



**NOTICE OF PUBLIC HEARING FOR COMMENT ON
PROPOSED AMENDMENTS TO
CITY OF URBANA & URBANA HOME CONSORTIUM
ANNUAL ACTION PLANS FY 2008-2009, 2010-2011,
2011-2012 & FY 2012-2013**



On **Friday, March 1, 2013 @ 10:00 a.m.**, the City of Urbana will hold a public hearing in the Urbana City Council Chambers at 400 S. Vine St. Urbana, IL, to hear comments on the Proposed Amendments to *Annual Action Plans FY 2008-2009, FY 2010-2011, FY 2011-2012 & FY 2012-2013 (TBRA Programs, CHDO Demolition Funds, & 1107 N Gregory CHDO Project)* as outlined below. The Urbana HOME Consortium, of which the City of Urbana is the lead entity, receives HOME funding allocations from HUD for the purpose of building affordable housing.

The 30-day public comment period for the proposed amendments will close at 5 p.m. on Monday, March 18, 2013. Written comments are also being accepted and can be mailed electronically to Kelly Mierkowski at khmierkowski@urbanaininois.us or by post to the City of Urbana, Grants Management Division, ATTN: Manager, 400 S Vine Street, Urbana IL 61801. Following is a summary of the Proposed Amendments:

**PROPOSED AMENDMENT TO CITY OF URBANA and URBANA HOME CONSORTIUM
FY 2008-2009, 2010-2011, 2011-2012 & 2012-2013 ANNUAL ACTION PLANS**

The Urbana HOME Consortium proposes to amend the HOME Program budgets for the FY 2008-2009, 2010-2011, 2011-2012 and 2012-2013 Annual Action Plans (AAPs) to re-allocate unobligated Urban HOME funds to Champaign County Neighborhood Alliance for Habitat (Neighborhood Alliance), as outlined below, for demolition of the structure at 1310 Hill Street, Urbana. Also proposed are disbursements to various social service agencies for TBRA programs currently operating in the Champaign County area. Lastly, funds from the 1304 Williamsburg CHDO homebuyer project are being reallocated to fully finance the CHDO project at 1107 N Gregory, Urbana to convert the unit to permanent, affordable rental housing. The rental unit will be operated by Community Elements, Inc.

The amendment is presented in three parts. The first proposes to re-allocate a total of \$383,805.80 in unobligated City of Champaign and Urbana HOME Consortium funds from program income to support ongoing TBRA programs in the Consortium-wide area.

The second proposal seeks to deobligate funding previously slated for the 1304 Williamsburg CHDO Homestead homebuyer project. The project will not move forward at this time due to difficulty finding a buyer. The deobligated funds will be combined with funds already invested in the 1107 N Gregory homebuyer project. A buyer has not been found for this unit for sale, and the deadline imposed by the Department of Housing and Urban Development (HUD) is the end of Fiscal Year 2012-2013. In order to complete the project and remain in compliance with the HOME regulations, the unit must be converted to a rental property, otherwise the funds must be returned. The funds from the 1304 Williamsburg project will be invested in the 1107 N Gregory project in order to fully finance the unit as a permanent, affordable housing unit to be operated by Community Elements, Inc. Remaining unobligated funds will be allocated as additional CHDO projects are identified in the coming fiscal year.

The third proposal is in regard to a lot slated for donation to Champaign County Neighborhood Alliance for Habitat for the construction of a single-family unit as part of the Affordable Homeownership Program using HOME funds. The City of Urbana has not yet demolished the structure currently standing on 1310 Hill Street, Urbana, and Neighborhood Alliance has agreed to carry out the demolition project using HOME CHDO funding. Because this activity was not proposed as an eligible HOME expense in the most recent FY 2012-2013 Annual Action Plan, an amendment is necessary to allocate HOME funds for this purpose. Details for each grant allocation are outlined below.

URBANA HOME CONSORTIUM PROPOSED HOME TBRA AMENDMENT:

<u>Urbana HOME Consortium HOME Budget</u>	<u>Current</u>	<u>Proposed Amended</u>
Unobligated City of Champaign Funds	\$ 65,805.80	-0-
Unobligated Consortium-wide Funds	<u>\$318,000.00</u>	-0-
TOTAL	\$383,805.80	
City of Champaign TBRA	-0-	\$148,805.80
Champaign County TBRA	-0-	\$100,000.00
Community Elements TBRA	-0-	\$ 55,000.00
Center for Women in Transition TBRA	-0-	<u>\$ 80,000.00</u>
TOTAL		\$383,805.80

Following is proposed language for the TBRA programs to be added to each Fiscal Year's Annual Action Plan:

- 1. Tenant Based Rental Assistance Program.** HOME funds will be used to provide affordable housing assistance to low-income residents throughout 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 prescribed by each respective agency operating the program. The following entities will operate Tenant Based Rental Assistance Programs, with 25 percent match required for every HOME dollar allocated:

Goal 2, Strategy 2, Activity 1
 Citation - [24 CFR 92.209]
 Environmental – EXEMPT

Objective: Provide decent housing by creating affordable housing opportunities for households with annual incomes at or below 80% of Area Median, of which 90% will be at or below 60% of the Area Median).

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

Outcome Indicators: Number of tenants maintaining affordable rental units at or below 60% of Area Median (est. 35).

URBANA HOME CONSORTIUM PROPOSED HOME CHDO AMENDMENT:

<u>Urbana HOME Consortium HOME Budget</u>	<u>Current</u>	<u>Proposed Amended</u>
Homestead CHDO 1304 Williamsburg Project	\$150,000.00	-0-
Homestead 1107 N Gregory Homebuyer	<u>\$ 55,010.00</u>	
TOTAL	\$205,010.00	
CHDO Homestead 1107 N Gregory Rental	-55,010-	\$153,100.00
CHDO Unobligated FY 2012-2013	-0-	<u>\$ 51,910.00</u>
TOTAL		\$205,010.00

Following is proposed language for the 1107 N Gregory, Urbana project to be added to the Fiscal Year 2008-2009 and FY 2011-2012 Annual Action Plans:

1. Homestead Corporation Sponsor Project (1107 N Gregory) (FY10-11)

Funds will be provided to the Homestead Corporation to fully finance the construction of a single-family unit at 1107 N Gregory Street, Urbana, for the purposes of sponsoring affordable rental housing for Community Elements, Inc.

\$153,100 (25% additional match must be provided by CHDO)

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.206]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by creating affordable housing opportunities for households who meet HOME Program income requirements.

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

Outcome Indicators: Number of affordable housing units assisted with households meeting HOME Program income requirements – one (1). Amount of funding leveraged through local match.

Urbana HOME Consortium PROPOSED HOME AMENDMENT:

The following language is to be added to the list of neighborhood programs/projects on page 38 of the FY 2012-2013 Annual Action Plan under Community Housing Development Organization HOME Set-Aside funds:

e. Demolition – CHDO Reserve funds will be used to assist in the demolition of dilapidated structures located on properties acquired for the construction of affordable housing. Only Community Housing Development Organizations are eligible to carry out the demolition work.

Goal 1, Strategy 1, Activity 3

Citation - [24 CFR 92.206]

Environmental – Non-Exempt/Non-Categorically Excluded

Objective: Provide Decent Housing by creating affordable housing opportunities for households who meet HOME Program income requirements.

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

Outcome Indicators: Number of affordable housing units assisted with households meeting HOME Program income requirements – two (2). Amount of funding leveraged through local match.

<u>Urbana HOME Consortium HOME Budget</u>	<u>Current</u>	<u><i>Proposed Amended</i></u>
CHDO Reserve FY 12-13 Unobligated Funds	\$ 51,910	\$ 37,910.00
Neighborhood Alliance Demolition Fund	-0-	\$ 14,000.00