



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

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

DATE: April 5, 2012

**SUBJECT: AN ORDINANCE APPROVING MODIFICATIONS TO
THE CITY OF URBANA AND URBANA/CHAMPAIGN/CHAMPAIGN
COUNTY HOME CONSORTIUM FY 2009-2010 AND FY 2010-2011
ANNUAL ACTION PLANS (Spring 2012 HOME County TBRA)**

Description

On the agenda of the April 9, 2012 meeting of the Urbana Committee of the Whole is an Ordinance Approving Modifications to the City of Urbana and Urbana HOME Consortium Annual Action Plans for Fiscal Year (FY) 2009-2010 and FY 2010-2011. As lead agency for the Urbana HOME Consortium, City of Urbana staff has worked with the other Consortium members, the City of Champaign and Champaign County, to identify changes that need to be made to the City of Urbana and Urbana HOME Consortium Annual Action Plans for multiple fiscal years.

The proposed amendment has been on display and available for public review and comment at the City Clerk's office, the Department of Community Development Services office, and the Urbana Free Library since March 13, 2012. A public hearing regarding the proposed amendment was held on March 27, 2012 preceding the regular monthly meeting of the Urbana Community Development Commission. Minutes from the public hearing are attached. During its meeting, the Community Development Commission unanimously voted to forward the Ordinance to Council with a recommendation for approval.

Background

The proposed amendment is needed to reflect project funding and program changes that have occurred since the approval of the Annual Action Plans (AAP) and subsequent Amendments for FY 2009-2010 and FY 2010-2011. The Department of Housing and Urban Development (HUD) regulations require that in the event significant changes to projects or programs described in the Annual Action Plans occur, the plans shall be amended to reflect the changes.

The City of Urbana and Urbana HOME Consortium Consolidated Plan for FY 2010-2014 sets forth a process that must be followed in order to amend Annual Action Plans. The City is required to give notice of the public hearing regarding a substantial amendment. In order to

provide an opportunity for the public comment, a public hearing regarding the proposed amendment was held directly preceding the regular meeting of the Urbana Community Development Commission in the Urbana City Council Chambers on March 27, 2012. Minutes from the public hearing are attached.

The proposed amendment reallocates Champaign County HOME FY 2009-2010 and FY 2010-2011 carryover funds from its Housing Rehabilitation Program to its Tenant Based Rental Assistance (TBRA) Program. Reallocating these funds will maintain program viability and compliance with HUD commitment deadlines. Following is a summary of the proposed HOME Program Amendment:

Champaign County Whole House Rehabilitation Program

Champaign County will reallocate its FY 2009-2010 and FY 2010-2011 HOME funding, which was previously designated for its Whole House Rehabilitation Program, to its Tenant Based Rental Assistance Program. This reallocation includes Champaign County’s program funding totals listed below.

Champaign County HOME Funds	Current	Proposed
FY 09-10 Housing Rehab Carryover	\$ 78,414.00	\$ 52,116.05
FY 10-11 Housing Rehab Carryover	\$ 71,820.00	\$ -0-

Total Decrease: \$98,117.95

Champaign County No Limits Tenant Based Rental Assistance (TBRA) Program

The County’s HOME funds will be used for its No Limits Tenant Based Rental Assistance Program to provide affordable housing assistance to low-income residents of Champaign County, in conjunction with supportive services, within the boundaries of the Urbana HOME Consortium. The participating clients will be required to follow a plan for achieving self-sufficiency. Participating clients make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.

Champaign County HOME Funds	Current	Proposed
FY 09-10 TBRA Program	\$ -0-	\$ 26,297.95
FY 10-11 TBRA Program	\$ 176,877	\$ 248,697.00

Total Increase: \$98,117.95

The above amendments will allow the County to maintain timely expenditure of its HOME funding allocations. The County’s No Limits TBRA Program is funded by multiple grant sources and currently serves 83 individuals. The HOME grant funds approximately 14 households.

Options

1. Approve the Ordinance Approving Modifications to the City of Urbana and Urbana HOME Consortium Annual Action Plans for Fiscal Year (FY) 2009-2010 and FY 2010-2011.

2. Approve the Ordinance with changes.
3. Do not approve the Ordinance.

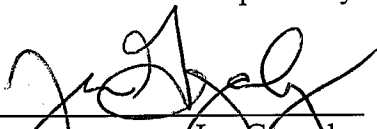
Fiscal Impacts

The proposed amendments to the Annual Action Plans will not change the amount of HOME funding provided to the Urbana Consortium by HUD. There is no fiscal impact to the City budget.

Recommendations

Staff and the Urbana Community Development Commission recommend that the Council approve the Ordinance.

Memorandum Prepared By:



Jen Gonzalez
HOME Grant Coordinator

Attachments:

1. AN ORDINANCE APPROVING MODIFICATIONS TO THE CITY OF URBANA AND URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM FY 2009-2010 AND FY 2010-2011 ANNUAL ACTION PLANS (Spring 2012 HOME County TBRA)
2. Proposed Amendments to the City of Urbana and Urbana HOME Consortium FY 2009-2010 and FY 2010-2011 Annual Action Plans (Spring 2012 HOME County TBRA)
3. Notice of Availability of Amendments to the City of Urbana and Urbana HOME Consortium Annual Action Plans for FY 2009-2010 & FY 2010-2011 & Notice of Public Hearing
4. *Minutes from March 27, 2012 public hearing*
5. *Relevant minutes from the March 27, 2012 regular meeting of the Urbana Community Development Commission*

ORDINANCE NO. _____

AN ORDINANCE APPROVING MODIFICATIONS TO THE CITY OF URBANA AND
URBANA/CHAMPAIGN/CHAMPAIGN COUNTY HOME CONSORTIUM FY 2009-2010
AND FY 2010-2011 ANNUAL ACTION PLANS
(Spring 2012 HOME County TBRA)

WHEREAS, the City of Urbana has been designated an entitlement city under the Federal Housing and Community Development Act of 1974, as amended, and as such is eligible for Community Development Block Grant (hereinafter "CDBG") and Home Investment Partnerships Funds (hereinafter "HOME") funds upon proper submittal being made to the United States Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, the Urbana City Council previously approved ordinances authorizing submittal to HUD of the Annual Action Plans for FY 2009-2010 and FY 2010-2011 that included proposed budgets for the HOME Programs and HUD subsequently approved the said Annual Action Plans; and

WHEREAS, the Urbana City Council previously approved ordinances approving amendments to the FY 2009-2010 and FY 2010-2011 Annual Action Plans;

WHEREAS, on March 13, 2012, the City of Urbana published on the City website a notice of a 30-day public review period regarding said proposed budgetary amendments to the Annual Action Plans for FY 2009-2010 and FY 2010-2011; and

WHEREAS, on March 27, 2012 the City of Urbana, the Grants Management Division of the Community Development Services Department, as lead entity for the Urbana HOME Consortium, held a public hearing on the proposed amendments; and

WHEREAS, the City Council now finds it necessary and appropriate to further amend the City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plans for FY 2009-2010 and FY 2010-2011.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the City of Urbana, as lead entity for the Urbana HOME Consortium, hereby approves the amendments to the City of Urbana and Champaign/Urbana/Champaign County HOME Consortium Annual Action Plans for FY 2009-2010 and FY 2010-2011, in substantially the same form as such amendments are referenced in the attachment hereto.

Section 2. That the Mayor of the City of Urbana is hereby designated as the authorized representative of the City of Urbana to take any action necessary in conjunction with said attached amendments to the Annual Action Plans for FY 2009-2010 and FY 2010-2011, and any prior approved Annual Action Plan or Amendment, including, without limitations, to execute any documents necessary to commit applicable HOME funds to the projects, submittal of the Annual Action Plan Amendment to the HUD Regional Field Office and provision of such additional information as may be required.

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

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

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

Laurel Lunt Prussing, Mayor

City of Urbana and Urbana HOME Consortium



Proposed Amendments to FY 2009-2010 and FY 2010-2011 Annual Action Plans

(Spring 2012 HOME County TBRA)

Prepared by:
City of Urbana
Community Development Services
Grants Management Division
400 South Vine Street
Urbana, IL 61801
217.384.2447

**Approved by Urbana City Council
Ordinance No. _____**

**AMENDMENTS TO CITY OF URBANA and URBANA HOME CONSORTIUM
FY 2009-2010 and FY 2010-2011 ANNUAL ACTION PLANS**

The Urbana HOME Consortium proposes to amend the HOME Program budgets for Champaign County in the FY 2009-2010 and FY 2010-2011 Annual Action Plans (AAPs) to re-allocate Champaign County HOME funding to the project budgets outlined below. Funding for the amended activities was previously allocated to the County's Whole House Rehabilitation Program in 2009 and 2010. However, the program has slowed due to real estate market conditions.

The amendments reallocate a total of **\$98,117.95** of FY 2009-2010 and FY 2010-2011 Champaign County HOME funds from the Whole House Rehabilitation Program to the No Limits Tenant Based Rental Assistance Program. The No Limits Program is a current program run by County staff and is funded by several grant sources, including HOME dollars.

Following are the Champaign County HOME Program budget changes for the Housing Rehabilitation Program to be allocated to the Tenant Based Rental Assistance Program in the FY 2009-2010 Annual Action Plan:

REDUCTIONS:

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.

~~\$ 99,668 (\$78,414 HOME; \$21,254 Match)~~
\$65,145.06 (\$52,116.05 HOME; \$13,029 Match)

ADD NEW FY 2009-2010 PROGRAM:

- 3. Tenant Based Rental Assistance Program – No Limits.** HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients follow a team-approved plan for achieving self-sufficiency and make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.
\$26,297.95 HOME (25% Match Required)

Following are the Champaign County HOME Program budget changes for the housing rehabilitation program to be allocated to tenant based rental assistance in the FY 2010-2011 Annual Action Plan:

REDUCTIONS:

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.~~

~~\$ 91,181 (\$71,820 HOME)~~

AUGMENT FY 2010-2011 PROGRAM:

3. Tenant Based Rental Assistance Program. HOME funds will be used to provide affordable housing assistance to low-income residents of the Urbana Consortium area in the City of Urbana, City of Champaign and in unincorporated Champaign County. Assisted households will have annual incomes at or below 60% of the Area Median in accordance with HOME Regulations. The participating clients follow a team-approved plan for achieving self-sufficiency and make co-payments toward rent (not to exceed 30% of the household income), based on their approved self-sufficiency plan.
~~\$176,877 HOME; (* \$44,222 Match required)~~
\$248,697 HOME; (* \$62,174 Match required)

Champaign County HOME Funds	<i>Current</i>	<i>Proposed</i>
FY 09-10 County Housing Rehab	\$78,414.00	\$52,116.05
FY 09-10 County TBRA Program	-0-	\$26,297.95
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FY 10-11 County Housing Rehab	\$71,820.00	-0-
FY 10-11 County TBRA Program	\$176,877.00	\$248,697.00



**NOTICE OF AVAILABILITY OF AMENDMENTS TO
CITY OF URBANA & URBANA HOME CONSORTIUM
ANNUAL ACTION PLANS FY 2009-2010 & FY 2010-2011
& NOTICE OF PUBLIC HEARING**



On **Tuesday, March 27, 2012 @ 7:05 p.m.**, the City of Urbana will hold a public hearing in the Urbana City Council Chambers at 400 S. Vine St. Urbana, IL, to accept comments on the proposed amendments to the *FY 2009-2010* and *FY 2010-11 Annual Action Plans* as outlined below. The Urbana HOME Consortium, consisting of the City of Urbana, City of Champaign, and Champaign County, receives HOME funding allocations from the Department of Housing and Urban Development (HUD) to implement local housing strategies to increase home ownership and affordable housing opportunities for low-income citizens.

CHAMPAIGN COUNTY PROPOSED FY 2009-10 & FY 2010-11 HOME AMENDMENTS:

The Urbana HOME Consortium proposes to re-allocate \$98,117.95 in Champaign County HOME funds originally allocated to the Housing Rehabilitation Program to be reallocated to the Tenant Based Rental Assistance Program (TBRA) currently run by Champaign County Regional Planning Commission.

<u>Champaign County HOME Funds</u>	<u>Current</u>	<u>Proposed</u>
FY 09-10 County Housing Rehab	\$ 78,414.00	\$ 52,116.05
FY 09-10 County TBRA Program	-0-	\$ 26,297.95
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FY 10-11 County Housing Rehab	\$ 71,820.00	-0-
FY 10-11 County TBRA Program	\$176,877.00	\$248,697.00

Copies of the City of Urbana and Urbana HOME Consortium FY 2009-2010 & FY 2010-2011 Annual Action Plans, as well as the proposed amendments are available from Tuesday, March 13, 2012 for public review and comment until 5:00 p.m. Wednesday, April 11, 2012 at the following locations:

- Urbana Free Library, 210 W. Green St, Urbana, IL, *and*
 Urbana City Building, 400 S. Vine St, Urbana, IL 61801 *in the following offices:*
- (1) Department of Community Development Services Office
 - (2) City Clerk's Office

Questions and comments should be directed in writing, before the close of business on Wednesday, April 11, 2012 to Kelly H. Mierkowski, Manager, Grants Management Division, City of Urbana, 400 S. Vine St., Urbana, IL 61801 or khmierkowski@urbanaininois.us.

**CITY OF URBANA & URBANA HOME CONSORTIUM PROPOSED AMENDMENT
TO FY 2009-2010 & FY 2010-2011 ANNUAL ACTION PLANS
(Spring 2012 HOME County TBRA) -- PUBLIC HEARING MINUTES**

**Tuesday, March 27, 2012, 7:05 p.m.
City Council Chambers, 400 S. Vine Street, Urbana, IL**

Present:

- Community Development Commission: Chairperson Fred Cobb, Janice Bengtson, Chris Diana, George Francis, Theresa Michelson, Jerry Moreland, Brad Roof, Anne Silvis
- City of Urbana Grants Management Division: Kelly H. Mierkowski, Connie Eldridge, Jennifer Gonzalez, Matt Murphy
- Robin Arbiter, Lierman Neighborhood Action Committee (LNAC); Eric Trusner, Kerrie Lee Dunn, and Paula Vanier, Persons Assuming Control of Their Environment (PACE); Aaron P. Smith, Homestead Corporation; Janice McAteer, Developmental Services Center (DSC); Darlene Kloepfel, Champaign County Regional Planning Commission (CCRPC)

The Community Development Commission and Grants Management Division staff were prepared to receive interested citizens at 7:00 p.m.

Chairperson Cobb called the public hearing to order at 7:11 p.m. He stated the purpose of this public hearing was to receive input on the proposed Amendments to City of Urbana and Urbana HOME Annual Action Plans (AAP) for Fiscal Year (FY) 2009-2010 and FY 2010-2011. Notice of the public hearing was posted on the City of Urbana's website, and mailed and e-mailed to various social service agencies and citizens on March 13, 2012. Written comments are also welcome through Wednesday, April 11, 2012.

The Urbana HOME Consortium proposes to reallocate \$98,117.95 in Champaign County HOME funds from Champaign County's Whole House Rehabilitation Program to its No Limits Tenant Based Rental Assistance (TBRA) Program. Darlene Kloepfel, Director of Social Services at CCRPC, explained their Whole House Program covers rural areas outside of Champaign-Urbana. Due to the poor economy, many homeowners are unwilling to take another loan against their home, even if that loan is forgivable. Often there are not enough funds to rehab the older, larger homes which have asbestos and lead based paint issues. Redirecting the HOME funds to the TBRA Program will help with timely expenditure of those funds.

CCRPC has served 30-40 persons in the TBRA Program over the last few years. Level of subsidy depends on household income and family size. Staff monitors the program to assure that participants are making progress toward their self-sufficiency plans. All rents are under Fair Market Value.

Chairperson Cobb adjourned the public hearing at 7:15 p.m.

Respectfully Submitted



Connie Eldridge, Recording Secretary



PUBLIC HEARING FOR THE CITY OF URBANA AND URBANA HOME CONSORTIUM
 7:00 PM, TUESDAY, MARCH 27, 2012, URBANA COUNCIL CHAMBERS -- SIGN-IN SHEET

- PROPOSED FY 2012-2013 ANNUAL ACTION PLAN
- HOME AMENDMENTS TO FY 2009-2010 & FY 2010-2011 -- SPRING 2012 HOME COUNTY TENANT BASED RENTAL ASSISTANCE (TBRA)
- COMMUNITY DEVELOPMENT COMMISSION MEETING TO FOLLOW

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>ORGANIZATION</u>
Connie Schmitz	400 S. Vine St Urbana	384-2447	City of Urbana
ROBIN ARBITER	1511 HUMPHREYS ST. URBANA	344-2005	Herman Neigh. Action Cmte.
Eric Trusner	1317 E. Florida Ave	(217) 344-5433 x13	PACE
Jon Gonzalez	400 S. Vine, Urbana	384-2335	City of Urbana
Kenneth Lee Quinn	1317 E. Florida Ave.	(217) 344-5433	PACE
Matt Murphy	1920 C MELROSE, CLAMP	706 380 2314	City of Urbana
Kelly A. Niekolowski	400 S. Vine St. Urbana	384-2441	City of Urbana
Aaron P. Smith	1604 S. Grove St, Urbana	369-2039	Howehead Corp.
Juanice McAtew	1304 W. Bradley Ave. Cap.	356-9176	DSC
Paula Vanier	109 Illinois Urbana	328-0355	PACE/self-consumer
DALENE KROEGER	306 W. PENNSYLVANIA AVE, URBANA	384-7390	CCRP



UNAPPROVED
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, March 27, 2012, City Council Chambers
400 South Vine Street, Urbana, IL 61801

[...]

Public Hearing on the Proposed Amendment to the City of Urbana & Urbana HOME Consortium Annual Action Plans for FY 2009-2010 and FY 2010-2011 – Spring 2012 HOME County Tenant Based Rental Assistance (TBRA): Chairperson Cobb called the public hearing to order and declared it open at 7:01 p.m. The purpose of this public hearing was to receive input on the proposed Amendments to the City of Urbana and Urbana HOME Annual Action Plans (AAP) for FY 2009-2010 and FY 2010-2011. Notice of the public hearing was posted on the City of Urbana's website, and mailed and emailed to various social service agencies and interested citizens on March 13, 2012. Written comments are also welcome through Wednesday, April 11, 2012.

The Urbana HOME Consortium proposes to reallocate \$98,117.95 in Champaign County HOME funds from Champaign County's Whole House Rehabilitation Program to its No Limits Tenant Based Rental Assistance (TBRA) Program. Darlene Kloeppe, Director of Social Services at CCRPC, briefly reviewed their Whole House and TBRA Programs and explained why the funds were being reallocated to the TBRA Program.

Chairperson Cobb adjourned the public hearing at 7:15 p.m.

Call to Order: Chairperson Cobb called the regular meeting of the Community Development Commission to order at 7:16 p.m.

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

Commission Members Present: Fred Cobb, Janice Bengtson, Chris Diana, George Francis, Theresa Michelson, Jerry Moreland, Brad Roof, and Anne Silvis

Commission Members Absent: Dennis Vidoni

Others Present: Kelly H. Mierkowski, Jennifer Gonzalez, Connie Eldridge, and Matt Murphy, Community Development Services; Robin Arbiter, Lierman Neighborhood Action Committee (LNAC); Eric Trusner, Kerrie Lee Dunn, and Paula Vanier, Persons Assuming Control of Their Environment (PACE); Aaron P. Smith, Homestead Corporation; Janice McAteer, Developmental Services Center (DSC); Darlene Kloeppe, Champaign County Regional Planning Commission (CCRPC)

[...]

An Ordinance Approving Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2009-2010 and FY 2010-

2011 Annual Action Plans – Spring 2012 HOME County Tenant Based Rental Assistance (TBRA) – Ms. Gonzalez referred to Darlene Kloeppe’s summary during the earlier public hearing. Because HOME funds must be spent in a timely manner, staff has worked with Champaign County to determine how to use the leftover funds. Champaign County will reallocate its HOME funds as follows: \$26,297.95 from FY 2009-2010 Whole House Rehabilitation to the FY 2009-2010 TBRA Program; and \$176,877 from FY 2010-2011 Whole House Rehabilitation to the FY 2010-2011 TBRA Program. This reallocation followed the process for a substantial amendment.

Commissioner Michelson moved to forward to City Council approval of an Ordinance Approving Modifications to the City of Urbana and Urbana/Champaign/Champaign County HOME Consortium FY 2009-2010 and FY 2010-2011 Annual Action Plans – Spring 2012 HOME County Tenant Based Rental Assistance (TBRA). Commissioner Diana seconded the motion, and the motion carried unanimously.

UNAPPROVED