Option - Homeownership (Direct Buyer Assistance).

For HOME-assisted, homeownership units, wherein HOME funds are utilized to provide direct assistance to the home buyer, the Urbana HOME Consortium members may utilize one of two net sales proceeds formulas to recapture HOME funds in the event that affordability requirements are not met for the full term of the affordability period due to a sale of the property or foreclosure.

If the net proceeds resulting from the sale or foreclosure of a HOME assisted property are not sufficient to recapture the full amount of the HOME investment and enable the homeowner to recover the amount of the homeowner's down payment and any capital improvements investment made by the owner since purchase, the Participating Jurisdiction will share the net proceeds. The net proceeds are the sale price minus loan repayment (other than HOME funds) and closing costs.

The net sales proceeds may be divided proportionately as set forth in one of the following mathematical formulas:

$$\frac{\text{HOME Investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net Proceeds} = \text{Recaptured HOME Funds}$$

$$\frac{\text{Homeowner Investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net Proceeds} = \text{Amount to homeowner}$$

Note: The City of Urbana, Urbana HOME Consortium members, and designated Community Housing Development Organizations agree that, to the extent allowable by law, to secure the HOME funds, a mortgage and promissory note shall be executed for any HOME funded homeownership property and shall be recorded against the title to the property. The mortgage and promissory note shall include the prescribed net sales proceeds provision for the recapture of HOME funds as stated above.

Resale Option – Other HOME Assisted Projects:

For other HOME assisted projects, to ensure compliance with the prescribed affordability period requirements, a resale restriction will be utilized. The resale restriction shall be in effect for the duration of the prescribed affordability period based on the amount of HOME assistance provided and will transfer to any future owners of the assisted property should the property be sold before the expiration of the affordability period.

The City of Urbana, Urbana HOME Consortium members, and designated Community Housing Development Organizations agree that, to the extent allowable by law, a mortgage and promissory note and a land use restriction agreement shall be prepared, executed, and recorded against the title to the property for all other projects assisted with HOME funds as required.

The mortgage, note and land use restriction agreement shall include a provision restricting subsequent sales of any house to a family having income at or below 80 percent of area median family income for the period of affordability which is determined in the HOME regulations as a function of HOME funds invested in said housing property. The mortgage, note, and land use restriction shall be recorded against the title to the property. For rental projects, the mortgage, promissory note and land use restriction agreement shall include rent and occupancy restrictions depending upon the amount of HOME funds invested per unit.

Refinancing a HOME Funded Project

Refinancing of a project may occur only if specifically authorized in an Annual Action Plan approved by the Urbana City Council, and then only if conditions of the refinancing are clearly stated in the Plan. To be eligible for refinancing a project must meet the following conditions:

- Refinancing cannot be the primary purpose of the HOME investment. Refinancing is only appropriate when HOME funds are loaned to rehabilitate the property for which refinancing is being requested and then only when necessary to permit or ensure continued affordability. To demonstrate that rehabilitation is the primary activity for which HOME funds have been expended in connection with the property, at least \$5,000 per unit average in HOME funds must have been provided for rehabilitation of the property.
- The project sponsor requesting HOME funds for debt refinancing must demonstrate, and the City must confirm, that disinvestment in the property has not occurred, long-term needs of the project can be met through the refinancing, and servicing the targeted population over an extended affordability period is feasible.
- Refinancing may be approved either to maintain current affordable units or to create additional affordable units.
- Properties for which refinancing is approved may be located anywhere within the Urbana corporate limits.
- Properties for which refinancing is approved are subject to an affordability period of at least 15 years starting on the date the refinancing is closed.
- HOME funds cannot be used to refinance multiple-family loans made or insured by any other federal program, including but not limited to, the Community Development Block Grant Program.

AMERICAN DREAM DOWNPAYMENT INITIATIVE

The American Dream Downpayment Initiative (ADDI) was signed into law on December 16, 2003. In September 2004, the Urbana HOME Consortium launched a local ADDI program.

Purpose

Funds will be used to increase the homeownership rate within the geographic area of the Urbana HOME Consortium, especially among lower income and minority households, and to revitalize and stabilize communities. Funding will help first-time homebuyers with the biggest hurdle to homeownership: down payment and closing costs. Rehabilitation carried out in conjunction with the assisted home purchase may also be considered.

Type of Assistance, Use of Funds and Eligible Expenses

ADDI will provide down payment and closing costs to eligible individuals. The amount of ADDI assistance provided will not exceed the lesser of \$10,000 or five percent of the purchase price of the home.

Eligible Customers

To be eligible for ADDI assistance, individuals must be first-time homebuyers interested in purchasing single-family housing. A first-time homebuyer is defined as an individual and his or her spouse who have not owned a home during the three-year period prior to the purchase of a home with ADDI assistance. ADDI funds may be used to purchase one- to four-unit family housing, condominium unit, cooperative unit, or manufactured housing. Additionally, individuals who qualify for ADDI assistance must have annual household incomes that do not exceed 80% of area median income.

Plan for Conducting Targeted Outreach

The Urbana HOME Consortium will continue to make efforts to conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies, for the purpose of ensuring that ADDI funds are used to provide down payment assistance for such residents, tenants and families. Efforts may include but not be limited to the following:

- Placing of brochures, posters and other informational material in the offices, facilities of such housing opportunities and other social service agencies frequented by the families assisted by public housing agencies;

- Provide program information to social service agencies that provide services to families assisted by public housing agencies;

- Place information on local public access television stations;

- Place information on appropriate websites.

- Mail packets of information to persons who inquire about programs via telephone and/or internet contact.

Activities to Ensure the Suitability of Families Receiving ADDI Assistance to Undertake and Maintain Homeownership

The Urbana HOME Consortium will require that recipients of ADDI Assistance complete a homebuyer class that will be offered by lenders who are members of the Community Investment Group on a regular basis in the Urbana-Champaign community.

Efforts will be also made to incorporate additional information and instruction on home maintenance within the specific home that the participant is purchasing.

Other Actions 91.220

The City of Urbana has utilized its allocation of CDGB and HOME funds to: foster decent housing, address lead based paint, and reduce number of persons below poverty level, and has provided assistance in coordinating housing and service agencies. These funded activities are noted within the previous listing and budget for FY 2008-2009 projects.

Following is a listing of other proposed activities by the City of Urbana to address the HUD regulations 91.220(f).

Fostering Decent Housing

In 2007, construction was completed on Prairie Winds, a 92-unit Senior Retirement Center, and is anticipated to be completed in 2007. There are 13 studio apartments and 79 one-bedroom apartments in the project. The Supportive Living Program allows Prairie Winds to offer all the apartments to Medicaid eligible and private pay persons over the age of 65. The apartments are reserved on a first come first serve basis. The Medicaid program allows residents to move in private pay and, if needed, then convert to Medicaid without having to change apartments or be forced to move due to lack of funds. Medicaid does not require Prairie Winds to have a certain number of residents, or specific apartments, because all 92 apartments may be occupied by Medicaid residents.

The City will continue to work closely with the Community Reinvestment Group (CRG) in identifying and supporting efforts to increase homeownership. The City will work with the CRG to sponsor its ninth Annual Housing Fair during FY 2008-2009. Advertising and outreach will be stepped up in an effort to continue the increase in attendance to this popular annual event.

Discharge Policy

The City of Urbana, as a participant in the Urbana-Champaign Continuum of Care, has established a policy for discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care, or other youth facilities, or correction programs and institutions) in order to prevent such discharge resulting in homelessness for such persons.

HOMELESS

Homeless and Other Special Needs Activities

The City participates in the Urbana-Champaign Continuum of Care group in a cooperative effort to maximize the resources of the local municipalities (Urbana, Champaign, Champaign County and Rantoul) and the local agencies that provide assistance to the homeless and special needs population.

The activities proposed in the Annual Action Plan that are designed to address needs of homeless persons with special needs include:

- The City of Urbana CDBG budget provides \$49,098.25 to support the City's Transitional Housing Program for homeless families with children. This program has been operating for fifteen years.
- The City will work with local agencies that provide services to the homeless through the Continuum of Care to assist with grant applications and help facilitate interagency cooperation in addressing and preventing chronic homelessness in the community. The Continuum regularly reviews and evaluates the needs of the community for homeless and homeless prevention.
- The City may provide support to emergency and transitional shelters through the Consolidated Social Service Pool funding allocations. Obstacles to providing services to the homeless include a reduction of state and federal funding accessible to the agencies who work directly with the homeless population.
- Urbana will also continue to operate a HUD-funded Supportive Housing Program. While non-profit agencies deliver services, City staff currently administers the program and aids in structuring strategic initiatives that enhance program opportunities.
- Effective July 1, 2006, the City of Urbana, transferred the Shelter Plus Care grant programs to the Champaign County Regional Planning Commission (CCRPC). The programs were transferred due to a reduction in City of Urbana staff capacity as a result of employee retirement. The CCRPC has sufficient staff to effectively administer the program. This transfer of the grant and associated responsibilities was approved by HUD. The services remain the same and the CCRPC continues to work with non-profits to deliver services of the program.

Emergency Shelter Grants (ESG)

This section is ***Not Applicable***, as the City of Urbana does not receive ESG funding.

Antipoverty Strategy

Reducing the number of persons below poverty level

Urbana and Cunningham Township will provide an estimated \$275,000 to social service agencies. Most of funded projects are designed to assist lower-income households and persons below poverty level.

City staff provides technical assistance to other non-profit organizations whose mission is to assist persons below poverty level.

City staff also serves on a number of voluntary boards and commissions, including the Champaign County Community Services Board, and the Joint Housing Effort, whose missions are to assist in reducing the numbers of persons below poverty level.

In the upcoming year, it is anticipated that the continuing trend of new commercial development and commercial redevelopment in the City will provide additional job opportunities, which could help reduce the number of persons below poverty level. The City of Urbana is involved in (non-CDBG) economic development activities through which job opportunities have been and continue to be developed in the community. In the past two years, job opportunities have been created by the addition of a major retail store and a discount food store on the east side of Urbana. The construction of a major retail store on the south side of Urbana has begun and is expected to be completed by end of 2008. Including new smaller businesses located throughout the City, by the end of 2008 an estimated total of between 394 jobs will have been added through the City's commercial and economic development activities. The City is working with a major building materials supplier who, in 2006, purchased land in the area where it will begin developing a retail store sometime in 2008-2009. The Comprehensive plan calls for the use of Tax Increment Financing to promote new development and redevelopment opportunities in the downtown area.

NON-HOMELESS SPECIAL NEEDS HOUSING

The City of Urbana, in cooperation with the Urbana-Champaign Continuum of Care and its member agencies, periodically conducts surveys throughout the community in order to gauge the needs of the special needs population. A Community-Wide Needs Assessment was completed in 2004.

Prairie Winds, a new 92-unit Supportive Living Facility consisting of 13 studios apartments and 79 one bedroom apartments has been completed. The Supportive Living Program allows Prairie Winds to offer all the apartments to both Medicaid eligible and private pay persons over the age of 65. The apartments are reserved on a first come first serve basis. The Medicaid program allows persons to move into private pay and then convert to Medicaid, without having to change apartments or to exit the building because of lack of funds. Medicaid does not require a certain number of residents, or specific apartments, because all 92 apartments can be occupied by Medicaid residents.

Consolidated Social Service Funding may be set aside for program activities yet to be determined which would benefit low-income residents of the CD Target Area. The Community Development Commission will provide input to the City Council regarding priorities to be considered regarding public service funding under the CDBG.

Housing Opportunities for People with AIDS

This section is *Not Applicable*, as the City of Urbana does not receive HOPWA funding.

COMMUNITY DEVELOPMENT (from CPMP tool)

Priority Non-Housing Community Development Needs

The City of Urbana's community development needs and priorities are based on the needs of the community, as reflected in the FY2005-2009 Consolidated Plan and input received from citizens during public hearings and neighborhood meetings.

Basis for Assigning the Priority Given to Each Category of Priority Needs

The basis for assigning priority to community development needs is a function of the following:

- Perceived need in the community.
- Available funding.
- Special circumstances that provide for strategic opportunities.
- Relationship to the City's community development goals and Comprehensive Plan.

Specific Goals and Strategies

CDBG funds can be contributed for the following projects identified in the City's Capital Improvement Plan:

Project	Funding	Timeframe
Harvey Street and sidewalks	\$235,000	2006-08
Illinois Street (Cottage Grove-Glover)	\$200,000	2007
Mathews (Church - Ellis)	\$75,000	2008
Park (Lincoln - Coler)	\$45,000	2009
Bradley (Lincoln - Coler)	\$310,000	2010
Division(Oakland - Thompson)	\$275,000	2012

These projects are eligible for CDBG funding as the location of each of the projects meets HUD regulations that at least 51% of the persons benefiting from the project must be below 80% of the community's median family income.

**CITY OF URBANA
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

DRAFT (ESTIMATED FOR FY 2008 –2009)

A summary listing of *Goals, Strategies and Activities* is attached for reference as Appendix II. The applicable Goal, Strategy and Activity is included for each Project listed below.

The following terms and abbreviations are used throughout the Annual Action Plan:
Citation = FEDERAL CITATION FOR AUTHORIZATION
Environmental = ENVIRONMENTAL REVIEW STATUS

A summary listing of Specific Housing and Community Development Objectives is attached for reference.

Resources-Federal:

2008-2009 Grant	\$ 460,655
Program Income (previous year)	\$ 5,000
<u>Unobligated Carryover (reprogrammed)</u>	<u>\$ 118,000</u>

TOTAL FEDERAL RESOURCES (FY2008-2009) \$ 583,655

ADMINISTRATION

General Administration Activities

Personnel - Administrative	\$ 73,925
Other Administrative Expenses	\$ 18,206
Goal 1, Strategy 1	
Citation - [24 CFR 570.206(a)]	
Environmental – EXEMPT	

TOTAL ADMINISTRATION EXPENSE (CDBG only) \$ 92,131 (20% Cap)

AFFORDABLE HOUSING PROGRAM

1. Program Delivery

Personnel	\$ 76,500
Citation - [24 CFR 570.202(b)(9)]	
Environmental - EXEMPT	

2. Case Preparation

	\$ 4,000
Title work and front-end expenses associated with affordable housing initiatives.	
Citation - [24 CFR 570.202(b)(9)]	
Environmental - EXEMPT	

TOTAL PROGRAM DELIVERY EXPENSE \$ 80,500

I. NEW FUNDING ACTIVITIES

A. HOUSING REHABILITATION ACTIVITIES

1. Emergency Grant, Access Grant, and Get the Lead Out Match Programs (FY 08-09)

Funds will be contributed toward three programs:

1. Providing repairs necessary to alleviate hazardous conditions, which pose a threat to the health and safety of a homeowner. Homeowners earning less than 50% of the Median Family Income for Champaign County are eligible for the Emergency Grant Program.
2. General improvements necessary to remove barriers to accessibility by persons with disabilities. The Access Grant Program is available for renters or homeowners who earn less than 80% of Median Family Income.
3. Matching funds for the Illinois Department of Public Health Get the Lead Out Program, which will fund efforts to address lead based paint hazards in eligible housing units.

All programs are available citywide. All work activities will be accomplished through contract arrangements.

\$80,000

Goal 1, Strategy 1; Goal 3, Strategy 3; Goal 7, Strategy 2

Citation - [24 CFR 570.202(a)(1)], [24 CFR 570.202(b)(10) & (11)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing and making housing accessible to persons with disabilities.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of owner-occupied households assisted with incomes at or below 50% MFI. Number of households (persons with disabilities) assisted with incomes at or below 80%.

2. Urbana Senior Repair Service (FY 08-09)

Funds will be contributed to a citywide home maintenance repair program for very low-income homeowners 62 years old or older and for very low-income homeowners with disabilities (any age). Household income must be less than 50% of the Median Family Income as established annually by HUD.

\$20,000

Goal 1, Strategy 1

Citation - [24 CFR 570.202(a)(1) & (b)(10)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by addressing conditions that are a threat to the health and safety of homeowners and/or provide lead safe housing, and housing accessible to persons with disabilities. All recipients of assistance must have household incomes below 50% of the area median.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 50% MFI.

3. Property Acquisition in Support of New Construction and Relocation/Clearance/Disposition Activities (FY 08-09)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, and 55. 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 only. City-owned properties will be properly maintained while they are the responsibility of the City.

\$ 100,000

Goal 2, Strategy 1; Goal 9, Strategy 4

Citation - [24 CFR 570.201(a)(b)(d)(f)(1)(ii)&(i)]

ENVIRONMENTAL ASSESSMENT

Objective: Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 80% MFI. Number of parcels donated to CHDOs and non-profits for affordable housing development.

B. PUBLIC FACILITIES AND IMPROVEMENTS

1. A Woman's Fund (FY 08-09)

Funds will be used towards the repair of a chimney, site regarding, and sanding and refinishing the dining room floor, at the shelter operated by A Woman's Place, located at 1304 East Main Street, Urbana.

\$4,108 (Community Development Commission recommendation)

Goal 6, Strategy 4
Citation – [24 CFR 570.201(c)]
Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and counseling for homeless domestic violence victims with children to assist with transition into more permanent housing.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this shelter (estimated: 329).

2. Center for Women in Transition (FY 08-09)

Funds would be combined with other funding for renovation of the 1500 foot duplex located at 304 North Fifth Street, Champaign, to make the building into a single dwelling, habitable for four single homeless women.

\$11,000 (Community Development Commission recommendation)

Goal 6, Strategy 2
Citation – [24 CFR 570.201(c)]
Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and counseling for homeless women to assist with transition into more permanent housing.

Outcome: Sustainability for the purpose of providing a suitable living environment.

Outcome Indicators: Number of persons will benefit from this project, with increased access to this shelter, (estimated: 4)

3. Center for Women in Transition (FY08-09)

Funds will be used for the installation of a new HVAC system at the Evans House (506 East Church Street, Champaign), which has no air-conditioning and a very old system for heating (water-based radiators).

\$15,500 (Community Development Commission recommendation)

Goal 6, Strategy 2
Citation – [24 CFR 570.201(c)]
Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and counseling for homeless women to assist with transition into more permanent housing.

Outcome: Sustainability for the purpose of providing a suitable living environment.

Outcome Indicators: Number of persons will benefit from this project, with increased access to this shelter, (estimated: 14)

4. C-U Independence (FY 08-09)

Funds will be used to install an automatic fire sprinkler at its supported living apartment building for individuals with developmental disabilities, located at 610 East Kerr Avenue, Urbana.

\$50,000 (Community Development Commission recommendation)

Goal 6, Strategy 4

Citation – [24 CFR 570.201(c)]

Environmental – CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing access to services and housing for persons with developmental disabilities.

Outcomes: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons who will benefit from this project, with increased access to this housing facility (estimated: 24).

5. Capital Improvement Projects - Kerr Avenue Sustainable Development

Funds will to be used towards installation of infrastructure at the Kerr Avenue sustainable, affordable housing development.

\$61,317

Goal 8, Strategy 1

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

C. Public Service Activities

1. Transitional Housing for Homeless Families With Children (FY 08-09)

Funds will be contributed to the City of Urbana's transitional housing program. Three to Five dwellings will be 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.

\$32,000.00 (personnel)

\$17,108.25 (programming)

\$49,108.25

Goal 6, Strategy 2

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

Environmental - EXEMPT

Objective: Provide Decent Housing by providing housing and access to services and counseling for homeless families with children to assist with transition into more permanent housing and self-sufficiency.

Outcome: Accessibility for the purpose of providing decent affordable housing.

Outcome Indicators: Number of households assisted to prevent homelessness.

2. Public Service Activities under Consolidated Social Service Funding Program (FY 08-09)

The balance of available funding @ 15% of the current entitlement will be allocated for program activities yet to be determined which would benefit low-income residents of the CD Target Area. The Community Development Commission has designated the priorities to be considered by the Urbana City Council for public service funding under the CDBG.

\$12,500

Goal 5, Strategy 3; Goal 5, Strategy 4; Goal 5, Strategy 5; Goal 5, Strategy 7; Goal 6, Strategy 1; Goal 6, Strategy 2

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

*Specific programs to be determined -Social Service Funding Process.

Objective: Create Suitable Living Environment by providing better access to social services in the community for low-income residents.

Outcome: Accessibility for the purpose of providing suitable living environment.

Outcome Indicators: Number of persons assisted with new or improved access to a public service.

3. Neighborhood Clean-Up (FY 08-09)

One-day, neighborhood clean-up activities will be held in Fall 2007 and Spring, 2008, in the Community Development Target Area. Activities will include disposal of junk, debris, and recyclable metal. The program will be co-sponsored by the Urbana Public Works Department.

\$14,990 (\$7,490 CDBG, \$7,500 NIF)

Goal 8, Strategy 1

Citation - [24 CFR 570.201(e)]

Environmental - EXEMPT

Objective: Create Suitable Living Environment by improving the appearance of the targeted areas by reducing blight.

Outcome: Sustainability for the purpose of providing a suitable living environment.

Outcome Indicators: Number of households provided with a new or improved service (estimated: 500).

DRAFT

II. CARRYOVER ACTIVITIES (Projected)

Following is an *estimate* of CDBG funding that will be carried over to the FY 2008-2009 in order to complete projects and activities previously funded.

A. HOUSING ACTIVITIES

1. Clearance of Slum and Blighted Conditions (FY 06-07)

Funds will be used for clearance of buildings and structures that create health and safety concerns.

\$42,856.00

Goal 9, Strategy 4

Citation – [24CFR 570.201(a)(1) & (b)(10)]

Environmental - CATEGORICALLY EXCLUDED

Objective: Create Suitable Living Environment by providing assistance to property owners in the target area having household incomes at or below 50% MFI in removing dilapidated structures from their owner-occupied property.

Outcome: Sustainability for the purpose of providing suitable living environments.

Outcome Indicators: Number of blighted structures removed.

2. Property Acquisition in Support of New Construction and Relocation/ Clearance/Disposition Activities (FY06-07)

Funds will be allocated for the purchase and maintenance of properties and structures primarily in Census Tracts 53, 54, and 55. 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 only. City-owned properties will be properly maintained while they are the responsibility of the City.

\$ 11,363.00

Goal 2, Strategy 1; Goal 9, Strategy 4

Citation - [24 CFR 570.201(a)(b)(d)(f)(1)(ii)&(i)]

ENVIRONMENTAL ASSESSMENT

Objective: Provide Decent Housing by creating or maintaining affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of rehabilitated owner-occupied units with household incomes at or below 80% MFI. Number of parcels donated to CHDOs and non-profits for affordable housing development.

B. PUBLIC FACILITIES AND IMPROVEMENTS -

The following Public Facility and Improvement projects are anticipated to be carried over to FY 2008-2009.

1. Harvey Street - Street and Sidewalk Improvements (FY06-07 & 07-08)

Funds will be used to construct a paved street, and install and improve sidewalks in the Harvey Street Area, near King School. Funds will be set-aside in over two (2) years to accomplish this commitment. FY 2006-2007 provided \$166,057 toward this project, \$75,000 is provided from FY 2008-2009. Project is scheduled to begin in the 2007 construction season.

Total Project - \$241,057

Goal 8, Strategy 1

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Create a Suitable Living Environment by providing infrastructure access to owner-occupied households with incomes at or below 80% of the area median. This project will improve infrastructure and add sidewalks which will improve safety for area residents in the targeted neighborhood.

Outcomes: Accessibility for the purpose of providing a suitable living environment

Outcome Indicators: Number of households in targeted area with incomes at or below 80% MFI with improved access to public infrastructure.

2. Lakeside Terrace Redevelopment

FY07-08 CDBG funds in the amount of \$50,000 will be combined with \$50,000 in previously allocated CDBG funds (FY05-06) and \$100,000 HOME (\$50,000 FY06-07 & \$50,000 FY07-08) toward the redevelopment of affordable rental housing units at the Crystal View Townhomes (*former site of Lakeside Terrace public housing*). The project must be consistent with affordable housing goals as outlined in the 2005-2009 Consolidated Plan, the 2005 Comprehensive Plan, and the 2004 Lakeside Redevelopment Plan, and must comply with applicable local, state and federal regulations.

\$100,000 (Total HOME & CDBG - \$200,000)

Goal 2, Strategy 1

Citation - [24 CFR 92.205(a)(1)]

Environmental – ASSESSMENT

Objective: Provide Decent Housing by constructing new mixed-income housing tax credit development that would include at least thirty units for residents whose household incomes were at or below 60% MFI.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of rental units available to low-income households (at or below 60%MFI).

DRAFT

Projected Budget FY 2008-2009

FY 2008-2009

Federal Allocation (Grant)	\$ 460,655.00
previous year Program Income	\$ 5,000.00
Reprogrammed from previous years	\$ 118,000.00
TOTAL TO ALLOCATE	\$ 583,655.00
ADMINISTRATION (20%)	\$92,131.00
Personnel	\$73,925.00
Other Administration	\$18,206.00
PUBLIC SERVICE (15%)	\$69,098.25
Transitional Housing personnel	\$32,000.00
Transitional Housing programming	\$17,108.25
Neighborhood Clean Up (\$7,490 CDBG, \$7,500 NIF)	\$7,490.00
Consolidated Social Service Fund	\$12,500.00
AFFORDABLE HOUSING PROGRAMS	\$280,500.00
Program Delivery	\$80,500.00
Personnel	\$76,500.00
Case Preparation	\$4,000.00
Housing-Related Programs	\$200,000.00
Emergency/Access/GLO Programs	\$80,000.00
Urbana Senior Repair	\$20,000.00
Property Acquisition-Support of Affordable Housing & Neighborhood Improvement	\$100,000.00
PUBLIC FACILITIES AND IMPROVEMENTS	\$141,925.75
NEW - A Woman's Place	\$4,108.00
NEW -C-U Center for Independent Living	\$50,000.00
NEW - Center for Women in Transition -Fifth St	\$11,000.00
NEW - Center for Women in Transition - Church St	\$15,500.00
NEW: Reserve for Capital Improvement Projects (Kerr Ave, etc)	\$ 61,317.75
TOTAL – FY08-09 New Activities	\$583,655.00
CARRYOVER PROJECTS and AMOUNT (Estimated)	
Clearance of Slum/Blight	\$ 42,000.00
Lakeside Terrace (05/06)	\$ 50,000.00
Lakeside Terrace (07/08)	\$ 50,000.00
Harvey/Gregory Street Sidewalks	\$ 241,057.00
TOTAL Amount of CARRY-OVER Projects	\$383,057.00
GRAND TOTAL CDBG PROGRAM FUNDING	\$966,712

**Urbana HOME Consortium
HOME Investment Partnership Program**

FY 2007 –2008

The applicable Goal, Strategy and Activity is included for each of the Projects listed below.

The following terms and abbreviations are used throughout the Annual Action Plan:
Citation = FEDERAL CITATION FOR AUTHORIZATION
Environmental = ENVIRONMENTAL REVIEW STATUS

Resources-Federal

2008-2009 HOME Grant:	\$1,010,203
2008-2009 ADDI	\$ 9,506
Carry-over Funds: ADDI	\$ 51,000
Funds available for re-programming (Program Income)	
Champaign	\$ 27,125
Urbana	\$ 15,000
Champaign County	\$ 0

Resources-Other

Local Match HOME: **\$ 170,911**

TOTAL REVENUES ***\$ 1,318,745***

A. ADMINISTRATION (10% SET-ASIDE, NO MATCH REQUIREMENT)

FY08-09 Allocation: \$101,020
Total Available Funds: \$101,020

Administration Activities:

Personnel
Supplies and other expenses
Citation - [24 CFR 92.206(d)]
Environmental – EXEMPT

City of Urbana	\$ 89,403 (88.5%)
City of Champaign	\$ 8,890 (8.8%)
Champaign County	<u>\$ 2,727 (2.7%)</u>

TOTAL EXPENSE ***\$101,020***

B. COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) RESERVE SET-ASIDE (15¹% SET-ASIDE IS REQUIRED EACH YEAR, MATCH PROVIDED BY CHDO)

FY 08-09 Allocation:	\$ 151,530
Carry-over (FY07-08):	\$ <u>23,500</u>
Total Available Funds:	\$ 175,030

Funds are allocated to Affordable Housing Projects for which locally certified CHDOs will act as owner, sponsor or developer.

1. Homestead Affordable Housing Programs (FY08-09)

a) Douglass Park Infill

Funds will be provided to the Homestead Corporation to assist with the development and new construction of two (2) single-family homes to be sold to income qualifying households. These funds will augment funds already received in FY07-08.

\$30,000 HOME (Additional \$7,500 Match must be provided by CHDO)

Goal 2, Strategy1, Activity 1

Citation – [24CFR92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by providing an opportunity for households with incomes at or below 80% of the area median to become homeowners.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of owner-occupied units – Three (3). Amount of funding leveraged through local match.

b) Homestead Affordable Homeownership Program

Funds will be provided to the Homestead Corporation to assist with the lot purchase, development and new construction of tow (2) single family homes to be sold to income qualifying households.

\$85,030 HOME (Additional \$21,250 Match must be provided by CHDO)

Goal 2, Strategy1, Activity 1

Citation – [24CFR92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by providing an opportunity for households with incomes at or below 80% of the area median to become homeowners.

¹ HUD requires that 15% of the grant funds awarded to a Participating Jurisdiction be set aside for CHDO Projects.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of owner-occupied units – Three (3). Amount of funding leveraged through local match.

2. Urban League Lease Purchase Program (FY 08-09)

Funds will be provided to the Urban League of Champaign County Development Corporation to assist with the purchase of four (4) single-family homes and related improvements to meet local codes. During the leasing period, a low-income family will undergo homebuyer counseling. Upon successful completion, the home will be sold to the income qualifying family.

Total Project Budget

\$60,000 HOME (Additional \$15,000 Match must be provided by CHDO)

Goal 2, Strategy 3, Activity 3

Citation - [24 CFR 92.206(c)]

Environmental – Assessment Required

Recapture

Objective: Provide Decent Housing by providing an opportunity for households with incomes at or below 80% of the area median to become homeowners.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of owner-occupied units - Two (2). Amount of funding leveraged through local match.

CHDO Project Expenses:

Homestead Douglass Park Infill **\$ 30,000**

Homestead Affordable Homeownership **\$ 85,030**

Lease-Purchase Program **\$ 60,000**

TOTAL EXPENSE ***\$ 175,030***

D. CITY OF CHAMPAIGN

FY08-09 Allocation:	\$ 375,321
Program Income	\$ 27,125
Match Funds:	<u>\$ 93,830</u>
Total Available Funds:	\$ 496,276

1. Owner-Occupied Housing Rehab

Funding will be used to continue the Full Home Improvement program. HOME funds may be combined with Federal Home Loan Bank and private loan funding to assist low-income homeowners with major home repairs. Grants and low-interest HOME loans in the amount of \$25,000 per household are intended to address code deficiencies, major renovation needs, and lead-based paint hazards.

\$125,000(\$100,000 HOME; \$25,000 Match)

Goal 1, Strategy 1, Activity 3

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

Environmental – Assessment Required

Recapture Provision

Objective: Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from three income categories, at or below 30% MFI, 31-50% MFI and 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 30% MFI. Number of owner-occupied households assisted at 31 -50% MFI. Number of owner-occupied households assisted at 51-80% MFI. Amount of funding leveraged through local match.

2. Acquisition-Rehab Program

Funds will be reserved for down payment assistance for homebuyers to acquire and rehab properties that may be in need of repair for low-income purchasers. The program may provide up to 10% down payment assistance for the purchase of the home with a rehabilitation loan not to exceed \$25,000 after the sale is completed. Homebuyers must have incomes less than 80% MFI to qualify for this down payment assistance.

\$188,218 (\$150,574 HOME; \$37,644 Match)

Goal 2, Strategy1, Activity 1

Citation – [24 CFR 92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded

Resale

Objective: Provide Decent Housing by creating affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of units affordable owner occupied units purchased and/or rehabbed. Amount of funding leveraged through local match.

3. Neighborhood Revitalization Program.

Funds may be allocated to existing programs, such as the Purchase-Rehab-Downpayment or Lot Acquisition Property programs, other programs currently under development, or programs that may be proposed, that further the affordable housing goals and mission of the City and City Council. Programs must comply with applicable local, state and federal regulations, including but not limited to HOME regulations.

\$164,308 (\$131,447 HOME; \$32,861 Match)

Goal 2, Strategy1, Activity 1

Citation – [24 CFR 92.206(d)]

Environmental – Non-Exempt/Non-Categorically Excluded
Resale

Objective: Provide Decent Housing by creating affordable housing opportunities for households with incomes at or below 80% of the area median.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of units affordable owner occupied units purchased and/or rehabbed. Amount of funding leveraged through local match

4. Program Delivery

Funds will be allocated for coordination and delivery of HOME projects funded with the City of Champaign's share of HOME Consortium funds.

\$18,750 (\$15,000 HOME; \$ 3,750 Match)

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.207]

Environmental – EXEMPT

Objective: Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from three income categories, at or below 30% MFI, 31-50% MFI and 51-80% MFI.

Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 30% MFI. Number of owner-occupied households assisted at 31 -50% MFI. Number of owner-occupied households assisted at 51 -80% MFI. Amount of funding leveraged through local match.

Rehab	\$ 125,000
Acquisition – Rehab	\$ 188,218
Neighborhood Revitalization	\$ 164,308
Program Delivery	<u>\$ 18,750</u>
<i>TOTAL EXPENSE</i>	<i>\$ 496,276</i>

E. CHAMPAIGN COUNTY

FY08-09 Allocation:	\$ 86,139
Match Funds:	<u>\$ 21,535</u>
Total Available Funds:	\$ 107,674

1. Housing Rehabilitation

Champaign County will use its share of HOME funds to provide rehabilitation assistance to both investor-owned properties, as well as single-family owner-occupied projects. It is anticipated the primary program focus will be on single-family owner-occupied rehabilitation.

\$ 101,074 (\$79,539 HOME; \$21,535 Match)

Goal 1, Strategy 1, Activity 3

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

Environmental – Assessment Required

Recapture

2. Program Delivery

Champaign County will allocate a portion of its funds for staffing and overhead expenses related to its housing rehabilitation program.

\$ 6,600 HOME

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.207]

Environmental – Exempt

Objective: Provide Decent Housing by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients with household income at or below 80% MFI. Program is intended to improve the quality of the housing stock by bring units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of assisted owner-occupied households with income at or below 80% MFI. Amount of funding leveraged through local match.

Rehab	\$ 101,074
Program Delivery	<u>\$ 6,600</u>
<i>TOTAL EXPENSE</i>	<i>\$ 107,674</i>

F. CITY OF URBANA

FY07-08 Allocation:	\$ 222,185
Program Income (est)	\$ 15,000
Match Funds:	<u>\$ 55,546</u>
Total Available Funds:	\$ 292,731

1. Owner-Occupied Housing Rehabilitation

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

\$150,000 (\$120,000 HOME; \$30,000 Match)

Goal 1, Strategy 1, Activity 3

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

Environmental – Assessment Required

Recapture

Objective: Provide Decent Housing to owner occupants by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from two income categories, at or below 50% MFI and between 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 50% MFI. Number of owner-occupied households assisted at 51 -80% MFI. Amount of funding leveraged through local match.

2. Program Delivery

Funds will be allocated for coordination and delivery of HOME projects funded with the City of Urbana's share of HOME Consortium funds.

\$70,000 (\$56,000 HOME; \$14,000 Match)

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.207]

Environmental – EXEMPT

Objective: Provide Decent Housing to owner occupants by addressing conditions that are a result of deferred maintenance through rehabilitation of homes of recipients from two income categories, at or below 50% MFI and between 51-80% MFI. Program is intended to improve the quality of the housing stock by bringing

units into compliance with applicable code requirements, eliminating lead based paint hazards, and improving exterior appearance.

Outcome: Sustainability for the purpose of providing decent housing.

Outcome Indicators: Number of owner-occupied households assisted at or below 50% MFI. Number of owner-occupied households assisted at 51 -80% MFI. Amount of funding leveraged through local match.

3. Kerr Avenue Redevelopment

HOME funds are set aside to be used in conjunction with the redevelopment of the City-owned property at 401 E. Kerr Avenue into an affordable, energy efficient sustainable housing development. The project must be consistent with affordable housing goals as outlined in the 2005-2009 Consolidated Plan, the 2005 Comprehensive Plan, and the 2004 Lakeside Redevelopment Plan, and must comply with applicable local, state and federal regulations.

\$72,731 (\$58,185 HOME; \$14,546 Match)

Goal 2, Strategy 1

Citation - [24 CFR 92.205(a)(1)]

Environmental – Assessment Required

Objective: Provide Decent Housing by constructing new affordable housing development that would units for residents whose household incomes were at or below 80% MFI.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of housing units available to low-income households (at or below 80%MFI).

Rehab	\$150,000
Program Delivery	\$ 70,000
Kerr Avenue Redevelopment	<u>\$ 72,731</u>
<i>TOTAL EXPENSE</i>	<i>\$292,731</i>

G. AMERICAN DREAM DOWNPAYMENT INITIATIVE

The Urbana HOME Consortium Technical Committee submit that the funding be pro-rated using the same allocation as the HOME funding. This could allow the members of the Consortium to pursue individual homebuyer programs or pool their respective funding if they desire.

	City of Champaign	Champaign County	City of Urbana	Grand Total
FY08-09 Allocation:	\$ 5,219	\$ 1,198	\$ 3,089	\$ 9,506
Carry-over Funds:	<u>\$ 5,667</u>	<u>\$ 23,701</u>	<u>\$ 21,632</u>	<u>\$ 51,000</u>
Total Available:	\$ 10,886	\$ 24,899	\$ 24,721	\$ 60,506

*Carry-over amounts based on funds disbursed as of 2/20/2007.

Objective: Provide Decent Housing by providing an opportunity for households with incomes at or below 80% of the area median to become homeowners.

Outcome: Affordability for the purpose of providing decent affordable housing.

Outcome Indicators: Number of households receiving direct financial assistance, down payment assistance and housing counseling.

H. Budget summary

	2008-2009	Comments
Program Area	Budget	
FY08-09 HOME Funds	\$ 1,010,203	(estimated allocation)
FY08-09 ADDI Funds	\$ 9,506	
Carryover funds - ADDI	\$ 51,000	ADDI funds available FY04-05, FY05-06, FY06-07, FY07-08
Program Income (CMI – Urb) est	\$ 42,125	
Carryover funds - Urbana Funds	\$ TBD	
Carry over funds _Champaign	\$ TBD	
Local Match	\$ 170,911	
Carryover Admin funds Urbana	\$ 35,000	
Total Budget	\$1,318,745	
FY 08-09 Administration 10% of Grant	\$101,020	
City of Urbana Admin Carry-over	\$35,000	<i>Estimate</i>
<i>Total Available</i>	\$136,020	
City of Urbana	\$121,991	<i>(\$89,403 for FY08-09 plus 32,588 carry over plus)</i>
City of Champaign	11,302	<i>(\$8,890 FY08-09 plus \$2,412 carryover - previous years)</i>
Champaign County	\$ 2,727	
CHDO Project Funds	\$ 175,030	\$ Unallocated FY06-07 & \$154,995 FY 08-09
Homestead AHP Douglass Infill	30000	
Homestead Affordable Homeownership	85030	
Urban League Lease-Purchase	60000	
CHDO Operating (5%)	\$ 50,508	
Urban League	\$ 16,836	
Homestead	\$ 16,836	
e-co lab	\$ 16,836	
ADDI	\$ 60,506	Total of new allocation and carryover funds. Each year, allocation is distributed among Consortium members based on the established ratio. Carryover amount differs for each member based on the number of ADDI transactions completed within each jurisdiction.
FY08-09 Champaign - 54.9%	\$ 5,219	
Carryover Champaign	\$ 5,667	
FY08-09 County - 12.6%	\$ 1,198	
Carryover County	\$ 23,701	
FY08-09 Urbana - 32.5%	\$ 3,089	
Carryover Urbana	\$ 21,632	
Subtotal Allocated Funds	\$ 286,044	
Remaining Funds for Allocation	\$1,032,701	

Funds Available

		2008-2009	Comments
	Program Area	Budget	
Member Split	City of Champaign - 54.9%	\$ 375,321	Individual member allocations are determined by applying the established ratio to the FY2008-2009 Allocation, less current year set-asides.
	Champaign County - 12.6%	\$ 86,139	
	City of Urbana - 32.5%	\$ 222,185	
Champaign Budget Detail	CMI ADMINISTRATION		
	<i>Personnel & admin expenses</i>	\$ 11,302	
	CMI CITY PROJECTS		
	HOME Funds Available	\$ 375,321	Match obligation will be provided using Federal Home Loan Bank and UDAG funding
	Program Income (est)	\$ 27,125	
	Carry-Over (est)		
	Match Amount	\$ 93,830	
	Total Funds Available	\$ 496,276	
	Owner Occupied Rehab	\$ 125,000	
	Program Delivery	\$ 18,750	
	Acquisition – Rehab –Down Pmt	\$ 188,218	Does not include Admin
	Neighborhood Revitalization	\$ 164,308	
<i>Subtotal</i>	\$ 496,276		
County Budget Detail	CTY - ADMINISTRATION		
	<i>Personnel & admin expenses</i>	\$ 2,727	
	COUNTY PROJECTS		
	HOME Funds Available	\$ 86,139	
	Match Amount	\$ 21,535	
	Total Funds Available	\$ 107,674	
	Owner Occupied Rehab	\$ 101,074	Entire Match obligation is provided through contributions to project expenses from County general funds.
	Program Delivery	\$ 6,600	
	<i>Subtotal</i>	\$ 107,674	Does not include admin
	Urbana Budget Detail	URB - ADMINISTRATION	
<i>Personnel & admin expenses</i>		\$ 121,991	
URB CITY PROJECTS			
HOME Funds Available		\$ 237,185	FY08-09 allocation & Pgm Inc
Match Amount		\$ 55,546	
Total Funds Available		\$292,730	
Program Delivery		\$ 70,000	Match obligation
Owner Occupied Rehab		150,000	Match obligation \$
Kerr Redevelopment		\$ 72,731	Match obligation \$
<i>Subtotal</i>		\$ 292,731	Does not include Admin
SUMMARY	SUMMARY		
	Total Available Funds	\$1,032,701	
	Total Allocated Funds	\$1,032,701	
	Balance	\$0	