



DATE: Tuesday, May 28, 2024
TIME: 6:00 PM
PLACE: 400 South Vine Street, Urbana, IL 61801

AGENDA

- A. Call to Order and Roll Call**
- B. Approval of Minutes of Previous Meeting**
 - [1.](#) March 26, 2024 Regular Meeting
- C. Additions to Agenda**
- D. Public Input**
- E. Presentations**
- F. Staff Report**
 - [1.](#) Staff Report
- G. Unfinished Business**
- H. New Business**
 - [1.](#) 810 E University Loan Modification
 - [2.](#) Housing Program Manual Amendment
 - [3.](#) A Resolution Approving and Authorizing the Execution of a Subrecipient Agreement Community Development Block Grant Agreement – Rape Advocacy, Counseling, & Education Services – Survivor Services-Trauma Therapy
- I. Adjournment**

PUBLIC INPUT

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public

Input will be taken in the following ways:

Email Input

In order to be incorporated into the record, emailed public comments must be received prior to 5:00 pm on the day preceding the meeting and sent following email address: grants@urbanainline.us.

The subject line of the email should include "PUBLIC INPUT", the board/commission name, and the meeting date. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted.

Written Input

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

Verbal Input

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable. Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken. The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only. In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a speaker who engages in the conduct or behavior proscribed under "Verbal Input". Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker's microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

Accommodation

If an accommodation is needed to participate in a City meeting, please contact the City at least 48 hours in advance using one of the following methods:

Phone: 217.384.2455

Email: hro@urbanaininois.us

Watching the Meeting via Streaming Services

The meeting will be streamed live at <https://livestream.com/urbana>. The recorded video will be available on the City's website.



DRAFT
MINUTES
COMMUNITY DEVELOPMENT COMMISSION MEETING
Tuesday, March 26, 2024, City Council Chambers
400 South Vine Street, Urbana, IL 61801

Call to Order: At 6:03 p.m., Chairperson Anne Heinze-Silvis called the meeting to order.

Roll Call: The roll was called by Grants Management Division Manager, Breaden Belcher. A quorum was present.

Commission Members Present: Anne Heinze-Silvis, Rev. Robert Freeman, DeShawn Williams, Chris Diana, and Patricia Jones

Commission Members Excused/Absent: None

Others Present: Breaden Belcher, Grants Management Division Manager; Nick Olsen, Community Development Coordinator

Approval of Minutes: Commissioner Freeman moved to approve the minutes of the January 30, 2024 Public Hearing. Commissioner Williams seconded the motion, which was carried unanimously. Commissioner Freeman then moved to approve the minutes of the January 30, 2024 Regular Meeting. Commissioner Williams seconded the motion, which was carried unanimously.

Petitions and Communications: There were no Petitions or Communications to discuss.

Audience Participation: There was none.

Staff Report: Mr. Belcher began the Staff Report by welcoming Nick Olsen to the City of Urbana Grants Management Division as Community Development Coordinator. He stated that the Youth Services Grant would be accepting applications until April 1, 2024, and that the coming week of April 1 through April 5, the Mayor would be reading a proclamation at City Council declaring the week Community Development Week to acknowledge the contribution of the CDBG and HOME programs to the City of Urbana.

Old Business: There was no Old Business to discuss.

New Business: Mr. Belcher presented the FY 2024-2025 Annual Action Plan (AAP) to the Commission, providing an overview of the content, public input, and approval process. He answered questions from Commissioner Freeman about the Mental Health Board's involvement in the AAP process, and from Commissioner Diana about the formatting of the AAP budget.

Commissioner Jones moved to forward the resolution approving the FY 2024-2025 Annual Action Plan to Committee of the Whole with a Recommendation of Approval. Commissioner Williams seconded the motion, which was approved unanimously.

Mr. Olsen presented two resolutions related to allocation of the City of Urbana's 2024 Bond Cap allocation to the Illinois Housing Development Authority (IHDA) and the Eastern Illinois Economic Development Authority (EIEDA). He provided an overview of the Bond Cap process and projects that IHDA and EIEDA have assisted with bond financing.

Commissioner Freeman moved to forward the resolution ceding half of the City of Urbana's 2024 Volume Cap to EIEDA to Committee of the Whole with a recommendation of approval. Commissioner Williams seconded the motion, which was approved unanimously.

Commissioner Jones moved to forward the resolution ceding half of the City of Urbana's 2024 Volume Cap to IHDA to Committee of the Whole with a recommendation of approval. Commissioner Williams seconded the motion, which was approved unanimously.

Study Session: There were no Study Session items to discuss.

Adjournment: Chairperson Heinze-Silvis adjourned the meeting at 6:38 p.m.

Recorded by:

Nick Olsen
Community Development Coordinator



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

GRANTS MANAGEMENT DIVISION

TO: Community Development Commission Members
FROM: Breaden Belcher, Grants Division Manager
DATE: May 23, 2024
SUBJECT: Staff Briefing

Department of Housing and Urban Development (HUD) Activity

- Staff training updates
- FY25 HUD allocation update

Other Grants Management Division Activities

- Neighborhood Cleanup Day
- Roof Repair Program update
- Staffing updates

**DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES***Grants Management Division***m e m o r a n d u m**

TO: Community Development Commission

FROM: Breaden Belcher, Grants Division Manager

DATE: May 23, 2024

SUBJECT: 810 E University Loan Modification

Background

The Grants Management Division completed a Whole House Rehabilitation project at 810 E University St, Urbana on February 12, 1992. The loan balance is \$17,500. The owner is low-income and is unable to make monthly payments. A condition of the mortgage allows the Community Development Commission and the Grants Manager the ability to release the obligation secured by this mortgage at the time of sale of the property.

Options

1. Recommend staff modify the mortgage to be a deferred payment loan with the balance released upon sale of the property.
2. Do not approve staff recommendation and leave mortgage in place as written.

Fiscal Impacts

\$17,500 in HOME program funds will not be recaptured as a result of approving this loan modification. There will be no programmatic or budgetary impacts on the HOME program as a result of not recapturing the funds.

Recommendation

Staff recommends amending the mortgage to be a deferred payment loan with the balance of \$17,500 release at the time of sale.



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Community Development Commission

FROM: Breaden Belcher, Grants Division Manager

DATE: May 23, 2024

SUBJECT: Housing Program Manual Amendment

Background

On April 11, 2024, a new HUD rule went into effect requiring the consideration of radon¹ as part of the environmental review process for projects receiving federal assistance. HUD's new rule requires City staff to undertake testing as necessary on a project-by-project basis to determine radon levels, and to provide mitigation if the level of radon present is at or above 4.0 pCi/L.² This requirement will apply to all CDBG and HOME funded rehabilitation and new construction projects.

Due to the changes required under this new rule, Grants staff must amend the Housing Program Manual. The amended manual will clarify how testing and mitigation will be incorporated into housing rehabilitation activities. The amended manual will also include an increase in the funding cap for rehabilitation projects requiring radon mitigation. Due to the potential costs of radon mitigation, this will allow projects to be undertaken that may no longer be feasible under current assistance caps.

Overview Proposed Changes

Staff propose the following changes to the Housing Program Manual:

- Require radon testing for housing rehabilitation projects
- Require radon mitigation if the level is at or above 4.0 pCi/L.
- Specify when testing and mitigation should occur, if required.
- Allow for an increase of \$5,000 to existing program expenditure caps for rehabilitation projects if radon mitigation is required.
- Specify licensing requirements for radon testing and mitigation contractors.

Options

1. Approve Amendment to the Housing Program Manual as written
2. Approve Amendment to the Housing Program Manual with suggested changes

¹ Radon is a gas released from soil and into the air through cracks and other permeable areas, and which has been found to be the second leading cause of lung cancer behind smoking.

² Notice CPD-23-103 allows for previous radon test results within five years demonstrating radon levels below 4.0 pCi/L, or tests results within two years on homes with an existing mitigation system, to be used in place of a new radon test. Otherwise, testing will generally be required for rehabilitation and new construction projects in Champaign County.

Fiscal Impacts

Per HUD's guidance, radon testing and mitigation are eligible expenses under the CDBG and HOME programs. Increasing rehabilitation program assistance caps will allow staff to undertake projects found to require radon mitigation that would otherwise be over current funding thresholds. However, because these expenses have the potential to significantly increase average project costs, staff anticipate that fewer projects will be completed within a program year.

Radon mitigation costs can vary depending on the specifics of a structure and the source of radon contamination. Based on current estimates, staff expect most per-project mitigation expenses to range from approximately \$1,500 to \$3,000. Staff expect testing costs at this time to range from approximately \$150 to \$200.

Current CDC and state radon data indicates average radon levels in Champaign County are above the 4.0 pCi/L threshold requiring mitigation. Accordingly, staff anticipate that many projects will require mitigation. Once the rule has been in effect for a longer period of time, staff will be able to more accurately estimate how many projects within a program year will require mitigation, as well as average and total costs for testing and mitigation.



HOUSING PROGRAM MANUAL

Program Years 2020 - 2024
July 1, 2020 - June 30, 2025

City of Urbana Grants Management Division Programs

Whole House Grant/Deferred Loan Payment

Emergency Grant Program

**Emergency Grant - Sewer Repair Program*

**Emergency Grant – Roof Repair/Replacement Program*

Access Grant Program

Senior Repair Program

Secondary Structure Demolition Program

Down Payment Assistance Program

Purchase/Rehab/Resell Program

Property Acquisition/Demolition/Disposition Program

Energy Efficiency Program

CDBG – Down Payment Assistance Program

Prepared by
City of Urbana, Illinois

Approved by
Urbana City Council – Resolution No. _____
Updated April 2023

**City of Urbana
Housing Program Manual
Program Years 2020-2024**

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1.0 INTRODUCTION

1.1 Background

The Urbana City Council created the Urbana Community Development Commission in 1975 to develop a Community Development plan for the City of Urbana. The Community Development Commission identified the need to provide housing rehabilitation assistance to certain older areas of the City of Urbana. Low- and moderate-income residents of substandard dwellings were given the greatest consideration for this assistance, consistent with national CDBG objectives. Since 1975 housing renovation has been a major component of Urbana's U.S. Department of Housing Urban Development (HUD) funded programs.

The Community Development Block Grant (or CDBG) Program is a federal entitlement program authorized by the Housing and Community Development Act of 1974, as amended. The Program provides annual grants on a formula basis to entitled cities and counties. Congress determines the amount of Community Development Block Grant funds available to entitled cities and counties through the passage of the annual federal budget.

The HOME Investment Partnerships (or HOME) Program is a federal entitlement grant program authorized by Title II of the National Affordable Housing Act of 1990, as amended. The Program provides annual grants on a formula basis to entitled cities, counties, approved consortia, and states. Local governments receiving HOME funds are called "participating jurisdictions." Congress determines the amount of HOME funds annually available to participating jurisdictions through the passage of the annual federal budget.

HUD is responsible for the management and oversight of CDBG and HOME Programs. Under these programs, the City is responsible for deciding how the CDBG and HOME funds will be used in its jurisdiction and for the daily administration of the funds.

The purpose of the CDBG Program is to develop viable urban communities and neighborhoods by providing decent housing and a suitable living environment, and by expanding economic opportunities for low- and moderate-income persons. The HOME Program is intended to increase affordable housing opportunities, particularly for low-income persons. Under the CDBG and HOME Programs, the City retains the right to design housing assistance programs, as funding is available, to respond to local needs. Because community needs change over time, it is periodically necessary to review and revise the City's housing programs.

1.2 Programs

This manual contains guidelines for housing programs offered, as funding is available, by the City of Urbana during the period beginning July 1, 2020, and ending June 30, 2025. This manual supersedes all guidelines previously issued by the City of Urbana. Exhibit A summarizes the purpose and general requirements of each program.

- Whole House Grant/Deferred Loans (WHGDL)
- Access Grants (AG)
- Emergency Grants (EG)
- Emergency Grant – Sewer Repair (EG-SEW)
- Emergency Grant – Roof Repair/Replacement (EG-ROOF)
- Senior Repair Service Grants (SRSG)
- Secondary Structure Demolition Program (SSDP)
- Down Payment Assistance Program (DPAP)
- Purchase/Rehab/Resell Program (PRRP)
- Property Acquisition/Demolition/Disposition Program (PADDP)

Housing programs are generally made available to households within the Community Development (CD) Target Area. The CD Target Area is defined according to the federal income guidelines using the U.S. Bureau of the Census enumeration areas. By federal regulation, more than 51% of the residents of the CD Target Area designated by the City must have incomes at or below 80 percent of the median family income for Champaign County. The CD Target Areas, as established are illustrated on page eight.

Households assisted by these housing programs must meet federally mandated income guidelines for very-low and low-income persons. The current figures are included as Exhibit B and Exhibit C and are subject to periodic revision by the U.S. Department of Housing and Urban Development. The income of the household and the location of the property to be renovated determine the program for which the household is eligible. Households must not have assets over \$10,000 if a senior citizen or \$5,000 if not. To determine a household's asset limit, an average of 6 months' worth of bank statements will be calculated. If a household is more than the asset limit, the applicant will be required to contribute the overage amount towards the cost of the program, before any grant funds will be used.

Households will be assisted with the verification of income, assets, and project review. Reimbursements will not be provided for payments or expenses incurred outside the application process.

1.3 Authorized Activities

In adopting this manual, the Urbana City Council directs its Grants Management Division (GMD) to implement housing programs as described herein. The Council authorizes the Manager of the Grants Management Division to enter into contractual agreements with individual property owners to implement housing programs in accordance with these guidelines. The Council further authorizes the Manager of the Grants Management Division to execute mortgages, releases, and subordination agreements necessary to implement these housing programs.

The Council authorizes the Manager of the Grants Management Division to enter into negotiations as may become available to purchase properties to be used through the City's programs such as Purchase/Rehab/Resell or Acquisition/Disposition Program to add properties to the City's portfolio for later use in the construction of new affordable housing.

The Council directs the Grants Management Division to pursue additional funding that may be available to help fund the programs listed in the manual. Additional funds may be used as Grants, Deferred Loans, Loans, etc., depending on the guidelines attached to said funds. Additional funding agents may be, Tax Increment Finance (TIF), Federal Home Loan Bank (FHLB), Illinois Housing Development Authority (IHDA), or other participating financial institutions.

1.4 Conflict of Interest

Employees, agents, consultants, officers, elected officials, and appointed officials of the City of Urbana who either 1) exercise functions or responsibilities with respect to CDBG or HOME, 2) are in a position to participate in the decision-making process relative to CDBG or HOME, or 3) may gain inside information concerning CDBG or HOME activities are ineligible for assistance through the housing program. Such persons include, but are not limited to, the Mayor, City Council members, Community Development Commission members, the Chief Administrative Officer, the Comptroller, the City Attorney, the Community Development Services Director, and all Grants Management Division staff. However, HUD may grant an exception to this rule on a case-by-case basis upon filing by the Grants Management Division of 1) disclosure of the conflict, 2) an assurance that public disclosure of the conflict has been made, and 3) a legal opinion that the interest would not violate state or local law. City employees who are not otherwise excluded by this conflict-of-interest provision are eligible to apply for housing assistance.

1.5 General Guidelines

1. Processing & Prioritizing Applications: The City's Grants Management Division shall generally process applicants for assistance through programs described in this manual on a first-come/first-served basis. From time to time, however, the demand for assistance through these programs may exceed the availability of funds or staff time to process all cases. The Grants Management Division may institute a prioritization system on either a temporary or permanent basis to determine the order in which projects will be funded. Any such prioritization system shall give the highest priority for funding to persons of the lowest income and greatest housing need.
2. Project Evaluation: Upon the approval of an applicant's Housing Rehabilitation Application, a City Housing Inspector will be sent to evaluate the necessity of the rehabilitation request. ¹The Grants Management Division will not reimburse rehabilitation costs under \$250. If total rehabilitation costs come to \$250 or less, then the applicant will make payment directly to the contractor.
3. Radon Consideration: Unless otherwise exempted, housing programs receiving federal assistance shall be subject to HUD regulations regarding radon consideration, testing, and mitigation. When required by HUD regulations, radon testing and mitigation will be considered an eligible expense for all housing programs. For

¹ 2020 - 2024 Housing Manual Guidelines updated on 2/23/2021 by approval of Community Development Commission.

projects where radon mitigation is required, assistance caps will be increased by \$5,000.

4. Relocation: If it is determined that there is an immediate threat to the occupant's health or safety, occupants of the home will be required to temporarily relocate to another establishment until rehabilitation is complete. If occupants require relocation to a hotel or other such establishment, the City of Urbana will cover all lodging/room rate charges that are accrued during the duration of the household's stay. If an applicant wishes to cover their own costs up-front, and then request reimbursement from the City, the applicant must provide documentation of the costs incurred from their stay. In the case of reimbursement, the City will reimburse hotel or motel costs, at a maximum of \$100 per day, per room, as defined by the hotel's policy for the number of persons per room.
5. Warranties: Eligible rehabilitation work financed through these programs is covered under a one-year guarantee on labor and product warranties that vary in scope depending on the product. At the time of project closeout, the General Contractor shall provide the applicant with information on the guarantee, warranties, and home maintenance procedures. Defects in work noted within the one-year warranty period are generally repaired under the one-year labor guarantee. Thereafter, the property owner is responsible for home repairs and claims under product warranties. The City of Urbana recognizes that in unusual circumstances defects in renovation work may occur due to errors or omissions on the part of the contractor or City staff after the one-year warranty period. If this is truly the case, the City shall provide the owner with the opportunity to request grant funds to correct the defects through the City's Housing Program. Corrective action grants may be authorized by the Grants Management Division Manager. The income of the homeowner at the time of the request for correction assistance need not meet housing program eligibility requirements. Corrective action grants are processed in accordance with the Emergency Grant guidelines regardless of whether the homeowner would otherwise be eligible for the Emergency Grant Program.
6. Changes to Program Guidelines: The City of Urbana recognizes it may be relevant to make a conditional change to the outlined program guidelines throughout the program years in the manual. In these instances, GMD shall submit the reason or reasons for the conditional change for that specific program. The Community Development Commission (CDC) may authorize GMD to proceed with the changes to the program with a majority vote of a CDC quorum.

1.6 Subordination Policy

The City will subordinate its mortgage if the owner is refinancing for a better interest rate or to shorten the term. The lender will reach out to the City with the request and provide a copy of the appraisal along with the formal request outlining what the new interest rate and/or term will be compared to the old. The Grants Manager will review the request and provide the subordination documents to the lender within 14 days of the request. The lender will record the document along with the refinancing documents.

**EXHIBIT A: CITY OF URBANA DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES
GRANTS MANAGEMENT DIVISION (GMD) HOUSING PROGRAMS FOR PROGRAM YEARS 2020-2024**

PROGRAM	PURPOSE	ELIGIBILITY AREA	INCOME ELIGIBILITY	INTEREST RATE	MAXIMUM \$ AMOUNT*	UNDER-WRITING CRITERIA
WHGDL Whole House Grant/ Deferred Loan	Provide an owner-occupant a Deferred Loan for whole-house rehabilitation to bring the structure into compliance with the City of Urbana's Property Maintenance Code	Priority to CD Target Area Citywide will be given on a case-by-case basis pending funding availability	Household income < 80% MFI	None	\$25,000 Maximum \$12,500 Grant \$12,500 Deferred loans	GMD
AG Access Grant	Provide grant assistance to an income-eligible homeowner, a renter of a single-family residence, or a trust deed recipient to eliminate physical barriers that inhibit the use of the dwelling unit by the person with a disability.	Citywide	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$10,000 per program year	GMD
EG Emergency Grant	Provide grant assistance for an owner-occupant to alleviate a hazardous condition that poses a threat to the health and safety of the occupants	Citywide	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$10,000 per program year	GMD

<i>*Emergency Grant Subcategory*</i> EG-ROOF Roof Repair Program	Provide grant assistance for an owner-occupant to alleviate a hazardous or degraded roofing condition, which poses a threat to the health and safety of the occupants or the livability of the home.	Citywide	Household income <80% MFI	None	Grant assistance up to a maximum amount of \$15,000 per program year.	GMD
<i>*Emergency Grant Subcategory*</i> EG-SEW Emergency Grant Sewer Repair	Provide grant assistance for an owner-occupant to alleviate hazardous or critical sewer infrastructure issues, which pose a threat to the health and safety of the occupants.	Citywide	Household income <80% MFI	None	Grant assistance up to a maximum of \$15,000 per program year.	GMD
SRS Senior Repair Service Grant	Provide grant assistance for general maintenance repairs which enable seniors and persons with disabilities to maintain their property. Eligible units include single-family residences, units in duplexes, and mobile homes.	Citywide	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$1,750 per program year, \$1,000 Admin fee per project.	GMD
SSDP Secondary Structure Demolition Program	Provide grant assistance funds to owner-occupied properties.	Priority is given to CD Target Area*	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$5,000	GMD
HOME - DPAP Down Payment Assistance Program	Provide Down Payment and closing cost assistance to income-eligible home buyers. The WHDL program may be offered at the same time to bring structure into compliance	Priority is given to CD Target but available City Wide	Household income < 80% MFI	None Forgivable Deferred Loan	Deferred loan for a down payment and closing costs, up to a maximum of \$14,999	Financial institution, GMD

PRRP Purchase/ Rehab/ Resell Program	Provide additional affordable housing. Purchase of deteriorating or vacant single-family properties, bring the structure up to the City of Urbana's Property Maintenance Code, and market the properties to income-eligible homeowners.	Priority is given to CD Target Area**	Household income < 80% MFI	None	Agreement on the property to remain affordable for the appropriate period of time, as determined by HUD guidelines	Financial institution, GMD
PADP Property Acquisition/ Disposition Program	Provide additional affordable housing. Purchase of dilapidated and vacant properties, clear and maintain for future use for affordable housing.	Priority is given to CD Target Area*	Household income < 80% MFI	None	Agreement on the property to remain affordable for the appropriate period of time, as determined by HUD guidelines	Financial institution, GMD
EEG Energy Efficiency Grant Program	Provide supplemental support to customers who qualify for the Ameren Illinois Home Efficiency Income Qualified (HEIQ) Program.	Priority is given to CD Target Area*	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$3,500 per program year	Ameren, GMD
CDBG - DPAP CDBG funded Down Payment Assistance Program	Provide down payment and closing cost assistance to income-eligible home buyers.	Citywide	Household income < 80% MFI	None	Grant assistance up to a maximum amount of \$7,000 per program year	Financial institution, GMD

*The Maximum Funding Amount shall be increased by \$5,000 for any project requiring radon mitigation as part of the environmental review findings.

**Eligible properties outside of the Target Area will be considered on a case-by-case basis

EXHIBIT B: Median Family Income Limits 2022

Family Size	30% MFI	50% MFI	^60% MFI	80% MFI	MFI
1 Person	18,150	30,250	36,300	48,400	60,500
2 Persons	20,750	34,600	41,500	55,300	69,200
3 Persons	23,350	38,900	46,700	62,200	77,800
4 Persons	25,900	43,200	51,800	69,100	86,400
5 Persons	28,000	46,700	56,000	74,650	93,400
6 Persons	30,050	50,150	60,200	80,200	100,300
7 Persons	32,150	53,600	64,300	85,700	107,200
8 Persons	34,200	57,050	68,500	91,250	114,100

EXHIBIT C: Median Family Income Limits 2023

Family Size	30% MFI	50% MFI	^60% MFI	80% MFI	MFI
1 Person	20,310	33,850	40,620	54,160	67,700
2 Persons	23,220	38,700	46,440	61,920	77,400
3 Persons	26,130	43,550	52,260	69,680	87,100
4 Persons	29,010	48,350	58,020	77,360	96,700
5 Persons	31,350	52,250	62,700	83,600	104,500
6 Persons	33,660	56,100	67,320	89,760	112,200
7 Persons	36,000	60,000	72,000	96,000	120,000
8 Persons	38,310	63,850	76,620	102,160	127,700

^Rounded to the nearest \$100

SOURCE: U.S. Department of Housing and Urban Development

2.0 DEFINITIONS

Accessibility Grant (AG): Grant funds for up to \$10,000, not including eligible radon mitigation costs up to \$5,000 per project, for income-eligible homeowners, or trust deed recipients to eliminate physical barriers, which inhibit the use of the dwelling unit by a person with a disability.

Administrative Assistant: The Administrative Assistant of the Grants Management Division or other people as authorized by the Manager of the Grants Management Division of the City of Urbana.

Amortization: The gradual extinguishment of debt (including interest) by periodic payments.

CD Target Area: Designated low-income neighborhoods throughout Urbana, which qualify to receive federal funds to improve housing conditions and the general neighborhood environment (see page eight). The CD Target Area is eligible to receive federal funds for area benefit activities such as capital improvements and neighborhood beautification.

Code Violations: Violations of the current Building Safety Property Maintenance Code as adopted and amended by the City of Urbana, other applicable codes and ordinances adopted by the City, and applicable Department of Housing and Urban Development (HUD) standards.

Community Development Commission: A committee of Urbana residents appointed by the Mayor of the City of Urbana with the approval of the Urbana City Council to make recommendations regarding the annual Community Development Block Grant and HOME programs and budgets, and monitoring CDBG/HOME-funded programs.

Contractor: A general contractor who meets the qualification guidelines outlined in Section 12.0 of the manual.

Grants Management Manager: The division head of the Urbana Grants Management Division.

Elderly Person: Person 62 years of age or older.

Emergency Grant (EG)/(EG-SEW)/(EG-ROOF): Grant funds of up to \$10,000 for regular emergency rehabilitation and/or up to \$15,000 for emergency sewer or roofing repairs made available to repair a health or safety item, not including eligible radon mitigation costs up to \$5,000 per project. Emergency Grant funds are available only if the repair is immediately needed to mitigate a hazardous condition or if not repaired, would cause structural damage to the home.

General Property Improvements: Work that is not required to bring a building into code compliance but generally improves the condition and economic life of the property (painting, replacement of wood, floor covering, etc.).

Whole House Grant/Deferred Loan (WHGDL): A Grant/Deferred Loan of up to \$25,000 is made available to provide labor, materials, and supplies to rehabilitate deteriorating dwelling units for qualified applicants. Through the renovation, property maintenance code violations, lead hazard reduction, and defective or aging systems on the premises shall be addressed.

- Half of the program funds of up to \$12,500 are provided by the City in the form of a grant.
- Half of the program funds up to \$12,500 are provided by the City in the form of a 5-year forgivable no interest deferred payment loan. No monthly, quarterly, or annual payments are required. During the 5-year loan term, if the home is not occupied as the primary residence, vacated, sold, rented to others, or title is otherwise transferred the entire deferred loan portion shall become due and payable to the City.

Grants Management Division (GMD): The division responsible for administering the Community Development Block Grant Program (CDBG) and HOME Program for Urbana and coordinating all CDBG/HOME activities as well as other funding provided by HUD. GMD is a division of the Urbana Department of Community Development Services.

Gross Annual Income: Annual income is the gross amount of income anticipated by all adults in a family during the 12 months following the effective date of determination. To calculate annual gross income the Department of Housing and Urban Development's Part 5 definitions are used for all programs. See Appendix I for the complete HUD Part 5 income inclusions and exclusions. An IRS 1040 is ONLY allowed as a source of income verification when an applicant is applying for the Energy Efficiency Grant. All other grant applications require the applicant to provide 2 months' worth of paystubs and/or any other income verification documents as requested by GMD.

Household: All persons who occupy a housing unit at the time the application is taken. GMD staff shall use the guidelines provided by the HUD Part 5 definition of the household to determine whether or not persons with an ownership interest in the property who do not reside at the property shall be considered to be an "occupant" of the household to determine household eligibility. Regardless of whether such individuals are counted as household members, they will be required to sign all applicable agreements, liens, and other documents provided by the City for the property to be eligible for City programs.

Housing Expenses: The sum of payments for principal and interest on loans secured by a lien on the property, hazard insurance premiums, and real estate taxes.

Housing Rehabilitation Coordinator: Coordinates and monitors rehabilitation services for eligible property owners; provides technical assistance; coordinates special rehabilitation, cleanup, and clearance projects. Reviews and recommends approval of applications from residents and property owners for rehabilitation assistance.

Incipient Code Violations: An element of the structure that is not in violation of the housing code but which will likely deteriorate into a code violation in the near future.

Lien: A duly recorded encumbrance upon the property.

Owner: The property owner as recorded in the Champaign County Recorder of Deed's office.

Owner-Occupant: A person who occupies the property of which he/she is the owner (as defined above) and uses the property entirely for residential purposes or a person who has purchased a vacant structure for occupancy after the structure meets applicable codes.

PACE: Persons Assuming Control of their Environment, a non-profit organization registered in the State of Illinois and existing to serve the needs of persons with disabilities in Urbana and surrounding communities.

Person with Disability: A person who is receiving Supplemental Security Disability Income (SSDI) and/or is permanently impaired to the extent that he/she cannot fully utilize his/her living space without some physical modification(s).

Rehabilitation: The renovation of a reusable structure that overcomes deterioration and provides a satisfactorily improved physical condition for residential purposes.

Rehabilitation Specialist: A rehabilitation specialist of the Urbana Grants Management Division or other persons as authorized by the Manager of the Grants Management Division of the City of Urbana.

Residential Property: A property used solely as a dwelling unit.

Self-Help: Completion of all or a portion of housing rehabilitation work by the property owner/borrower. Self-help is not allowed in any project funded in accordance with this manual.

Senior Repair Service Grant (SRSB): Grant funds to up to \$1,750 to provide general maintenance repairs, not including eligible radon mitigation costs up to \$5,000 per project, and up to \$1000 for Administrative Costs, which enable seniors and persons with disabilities to maintain their property. Eligible units include single-family residences, units in duplexes, and mobile homes.

Single-Family Residence: A single-family owner-occupied residential unit.

Standard Dwelling Unit: A dwelling unit in compliance with the current Building Safety Property Maintenance Code, the current NFPA Life Safety Code as amended, and HUD Minimum Property Standards. Generally, a dwelling unit meets all existing minimum housing code standards for habitation.

Substandard Dwelling: A dwelling unit that does not meet the criteria for a standard dwelling unit through: lack of maintenance; age of unit; neglect; lack of part or all plumbing, electrical, and heating facilities; or overcrowded conditions. The substandard dwelling can be considered to be one of two classifications: 1) deteriorated unit, i.e., one that is substandard but is structurally sound or able to be made structurally sound and can be brought up to standard condition with rehabilitation (formally known as substandard, suitable for rehabilitation); or 2) dilapidated unit, i.e., a substandard unit that has deteriorated to the extent it is unsafe, unsanitary, or dangerous to human life, and rehabilitation is not feasible (formally known as substandard, unsuitable for rehabilitation).

Three-Day Truth-in-Lending Recession Period: A three-day period generally commencing with loan closing during which a borrower may legally cancel a real estate loan without penalty. The three-day period commences with the latest of the following dates.

1. The date of loan closing
2. The date Truth-in-Lending disclosures are received
3. The date the owner receives the Notice of Right to Cancel

To cancel a loan transaction the borrower must return a signed and dated cancellation notice to the lender during the three-day recession period. A contract proceed order is issued after the expiration of a three-day recession period if the loan has not otherwise been canceled.

Total Expenses: The sum of housing expenses (see definition above) and payments on installment loan debts with more than ten remaining payments; alimony, child support, and maintenance payments; total negative cash flow from all properties presently owned (except the subject property); and credit card payments in either the amount stated by the applicant or 10 percent of the outstanding card balance, whichever is higher. Childcare expenses shall be considered part of total expenses.

Vested Title: An interest in real estate carrying a legal right of present or future enjoyment and a legal right to convey the interest to another party.

3.0 PROGRAM OBJECTIVES

The City of Urbana Housing Programs are designed to further the following objectives:

1. To encourage the revitalization and stabilization of low- and moderate-income neighborhoods by implementing housing programs
2. To remove unhealthy or hazardous housing conditions in low- and moderate-income areas
3. To use state, federal, and other grant funding including but not limited to Community Development Block Grant (CDBG), HOME, Illinois Housing Development Authority (IHDA), and Federal Home Loan Bank (FHLB) funds as a catalyst to encourage residents of low- and moderate-income neighborhoods to improve their community
4. To revitalize and preserve the existing housing stock
5. To enable low-income families who cannot obtain conventional financing to rehabilitate their homes
6. To reduce utility costs and to improve the comfort of low-income families by incorporating energy conservation techniques into housing rehabilitation assistance

7. To conserve the property tax base in low- and moderate-income neighborhoods
8. To encourage employment and training opportunities for minority persons and females through the opportunity to bid on rehabilitation contracts
9. To finance needed home improvements using CDBG and HOME funds to the extent necessary and funds from private lenders to the maximum extent possible
10. To remove physical barriers impeding maximum use of the residential property by persons with disabilities and to increase the number of handicapped accessible dwelling units, both owner-occupied and renter-occupied, in the City
11. To further implement the City's Consolidated Plan.

4.0 WHOLE HOUSE GRANT/DEFERRED LOAN

A Grant/Deferred Loan of up to \$25,000 is made available to provide labor, materials, and supplies to rehabilitate deteriorating dwelling units for qualified applicants. Through the renovation, property maintenance code violations, lead hazard reduction, and defective or aging systems on the premises shall be addressed. A lien is placed on the property to secure repayment of the forgivable deferred payment.

Half of the program funds of up to \$12,500 are provided by the City in the form of a grant.

Half of the program funds up to \$12,500 are provided by the City in the form of a 5-year forgivable no interest deferred payment loan. No monthly, quarterly, or annual payments are required. During the 5-year loan term, if the home is not occupied as the primary residence, vacated, sold, rented to others, or the title is otherwise transferred the entire deferred loan portion shall become due and payable to the City.

4.1 Eligible and Ineligible Activities

Eligible activities include general repairs which will bring the house into compliance with the City of Urbana's property maintenance code while eliminating lead-based paint hazards. Eligible activities include but are not limited to the following:

- Repair or replacement of defective or aging mechanical systems, i.e., electrical, plumbing, and heating
- Repair or replacement of defective building components and surfaces, i.e., foundations, roofs, porches and stairs, floors, ceilings, walls, doors, windows, siding, and trim
- Lead-based paint hazard reduction
- Energy conservation activities, i.e., insulation, caulking, weather-stripping, siding, doors, and windows
- accessibility for disabled persons
- Incipient repairs and general property improvements of a non-luxury nature
- Site improvements and utility connections

Ineligible activities include:

- Temporary improvements
- Fixtures not permanently attached including appliances and window air conditioners
- Fees for professional services of architects, engineers, and other consultants

- Construction or renovation of detached garages or outbuildings

Priority is placed on renovation necessary to meet the City of Urbana's property maintenance code, elimination of lead-based paint hazards, exterior renovation, energy conservation, and any eligible interior renovation.

4.2 General Terms and Conditions

1. The applicant may not apply for rehabilitation assistance through the Whole House Deferred Loan Program if the applicant or the property to be rehabilitated received whole house rehabilitation assistance from the Grants Management Division in the past 10 years or the lien is still outstanding. However, the applicant may receive assistance through other programs listed in the manual if conditions arise and qualifications are met.
2. A Whole House Grant/Deferred Loan shall not exceed \$25,000.
3. A Whole House Grant/Deferred Loan recipient shall not be required to pay for administrative and program delivery expenses related to the processing of the application, such as title searches and recording fees.
4. A lien shall be placed against the property to recover a portion of the cost of rehabilitation. The lien amount shall be calculated as the full amount of the deferred loan portion. During the 5-year loan term, if the home is not occupied as the primary residence, vacated, sold, rented to others, or the title is otherwise transferred the entire deferred loan portion shall become due and payable to the City.
5. Indebtedness secured by the property shall not exceed 100 percent of the after-rehabilitation value of the property as estimated by the Grants Management Division. After Rehab Value is calculated by adding the current tax assessment value to half of the deferred loan portion. However, if an appraisal has been completed within three years of the application, the appraisal or a current Comparative Market Analysis CMA, provided by a licensed real estate broker may be used in place of the assessed value.
6. During the loan term of the applicant, if the home is not occupied as the primary residence, vacated, sold, rented to others, or title is otherwise transferred, the deferred loan portion shall become immediately due and payable to the City.
7. Before documents can be executed to initiate the renovation project (i.e., note, mortgage, construction contract), the applicant must pay all sums necessary to release outstanding liens on the property other than a first mortgage and tax liens in good standing. Liens that must be released before work can proceed, include, but are not limited to, liens for past-due income and sewer benefit taxes, and liens for junk and debris removal. Property tax payments on the subject premises must be current at the time documents for the renovation project are executed.
8. Before documents can be executed to initiate the renovation project, the applicant must provide evidence in the form of a Certificate of Insurance that she/he has insured subject premises against loss by fire and hazards included within the term "extended coverage." This insurance shall be maintained in the amounts required by the City for as long as the property remains encumbered by the Deferred Loan. The City shall be listed as an additional insured on the property through the term of the loan.

4.3 Eligibility Criteria

For a dwelling unit to qualify for rehabilitation through the Grant/Deferred Loan Program, the unit must meet the following criteria:

1. Priorities shall be given to properties located in the CD Target Area. Owner-Occupants and persons participating in the Down Payment Assistance Program outside the CD target area shall be considered on a case-by-case basis as funding is available and approved by the GMD Manager.
2. Be classified as "substandard, suitable for rehabilitation" by the Grants Management Division in coordination with the Building Safety Division.
3. Be structurally sound or be able to be rendered structurally sound through rehabilitation. Units that cannot be cost-effectively renovated to meet the City of Urbana's property maintenance code are ineligible for assistance under this program. GMD shall work with the owner in order to try and secure other alternatives as may be available to render a solution.
4. Be a unit that, after rehabilitation, will be a standard unit (i.e., without code violations, lead hazards, and more energy efficient).
5. Be a single-family owner-occupied residential property. Owner-occupied units in multiple-unit structures are ineligible for assistance under this program.
6. Not be located in an area that conflicts with environmental or zoning regulations (e.g. not located within a floodplain or adjacent to a railroad or other noise source which has a day/night sound level in excess of Department of Housing and Urban Development Sound Level Standards) or with the 2015 Comprehensive Plan for Urbana as amended. Single-family residential properties that violate the Urbana Zoning Ordinance, as determined by the Zoning Administrator and/or the Zoning Review Board, are ineligible for renovation under this program.

For an applicant to qualify for a Whole House Deferred Loan, he/she must meet the following criteria:

1. The applicant must have owned and lived in the residence for one year prior to applying for assistance. (Exception, applicants participating in the Down Payment Assistance Program may participate in the Whole House Deferred Loan Program pending funding availability and the applicant and structure meet the guidelines established for the program.
2. The applicant must be the person or persons in whose name title to the property is vested and remain the same for the duration of the Deferred Loan. In cases of dual ownership (resident and non-resident jointly own the property), any non-residents on the title must provide documentation of primary residence elsewhere.
3. The anticipated household annual (gross) income shall not exceed 80 percent of the median family income for Champaign County as released by HUD.
4. The HUD Part 5 definition of annual (gross) income shall be the method used in calculating annual income.

4.4 Processing Procedures

This section outlines procedures for preparing, processing, and approving an application for a Grant/Deferred Loan, determining work to be done on the property, procuring a contractor, and managing the rehabilitation contract.

4.4.1 Application Process

1. GMD staff shall interview and advise the applicant of the design and objectives of the housing assistance programs, the availability and benefits of housing rehabilitation assistance, and the specific terms and conditions under which assistance is provided.
2. GMD staff shall obtain the following information from and about the applicant and the subject dwelling:
 - a. Verification of employment.
 - b. Verification of other earnings and assets.
 - c. Verification of deposits with financial institutions.
 - d. Verification of mortgage or deed of trust from each holder of a lien secured by the property.
 - e. Verification of additional information, such as credit reports, necessary to make a determination of eligibility.
 - f. If applicable dependent on the number of applications the applicant may be placed on a prioritization list created by the GMD to prioritize based on household and need.

4.4.2 Work Determination/Contractor Procurement

1. During the initial walk-through, the Rehabilitation Specialist informs the homeowner of the contractor selection process. Proposals shall be solicited from the GMD Qualified General Contractor list. The owner may choose a general contractor whose firm is not on the GMD Qualified General Contractor List provided that, prior to bid opening, the contractor not on the list will be required to meet the same criteria as Qualified General Contractors. If the owner intends to have such a contractor bid on the project, the Rehabilitation Specialist shall provide an application packet to the contractor as soon as possible (provided the contractor is interested in bidding on the project).
2. Schedule and conduct with Building Safety a property maintenance code inspection and lead hazard evaluation on the subject dwelling.
3. Prepare a work description describing work to be accomplished, including code reports and a lead hazard control plan.
4. Consult with the applicant on preliminary work description and cost estimate including bid alternates.
5. After the owner has reviewed the work description, the Rehabilitation Specialist offers the GMD Qualified General Contractor List to the owner for review.
6. Owner and Rehabilitation Specialist set the date and time for the pre-bid conference at the site.
7. The Rehabilitation Specialist notifies contractors by mail of the pre-bid conference and solicits responses from the general contractors regarding intent to attend the pre-bid and submit a proposal. *Specialty Contractors notified shall generally be those whose area of expertise or specialty is included in the work description.*

8. All attend pre-bid conferences where concerns and questions are addressed. The General Contractors and Subcontractors will be allowed to schedule with the owner and visit the site between pre-bid and bid openings to determine the materials and labor required to submit a bid.
9. Coordinate the solicitation of formal sealed bids from qualified general contractors. The contract shall be awarded to that qualified contractor selected by the applicant so long as that contractor's bid is within 10 percent of the Rehabilitation Specialist's cost estimate.
10. Bids are opened at the time designated by the Rehabilitation Specialist within 14 days after pre-bid. The owner may wish to be present. The owner has ten days to select a contractor. If no bids are within 10 percent of the Rehabilitation Specialist's estimate, the project will be reviewed and modified as needed, then if required, rebid.
11. GMD schedules preconstruction loan closing and contract signing as soon as possible after contractor selection.
12. Issue a Proceed Order after the expiration of the three-day Truth and Lending Disclosure period.

4.4.3 Contracting

Construction is undertaken only through a written contract between the contractor and the recipient of the Whole House Deferred Loan. GMD acts as the lender and is not a party to the contract. However signature of the GMD Manager indicates the approval and review of an acceptable construction contract.

The construction contract shall consist of a single agreement signed by the contractor, accepted by the homeowner, and approved by the Grants Management Manager. It shall contain the proposal amount, all general conditions, and a description of all rehabilitation work to be performed. The contract may be changed as federal, state, and local laws, regulations, or policies deem necessary.

Drawings and/or specifications shall be prepared by the contractor only when deemed essential by GMD or the Building Safety Inspector to show the scope and detail of the work involved, so misunderstandings can be avoided.

The contractor's proposal shall comply with general specifications, work descriptions, code reports, and lead hazard control as supplied by GMD. Provisions shall be made for acceptance of equal substitutions if accepted by the Rehabilitation Specialist. All proposals shall explicitly prohibit the use of lead-based paint and shall require the elimination of lead-based paint hazards.

GMD staff shall establish and, based on the contractors' experience and qualifications, maintain a current list of contractors, subcontractors, and specialty contractors who are qualified and who are interested in doing rehabilitation work. GMD shall to the greatest extent feasible contract with Champaign County companies, firms, etc. Contracts shall be awarded per bid procedures outlined in Section 12.0.

Self-Help shall not be permitted in the Housing Rehabilitation Program.

Reimbursements will not be provided for payments or expenses incurred outside the application process.

Rehabilitation permits, utilities, and building permit fees shall be required for construction work funded through the Grant/Deferred Loan Program. These fees are the responsibility of the contractor and his subcontractors.

4.4.4 Contract Management

1. The Rehabilitation Specialist shall inspect rehabilitation work on a regular basis to see that all work is progressing satisfactorily and to monitor the quality of materials and workmanship and compliance with affirmative action guidelines and safe work practices for lead hazard control.
2. The contractor and/or subcontractor shall coordinate with code officials, the Owner, and the Rehabilitation Specialist for final approval and inspection on each segment of work performed at the residence.
3. The Contractor shall schedule with the Rehabilitation Specialist a lead hazard clearance test for the work performed at the residence.
4. The Rehabilitation Specialist shall conduct a final inspection of rehabilitation work to ensure conformance with contract specifications and issue a certificate of final approval when appropriate.
5. The Rehabilitation Specialist shall obtain from the contractor the release of liens, final invoices, the contractor's sworn statements, and the Certificate of Occupancy for the residence before pay requests and before final payment to the contractor.

4.5 Close-Out Procedures

1. The Rehabilitation Specialist shall present the recipient with a copy of the contract, lead hazard clearance report, and the Certificate of Occupancy.
2. GMD staff shall give the recipient a copy of the recorded mortgage and note.
3. GMD staff shall request that the recipient complete and return a questionnaire about the program delivery.
4. GMD staff shall add information on the completed case to the Community Development Property Log

5.0 ACCESSIBILITY GRANTS

An Access Grant is a non-repayable grant made to an income-eligible homeowner or renter of a single-family residence as defined by HUD or up to a four-unit complex or trust deed recipient to eliminate physical barriers that inhibit the use of the dwelling unit by a Person with Disability. Grants may be made for the renovation of single-family detached dwelling units as well as duplex units.

5.1 Eligible and Ineligible Activities

Eligible activities include all types of general improvements necessary to remove barriers to accessibility by persons with disabilities. These activities include but are not limited to:

1. Permanent improvements to the property, such as ramp installation, door widening, installation of lowered light panels, renovation of kitchens and bathrooms, and installation of visual fire/smoke alarms, and doorbells for the hearing-impaired.
2. Detachable equipment to eliminate obstacles in the bathroom and kitchen but only if permanent improvements are impractical, exorbitant in cost, or unacceptable to the property owner (in the case of rental property).
3. If radon testing and/or mitigation are required as part of the environmental review process, testing and mitigation costs shall be considered an eligible program expense.

Ineligible activities include general improvements not related to the removal of barriers. These include:

1. Removal of code deficiencies and incipient code deficiencies.
2. Furnishings (items not permanently affixed to the property), except equipment noted above.

5.2 General Terms and Conditions

1. An Access Grant shall not exceed \$10,000, or \$15,000 if radon mitigation is required by the environmental review findings.
2. An applicant may receive an Access Grant and then receive additional assistance through another rehabilitation assistance program described in this manual.
3. Access Grant assistance can be offered to an applicant even if the same property received assistance from the Grants Management Division through another program.
4. Access Grant processing costs shall be the responsibility of the GMD.
5. If a rental unit is retrofitted through the Access Grant Program and the tenant for which the unit is retrofitted vacates the unit, the owner agrees as follows:
6. The owner shall notify the GMD that the unit has been vacated. The GMD retains the right to reclaim any detachable equipment funded by the program but abandoned by a person with a disability (i.e., no longer in use and not expected to be used).
7. The owner agrees that the priority in renting vacated units shall be given to persons with disabilities.

5.3 Eligibility Criteria

For a dwelling unit to qualify for remodeling with an Access Grant, the unit must meet the following criteria:

1. Be located within the corporate limits of Urbana.
2. Be structurally sound and relatively free of any building deficiencies that would render the property "substandard."
3. Not be located in an area that conflicts with environmental or zoning regulations (e.g., not located within a floodplain or adjacent to a railroad or other noise source that has a day/night sound level in excess of the Department of Housing and Urban Development Sound Level Standards) or with the 2015 Comprehensive Plan for Urbana, as amended.

The applicant for an Access Grant is the person intending to occupy the unit upon retrofitting. For an applicant to qualify for an Access Grant, he/she must meet the following criteria.

1. The applicant can be the owner of the record, a renter of record, or a trust deed recipient. If the applicant is not the owner of the record, the Access Grant can be made for the retrofit of the property only if the owner of the record agrees to the retrofit.
2. The applicant's household income shall not exceed 80 percent of the median family income for Champaign County as determined by HUD.
3. The applicant must be 18 years old or older with a disability or have a dependent with a disability who is a permanent resident of the dwelling unit to be retrofitted.

5.4 Processing Procedures

This section outlines procedures for preparing, processing, and approving an application for an Access Grant, determining work to be done on the property, procuring a contractor, and managing the rehabilitation contract.

5.4.1 Application Process

GMD will accept inquiries concerning Access Grants from owners of rental property and social services agency personnel. The applicant for an Access Grant must, however, be the expected occupant of the unit to be renovated, either as the owner, renter or trust deed recipient.

1. GMD staff shall interview and advise the Access Grant applicant of the design and objectives of the Access Grant Program and the availability and benefits of the Access Grant Program. GMD staff shall advise the applicant and owner (if different from the applicant) concerning the specific terms and conditions under which assistance is provided.
2. GMD staff shall obtain and verify the following information concerning the applicant and subject dwelling:
 - a. Verification of employment.
 - b. Verification of other earnings, housing expenses, and assets.
 - c. Verification of deposits with financial institutions.
 - d. Verification of homeowner's or rental insurance.
 - e. Applicant's interest in the property to be renovated.
 - f. Verification of a rental property- A copy of the lease agreement must be provided.
 - g. Owner's approval of the proposed retrofit (if the applicant is not the owner of the record).
 - h. Any additional information necessary to determine eligibility, including disability, if not otherwise obvious.

5.4.2 Work Determination/Contractor Procurement

1. GMD staff shall schedule and inspect the property to determine barriers to be removed and to verify that the dwelling is generally safe and sound. The Inspection team consists of a Rehabilitation Specialist, a Housing Inspector as required by the applicant, and the owner (if other than the applicant).
2. GMD staff shall follow current HUD Guidance on radon consideration in the environmental review process for federally assisted projects, which may require

radon testing and mitigation for Access Grant activities. If HUD and GMD policies determine that testing is necessary, funding for an activity shall not be committed until testing has been completed, and, if necessary, a mitigation plan has been prepared.

3. Prepare a list of necessary property improvements and preliminary cost estimates and determine project feasibility, including a lead hazard evaluation as required of surfaces that will be disturbed.
4. Timing of completion of work under the Access Grant Program is especially important because the occupant often must rely on Access Grant improvements to be able to use (even enter) her or his dwelling unit. Consequently, advertised bidding is not required in the Access Grant Program.
 - a. For Access Grant projects with costs not exceeding \$1,000, no bid solicitation shall be required. The Rehabilitation Specialist assigned to the case may select any qualified general contractor or minority/female-owned specialty contractor if a general contractor is not needed, so long as the contractor's proposal is reasonable and appropriate. If a bid cannot be obtained from firms on these lists in a timely manner, the Grants Management Manager may authorize the solicitation of bids from firms not on the lists.
 - b. For Access Grant projects with costs more than \$1,000 but not exceeding the program limit, the Rehabilitation Specialist assigned to the case shall solicit bids from the qualified general contractor list. Formal advertising shall not be required. The construction contract shall be awarded to the qualified general contractor submitting the lowest responsible bid.
 - c. In accordance with a prepared mitigation plan (if applicable), radon mitigation work may occur after other repairs, but within a reasonable timeframe.
5. GMD staff shall consult with the applicant and owner (if any other than the applicant) to reach an agreement on the construction contract.
6. GMD staff shall conduct a preconstruction conference and contract signing, and prepare the proceed order.

5.4.3 Contracting

Construction is undertaken only through written contracts between the contractor, the recipient of the Access Grant, and the owner if other than the applicant. GMD staff assists each applicant with arranging an acceptable construction contract or contracts.

The construction contract shall consist of an agreement or agreements signed by the contractor, accepted by the grant recipient and owner, and approved by the Grants Management Manager. It shall contain the proposed amount, all general conditions, and a description of all rehabilitation work to be performed. The contract may be changed as federal, state, and local laws, regulations or policies deem necessary.

Drawings and/or specifications shall be prepared by the contractor only when deemed essential by GMD or Building Safety to show the scope and detail of the work involved. The contractor's proposal shall comply with general specifications as supplied by GMD. Provisions shall be made for acceptance of equal substitutions if accepted by the

Rehabilitation Specialist, owner, and applicant. All proposals shall explicitly prohibit the use of lead-based paint and shall require the elimination of lead-based paint hazards.

Contractors performing radon testing or mitigation shall be licensed by the Illinois Emergency Management Agency. The same contractor may not perform both testing and mitigation on a single project.

Self-Help work shall not be permitted in conjunction with an Access Grant project.

Reimbursements will not be provided for payments or expenses incurred outside the application process.

The contractor shall be responsible for utility and building permit fees required for construction work funded through the Access Grant Program.

5.4.4 Contract Management

GMD staff shall inspect rehabilitation work to see that all work is progressing satisfactorily and to monitor the quality of materials and workmanship and compliance with guidelines.

5.5 Close-Out Procedures

1. Final inspection or Building Safety approval of the work to ensure conformance with contract specifications and issues.
2. Obtain from the contractor the lien waiver and invoice, prior to final payments.
3. Review the file to be certain that all documentation is in order and that all necessary signatures have been obtained. Include before and after photographs in the file.
4. GMD staff shall add information on the completed case to the Community Development Property Log.
5. GMD staff shall arrange for any required follow-up radon testing if determined to be necessary by a mitigation plan prepared for the environmental review record. If follow-up testing is required, the environmental review record will be updated with new test results as necessary.

6.0 EMERGENCY GRANTS

An Emergency Grant is available to single-family, owner-occupied residential properties to repair a health or safety item. Emergency Grant funds are available only if the repair is immediately needed to mitigate a hazardous condition.

6.1 Eligible and Ineligible Activities

Eligible activities include only those repairs necessary to alleviate a hazardous condition that poses a threat to the health and safety of the occupant, including repair or replacement of defective mechanical, electrical, or plumbing systems, building components, and surfaces.

An actively leaking roof over a living space will be considered a condition warranting Emergency Grant assistance. At the discretion of the GMD, the course of action taken to eliminate the existing emergency may include additional work to prevent an imminent

emergency (i.e., replace furnace rather than repair, replace sewer line rather than repair, reroof rather than patch).

If radon testing and/or mitigation are required as part of the environmental review process, testing and mitigation costs shall be considered an eligible program expense.

Ineligible activities include any repair that is not of an emergency nature, including weatherization activities, fixtures not permanently attached to the property, and fees for professional consulting services.

6.2 General Terms and Conditions

1. An applicant may receive an Emergency Grant to alleviate a hazardous condition and then receive additional assistance through another rehabilitation assistance program described in this manual.
2. Emergency Grant assistance can be offered to an applicant even if the same property received assistance through other programs administered by the Grants Management Division. Before the approval of an Emergency Grant application, the applicant will be required to provide evidence of **property insurance** to the GMD. The GMD may then investigate whether any emergency repairs are eligible for insurance reimbursement. In the event the applicant applies for and receives reimbursement for emergency repair work from his/her insurance company, said insurance proceeds shall be used to reimburse GMD for costs incurred in making emergency repairs to the property.
3. Emergency Grant assistance is provided as outlined in the following table:

Type of Repair	Income	Maximum Amount of Assistance
General Emergency Repair	0 – 80% AMI	\$10,000
Roof and Sewer Repair	0 – 80% AMI	\$15,000

4. The Maximum Amount of Assistance shall be increased by \$5,000 for any project requiring radon mitigation as part of the environmental review findings.
5. An Emergency Grant recipient shall not be required to pay administrative expenses related to the processing of the Emergency Grant application.
6. Repayment of the Emergency Grant is not required, even if the grant is provided in conjunction with another rehabilitation assistance program. No lien is placed against the property to recover all or part of the Emergency Grant.

6.3 Eligibility Criteria

For a dwelling unit to qualify as eligible for work under the Emergency Grant Program, the unit must meet the following criteria:

1. Be located within the corporate limits of Urbana.
2. Be a single-family, owner-occupied residential property. Owner-occupied units in multiple-unit structures are ineligible for assistance under this program.
3. Be a dwelling unit with a situation deemed threatening to the safety and/or health of the occupants based on a determination made by the GMD. An inspection may be required by the Urbana Building Safety Division. Such items could include a

malfunctioning furnace, a problem with plumbing that renders sanitary facilities inoperable, roof leakage that impairs the structural integrity of the roof and its supports, or lead-based paint hazards.

For an applicant to qualify for an Emergency Grant, he/she must meet the following criteria:

1. The applicant has owned and resided at the residence one year prior to applying for assistance.
2. The applicant must be the person or persons in whose name title to the property is vested. Contract buyers and trust deed recipients will be considered on a case-by-case basis depending on the contract and legal terms but then only if the owner of record or contract seller consents to the Emergency Grant work.
3. The applicant must pay all sums necessary to release outstanding liens on the property other than mortgage and tax liens in good standing. Liens that must be released before work can proceed include but are not limited to, liens for past-due income and sewer benefit taxes and liens for junk and debris removal
4. The applicant's household annual income shall not exceed 80 percent of the median family income figure determined by HUD for Champaign County.
5. The HUD Part 5 definition of annual (gross) income shall be the method used in calculating annual income.

6.4 Processing Procedures

This section outlines procedures for preparing, processing, and approving an application for an Emergency Grant, determining work to be done on the property, procuring a contractor, and managing the rehabilitation work.

6.4.1 Application Process

1. GMD staff shall interview and advise the client of the objectives and procedures of the Emergency Grant Program, objectives and procedures of other housing assistance programs that could be combined with the Emergency Grant project, and specific terms and conditions under which assistance is provided.
2. GMD staff shall obtain the following information from and about the applicant and the subject dwelling:
 - a. Verification of employment.
 - b. Verification of other earnings, housing expenses, and assets.
 - c. Verification of homeowners insurance.
 - d. Verification of deposits with financial institutions.
 - e. Verification of mortgage or deed of trust from each holder of a lien secured by the property.
 - f. Verification of additional information, such as credit references, necessary to make a determination of eligibility.

6.4.2 Work Determination/Contractor Procurement

1. GMD staff shall schedule and inspect the property. Urbana Building Safety Division may be required to verify the dwelling is generally safe and sound. A complete list of code violations is not required for this program nor must the property meet all City codes after completion of the project.

- a. If the emergency visual inspection of the property reveals numerous code violations and deteriorated conditions, the applicant will be asked to participate in the Whole House Deferred Loan Program if funds are available. This would address the entire structure and bring the house into code compliance.
 - b. If the applicant declines the Whole House Rehabilitation Program without just cause, the GMD shall not be required to complete the Emergency Grant for the resident. However, if the applicant does not qualify for the Whole House Rehabilitation Program but qualifies for the Emergency Grant Program, GMD staff shall proceed to eliminate the emergency condition.
2. GMD staff shall follow current HUD Guidance on radon consideration in the environmental review process for federally assisted projects, which may require incorporating radon testing and mitigation into Emergency Grant activities. If HUD and GMD policies determine that testing is necessary, funding for an activity shall not be committed until testing has been completed, and, if necessary, a mitigation plan has been prepared.
 3. GMD staff shall prepare a list of hazardous deficiencies that need immediate attention and correction, including a lead hazard evaluation as required of surfaces that will be disturbed during the Emergency Grant work.
 4. GMD staff shall reach an agreement with the applicant on work to be done and on the schedule for grant activities. In accordance with a prepared mitigation plan (if applicable), radon mitigation work may occur after other repairs, but within a reasonable timeframe.
 5. Due to the immediacy of Emergency Grant projects, formal advertised bidding need not occur. The GMD shall solicit a cost estimate or cost estimates from qualified contractors and contractors on the GMD Minority-Female Owned list. For projects with estimated costs of \$1,000 or less, multiple contractor quotations are not required. For projects with estimated costs exceeding \$1,000, quotations shall be solicited from a qualified general contractor list. Formal advertising shall not be required. The construction contract shall be awarded to the qualified general contractor submitting the lowest responsible bid.

6.4.3 Contracting

Construction on Emergency Grant projects exceeding \$1,000 is undertaken only through a written contract between the contractor and the Emergency Grant recipient. The contract shall contain the bid amount, all general conditions, and a description of emergency rehabilitation work to be performed. The contract may be changed as federal, state, and local laws, regulations or policies deem necessary.

The contractor's proposal shall comply with general specifications, work descriptions, and code reports as supplied by GMD. Drawings and/or detailed specifications shall be prepared by the contractor only when deemed essential by GMD or Building Safety to show the scope of work involved so misunderstandings can be avoided.

Contractors performing radon testing or mitigation shall be licensed by the Illinois Emergency Management Agency. The same contractor may not perform both testing and mitigation on a single project.

Self-Help shall not be permitted in Emergency Grant projects.

Reimbursements will not be provided for payments or expenses incurred outside the application process.

The contractor shall be required to obtain and pay for building and utility permits for work funded through the Emergency Grant Program.

Contracts shall be awarded per bid procedures outlined in Section 11.0.

6.4.4 Contract Management

Inspect rehabilitation work to see that work is progressing satisfactorily and to monitor the quality of materials and workmanship.

6.5 Close Out Procedures

1. Final inspection or Building Safety approval of the work to ensure conformance with contract specifications and issues.
2. Obtain from the contractor the lien waiver and invoice prior to final payments.
3. Review the file to be certain that all documentation is in order and that all necessary signatures have been obtained. Include before and after photographs in the file.
4. GMD staff shall add information on the completed case to the Community Development Property Log.
5. GMD staff shall arrange for any required follow-up radon testing if determined to be necessary by a mitigation plan prepared for the environmental review record. If follow-up testing is required, the environmental review record will be updated with new test results as necessary.

7.0 SENIOR REPAIR SERVICE GRANTS

A Senior Repair Service Grant is a non-repayable grant made to income-eligible seniors or persons with disabilities of any age to provide general maintenance repairs to enable the citizen to maintain his/her property. The Senior Repair Grant Program is administered by the Champaign County Regional Planning Commission (RPC). RPC is responsible for screening program applicants for eligibility and monitoring the construction contractors for quality of work.

7.1 Eligible and Ineligible Repairs

Eligible repairs shall include the following:

1. Repairs that help the applicant maintain independence, including but not limited to:
 - Handrail installation and repair
 - Porch and step repair/replacement
 - Grab bar installation
 - Installation of an accessible water closet
 - Installation of handheld shower unit
2. Repairs that conserve financial and energy resources, including but not limited to:

- Repair/replace leaky faucets or water connections
 - Repair/replace soffit, fascia, and gutters, as well as roof patching
 - Repair of furnace/central air conditioners
 - Replacement /repair of entry and storm doors
 - Replacement/repair of deteriorating windows and storm windows and screens
 - Replacement of obsolete water heaters
 - plumbing repairs
3. Repairs that ensure minimum health and safety standards, including but not limited to:
- Door hanging/replacement
 - Installation of locks/deadbolts or level lock hardware
 - Installation of smoke detectors/carbon monoxide detectors
 - Wall and ceiling repairs/plaster patching
 - Electrical repairs
 - Floor repair/replacement to eliminate trip hazards
4. If radon testing and/or mitigation are required as part of the environmental review process, testing and mitigation costs shall be considered an eligible program expense.

Ineligible Repairs

The following repairs shall not be provided to the applicant through the Urbana Senior Repair Service Program:

1. Roof replacement
2. Interior or exterior house painting
3. House restoration (historic preservation)
4. Redecorating
5. Lawn mowing, leaf raking, or snow removal
6. Tree or brush trimming

7.2 General Terms and Conditions

1. An applicant may receive a Senior Repair Service Grant to address an eligible activity and also be eligible to receive additional assistance through another rehabilitation assistance program described in this manual.
2. A Senior Repair Service Grant may be offered to an applicant, even if the property received assistance from GMD through another rehabilitation program in the same program year.
3. A Senior Repair Service Grant shall not exceed the maximum amount of \$1,750 within the program year, or \$6,750 if radon mitigation is required by the environmental review findings.
4. A Senior Repair Service Grant recipient shall not be required to pay administrative expenses related to the processing of the application.
5. Repayment of the grant is not required even if the grant is provided in conjunction with another rehabilitation assistance program.
6. Reimbursements will not be provided for payments or expenses incurred outside the application process.

7.3 Eligibility Requirements and Verification

To be eligible for assistance through this program, an individual/household must meet the following criteria:

1. The applicant must own and occupy the dwelling unit on which the repairs are to be made. (Trust Deeds and contract purchases are allowable with the approval of the owner of record.)
2. Eligible owner-occupied dwelling units include single-family residences, units in duplex structures, and mobile homes.
3. The dwelling unit on which repairs are to be made must be located within the corporate limits of the City of Urbana at the time repairs are made.
4. The individual for whom repairs are made must be 62 years old or older or be a person with a disability of any age.
5. The applicant's household income shall not exceed 80 percent of the median family income for Champaign County as determined by HUD.
6. Cost of repairs shall not exceed the maximum allotment amount per household per program year.
7. A Senior Repair Service Grant shall not exceed the maximum amount of \$1,750 within the program year.

7.4 Application Process

1. RPC staff shall interview and advise the client of the objectives and procedures of the Senior Repair Service Grant Program, objectives and procedures of other housing assistance programs that could be combined with the Senior Repair Service Grant project, and specific terms and conditions under which assistance is provided.
2. RPC staff shall obtain the following information from and about the applicant and the subject dwelling:
 - a. Verification of employment.
 - b. Verification of other earnings, housing expenses, and assets.
 - c. Verification of deposits with financial institutions.
 - d. Verification of homeowner's insurance.

7.5 Work Procedures and Close Out

1. RPC staff shall prepare a Senior Repair Service work order/invoice requiring the applicant's signature before the work is performed, including a lead-based paint hazard evaluation as required.
2. RPC staff shall follow current HUD Guidance on radon consideration in the environmental review process for federally assisted projects, which may require incorporating radon testing and mitigation into Senior Repair activities. If HUD and GMD policies determine that testing is necessary, funding for an activity shall not be committed until testing has been completed, and, if necessary, a mitigation plan has been prepared.
3. The work order/invoice will be given to a qualified contractor from the list maintained by RPC. Selection of the contractor shall be conducted as per applicable HUD methods of procurement, as outlined in 24 CFR 85.36. A list of eligible

contractors who have completed an application and provided all pertinent information to participate in the program shall be maintained by RPC. The projects shall be distributed among the contractors on a rotation basis determined by availability, hourly price, and expertise in the project and by applicant request.

4. Contractors performing radon testing or mitigation shall be licensed by the Illinois Emergency Management Agency. The same contractor may not perform both testing and mitigation on a single project.
5. The contractor shall begin work at his/her earliest convenience. It shall be the responsibility of the contractor to coordinate the work hours with the client.
6. If necessary, RPC staff shall monitor the progress of construction to ensure that safe practices, including lead-based paint practices, are being followed during the rehab project. The Agency shall also ensure that any necessary permits have been obtained, inspected, and finalized.
7. In accordance with a prepared mitigation plan (if applicable), radon mitigation work may occur after other repairs, but within a reasonable timeframe.
8. After the work the owner shall confirm satisfactory completion and approve invoice and payment to the contractor.
9. RPC staff shall arrange for any required follow-up radon testing if determined to be necessary by a mitigation plan prepared for the environmental review record. If follow-up testing is required, the environmental review record will be updated with new test results as necessary.
10. Once work is completed, RPC shall verify that all work was completed by the specifications outlined at the time of the work proposal. RPC staff and the homeowner will need to sign a satisfaction statement for the work completed. The invoice for repairs and a completed signed satisfaction statement shall be included as part of the invoice when the Agency requests reimbursement from the City. RPC will request reimbursement for its administrative fee and for the construction costs due to the selected contractor on completed projects at a minimum of once per quarter.
11. Administrative fees shall not exceed One Thousand dollars (\$1,000) per project.

8.0 SECONDARY STRUCTURE DEMOLITION PROGRAM

This program provides up to \$5,000 as a non-repayable grant to income-eligible homeowners to eliminate unsafe secondary structures and deteriorating fence materials located on the property.

8.1 Eligible and Ineligible Activities

Eligible Activities:

- Demolition of garages including foundation materials
- Demolition of sheds including foundation materials
- Demolition of carports
- Demolition of dilapidated fencing materials
- Backfill of removed sub-grade materials to a rough grade, anticipate and compensate for settling

Ineligible Activities:

- Demolition of the primary structure
- Demolition of buildings attached to the primary structure
- Removal of toxic or hazardous materials left inside the structure
- Removal of the vehicle left inside the structure
- Landscaping such as leveling to finish grade, replacing sod, grass seeding, replanting of shrubs and trees, etc.

8.2 General Terms and Conditions

1. The property must be a single-family residential property owned and occupied by the applicant. Grant assistance can be offered to an applicant even if the same property received assistance through other programs administered by the Grants Management Division.
2. The demolition grant shall not exceed \$5,000. If demolition cost proposals exceed \$5,000, the applicant/owner can provide the difference to complete the project. Those funds shall be required to be put in an escrow account with the City at the time the demolition contract is executed.
3. For the structure to qualify for demolition assistance, it must be structurally unsound or severely dilapidated.

Self-Help shall not be permitted through this program.

8.3 Eligibility Criteria

For the structure to qualify through the Program, the unit must meet the following criteria:

1. Be located in the CD Target Area. Properties outside of the Target Area will be considered on a case-by-case basis determined by funding availability and approval by the Grants Management Division Manager.
2. Be classified as substandard, and severely dilapidated.
3. Be structurally unsound. Units that do not meet this criterion are ineligible for assistance under this program.
4. Be a single-family owner-occupied residential property. Owner-occupied units in multiple-unit structures are ineligible for assistance under this program.

For an applicant to qualify for this type of assistance, he/she must meet the following criteria:

1. The applicant must have owned and lived at this residence for one year prior to applying for assistance.
2. The applicant must be the person or persons in whose name title to the property is vested.
3. The applicant must pay all sums necessary to release outstanding liens on the property other than mortgage and tax liens in good standing. Liens that must be released before work can proceed include, but are not limited to, liens for past-due income and sewer benefit taxes and liens for junk and debris removal.
4. The applicant's anticipated household annual (gross) income shall not exceed 80 percent of the median family income for Champaign County as released by HUD. The

HUD Part 5 definition of annual (gross) income shall be used in calculating annual income.

8.4 Processing Procedures

This section outlines procedures for preparing, processing, and approving an application for the program, determining work to be done on the property, procuring a contractor, and managing the project.

8.4.1 Application Process

1. GMD staff shall interview and advise the applicant of the design, objectives, and specific terms of the program and conditions under which assistance is provided.
2. GMD staff shall obtain the following information from and about the applicant and the subject property:
 - a. Verification of household income.
 - b. Verification of other earnings, housing expenses, and assets.
 - c. Verification of deposits with financial institutions.
 - d. Verification of homeowners insurance.
 - e. Verification of additional information, such as necessary to make a determination of eligibility.

8.4.2 Contracting

Demolition projects are undertaken only through a written contract between the contractor and the program recipient. The contract shall contain the bid amount, all general conditions, and a description of the work to be performed. The contract may be changed as federal, state, and local laws, regulations or policies deem necessary.

The contractor's proposal shall comply with general demolition specifications, as supplied by GMD. Drawings and/or detailed specifications shall be prepared by the contractor only when deemed essential by GMD or Building Safety to show the scope of work involved so misunderstandings can be avoided.

Self-Help shall not be permitted in these projects.

Reimbursements will not be provided for payments or expenses incurred outside the application process.

The contractor shall be required to obtain and pay for all required utility and demolition permits.

8.5 Close-Out Procedures

1. Final inspection or Building Safety approval of demolition work to ensure conformance with contract specifications and issues.
2. Obtain from the contractor the lien waiver and invoice prior to final payments.

9.0 DOWN PAYMENT ASSISTANCE PROGRAM

This program provides up to \$14,999 as a deferred loan to income-eligible homebuyers to acquire single-family housing within the Urbana City limits or Consortium limits if funded with HOME.

9.1 Eligible and Ineligible Expenses

Eligible Expenses:

- Down payment assistance
- Closing cost assistance

Ineligible Expenses:

- Earnest money

9.2 General Terms and Conditions

1. The property must be a single-family residential property that is either owned and occupied by the seller or is vacant and has not been rented out in the past six months. Assistance can be offered to a buyer even if the same property received assistance through other programs administered by the Grants Management Division.
2. For the home to qualify for assistance, it must be located within the Urbana City limits or Consortium limits if funded with HOME.
3. Down payment assistance shall be provided in the form of a deferred loan to be forgiven in five years.
4. Homebuyers participating in the program must maintain the unit as his/her principal residence for five years.

9.2.1 Amount of Assistance

1. GMD staff will determine the amount of assistance to be provided each program year based on market conditions, lender feedback, funding availability, and programmatic requirements for the given program year. The maximum amount of assistance to a homebuyer shall not exceed \$14,999 or 10 percent of the purchase price of the home, whichever is less. Deferred loans offered to low-income buyers may not fall below \$1,000.

9.3 Eligibility Criteria

1. For the structure to qualify through the Program, the unit must meet the following criteria:
2. The unit must be located in the Urbana City limits.
3. The unit must be currently occupied by the Seller or vacant – the property may not have been rented within the past 6 months.
4. Be a single-family owner-occupied residential property. Buyers purchasing a duplex unit may only receive assistance if one-half of the duplex is being acquired. The City cannot assist buyers purchasing more than one dwelling unit in a single transaction.

For an applicant to qualify for this type of assistance, he/she must meet the following criteria:

1. The applicant must contribute a minimum of \$1,000 toward the purchase of the property. Earnest money may count towards this contribution requirement.
2. The applicant must demonstrate that he/she has sufficient funds to sustain the property over the life of the deferred loan.
3. The applicant must have total combined assets no greater than \$10,000.
4. The applicant must be the person or persons in whose name title to the property is acquired. Co-signers are not permitted through this program.
5. The buyer must acquire a clear title to the property.
6. The applicant's anticipated household annual (gross) income shall not exceed 80 percent of the median family income for Champaign County as released by HUD. The HUD Part 5 definition of annual (gross) income shall be used in calculating annual income.

For a loan to qualify for this type of assistance, the following underwriting restrictions must be met:

1. The loan payments charged by the lender must incorporate an escrow account for property taxes and homeowners insurance.
2. The front-end ratio for the loan may not exceed 31 percent.
3. The back-end, or debt-to-income, ratio may not exceed 40 percent.
4. The City will not accept a position lower than second. Any financing other than the principal loan must subordinate to the City's lien.
5. The loan procured must be fixed-rate for the life of the loan with no prepayment penalty. Balloon payments are not acceptable.

9.4 Processing Procedures

This section outlines procedures for preparing, processing, and approving an application for the program, determining work to be done on the property, procuring a contractor, and managing the project.

9.4.1 Application Process

1. GMD staff shall obtain the following information from and about the applicant and lender:
 - a. Verification of household income.
 - b. Verification of other earnings, housing expenses, and assets.
 - c. Verification of deposits with financial institutions.
 - d. Verification of additional information, as necessary to determine eligibility.
 - e. Universal Residential Loan Application
 - f. Sales Contract
 - g. Appraisal

9.4.2 Inspections

A City Inspector will inspect the property before closing to verify that the subject property complies with the Property Maintenance Code of the City of Urbana. Any code violations will be cited in a formal memo from the Inspector and must be addressed before re-inspection. The house must meet the City of Urbana's Property Maintenance Code before closing.

9.4.3 Agreements

Both a Homebuyer Program Agreement and a Mortgage will be recorded against the property as part of the deferred loan. The lien will be forgiven after five years, and the mortgage will be released upon the request of the homeowner or a representative of the homeowner (such as a lender). The homeowner will be responsible for paying the City's release fee as well as any recording fee charged by the County Recorder's Office.

9.5 Whole House Rehabilitation Grant/Deferred Loan Program

Applicants approved for the Down Payment Assistance Program may also qualify and participate in the Whole House Grant/Deferred Loan Program at the same time.

Participation in the program is based on funding availability and priority is placed on properties located in the CD target area.

This program is designed to provide a grant/deferred loan for the rehabilitation of properties requiring substantial repair and or upgrades to structural, mechanical, electrical, deficiencies, or hazards with the property.

The applicant if approved must provide the Rehabilitation Specialist a copy of the housing inspection that was performed by a professional housing inspector before the purchase of the property.

The one-year ownership and residency requirement for participation in the Whole House Grant/Deferred Loan Program shall be waived if used in coordination with the Down Payment Assistance Loan Program. This renovation will help eliminate code violations, lead hazards, and repairs to help with energy conservation.

Program Guidelines and Procedures shall be completed as described and incorporated in Section 4.0 Whole House Deferred Loan section of this manual.

10.0 PURCHASE/REHAB/RESELL PROGRAM

To further enhance program objectives as described in this manual, the City may engage in a program to purchase properties that are in danger of becoming blighted, rehabilitate them, and resell them as affordable housing. When opportunities become available, the City may purchase houses that do not fully meet local building codes but do not warrant demolition. The City shall initiate rehabilitation of those properties to preserve the affordable housing stock and maintain the continuity of the neighborhood. These houses may then be sold as owner-occupied units to households that earn less than 80% of the area median family income, as per HUD guidelines.

10.1 Rehabilitation Process

To successfully rehabilitate acquired properties, the City may pursue a variety of partnerships, including but not limited to:

- Working with not-for-profit groups and/or Community Housing Development Organizations (CHDO)

- Directly hiring contractors and overseeing the work internally
- Bidding out the project to for-profit developers and stipulating terms that will ensure an affordable end product

Any property acquired, rehabilitated, and sold shall only be used for homeownership. Any property rehabilitated through this program shall comply with the City's Property Maintenance Code and all applicable building, zoning, and occupancy, codes upon its completion. Compliance with this section shall be documented through the issuance of a **Certificate of Occupancy** by the City of Urbana Building Safety Division. All rehabilitation work performed with the project shall be subject to the issuance of permits and payment of permit fees.

10.2 Property Requirements

For a dwelling unit to qualify for this program, the unit must meet the following criteria:

1. Be located in the CD Target Area. Properties outside of the Target Area will be considered on a case-by-case basis.
2. Be classified as "substandard, suitable for rehabilitation" by the Grants Management Division in coordination with the Building Safety Division.
3. Be structurally sound or be able to be rendered structurally sound through rehabilitation. Units that cannot be cost-effectively purchased, renovated to meet code, and resold are ineligible under this program. These properties may be used as an acquisition for demolition and the property added to the City's land portfolio to be used for new construction.
4. Be a unit that, after rehabilitation, will be a standard unit (i.e., without code violation).
5. Be a single-family residential property. Multiple-unit structures are ineligible for this program.
6. Not be located in an area that conflicts with environmental or zoning regulations (e.g. not located within a floodplain or adjacent to a railroad or other noise source which has a day/night sound level in excess of Department of Housing and Urban Development Sound Level Standards) or with the 2015 Comprehensive Plan for Urbana as amended. Residential properties that violate the Urbana Zoning Ordinance, as determined by the Zoning Administrator and/or the Zoning Review Board, are ineligible under this program.

10.3 Marketing/Reselling Process

After the acquisition and successful rehabilitation of the property, the City shall work to ensure it is sold as an owner-occupied home to a low- or moderate-income family. To market the property to the appropriate market segment, the City may engage in one of the following tactics:

- Working with not-for-profit groups and/or CHDO
- Hiring a realtor with experience in affordable housing
- Promoting through the Grants Management Division's extensive list of contacts with participating lenders, other housing agencies, or the general public

Any property acquired, rehabilitated, and sold under this program shall be used solely for homeownership for persons at or below 80 percent of the median family income for Champaign County as determined by HUD.

10.4 Funding

Funding sources for initial purchase and rehabilitation may include but are not limited to: the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Tax Increment Financing (TIF), the Federal Home Loan Bank (FHLB), Illinois Housing Development Authority (IHDA), or other participating financial institutions.

Agreements and Deed restrictions may be required for use and occupancy and shall be secured through the contract documents as required by the funding used throughout the project. For example, if \$40,000 or less of HOME funds are expended in connection with the project, the property shall be used for owner-occupied housing and must remain affordable to a low-income family for not less than ten (10) years. If more than \$40,000 is expended, the property must remain affordable for not less than fifteen (15) years.

The City shall comply with the Uniform Relocation Act when acquiring property pursuant to this program, including issuance of required notices to property owners, and occupants, and payment of relocation benefits when required. All of the funds obtained through the sale of the acquired and rehabilitated property shall be returned to the City as required by the funding source to be used for other activities within the Purchase/Rehab/Resell program or other eligible projects.

10.5 Contract Management and Rehabilitation Close-Out

1. The GMD or the organization in charge of the project shall inspect rehabilitation work on a regular basis to see that all work is progressing satisfactorily and to monitor the quality of materials and workmanship.
2. The GMD or organization in charge of the project shall make a final inspection of rehabilitation work to ensure conformance with contract specifications.
3. The contractor and/or subcontractors shall coordinate with code officials, GMD, and/or the organization for final approval on each segment of work performed at the residence.
4. The GMD or organization shall schedule and complete a lead clearance test for the lead reduction work performed at the residence.
5. The GMD or the organization shall obtain from the contractors any manufacturers' and suppliers' warranties, the release of liens, invoices, and the contractor's sworn statement before the final pay request for rehabilitation work. The GMD or organization shall obtain a Certificate of Occupancy for the residence before issuing final payment to the contractor.
6. Review the file to be certain that all documentation is in order and that all necessary signatures have been obtained. Include before and after photographs in the file.

11.0 PROPERTY ACQUISITION/DISPOSITION PROGRAM

Property Acquisition in Support of New Construction Relocation/Clearance/Disposition is part of an ongoing effort to sustain and maintain neighborhoods.

11.1 Authorized Activities

When opportunities become available, the Grants Management Division Manager may negotiate and purchase substandard housing and vacant properties primarily in the CD Target Area. Properties outside of the Target Area may be considered on a case-by-case basis and funding availability. These properties shall then be cleared and maintained in the City's land portfolio until the desired national objective is for low and moderate-income housing, donation, or sale to a local non-profit housing developer or CHDO for new construction of affordable housing. Households, that earn less than 80 percent of the area median family income as determined by guidelines, may purchase these homes. If the applicable national objective is the reduction of slums and blight, then projects may be completed as soon as the blighting factor has been eliminated.

11.2 Property Qualifications:

1. Be located in the CD Target Area. Properties outside the target may be considered on a case-by-case basis. Properties that are acquired and cleared as part of the slum and blight national objective can be located Citywide.
2. Be classified as a "substandard dwelling" by the Grants Management Division in coordination with the Building Safety Division.
3. Be structurally unsound. Units that cannot be cost-effectively purchased, renovated to meet code, and resold are eligible under this program. These properties may be used for acquisition/demolition and added to the City's land portfolio to be used for new construction.
4. Be a single-family residential property or duplex unit. Multiple-unit structures may be considered on a case-by-case basis.
5. Not be located in an area that conflicts with environmental or zoning regulations (e.g. not located within a floodplain or adjacent to a railroad or other noise source which has a day/night sound level in excess of Department of Housing and Urban Development Sound Level Standards) or with the 2015 Comprehensive Plan for Urbana, as amended. Residential properties that violate the Urbana Zoning Ordinance, as determined by the Zoning Administrator and/or the Zoning Review Board, are ineligible under this program.

11.3 Acquisition Process

To successfully acquire properties, the Council authorizes the Manager of the Grants Management Division to enter into negotiations as may become available to purchase dilapidated and vacant properties. The properties will be used through the City's programs as Purchase/Rehab/Resell or Property Acquisition/Disposition to add properties to the City's portfolio for later use in the construction of affordable housing. Procedures to ensure compliance with HUD and program guidelines including relocation benefits shall include but not be limited to the following.

- Letter of interest with accompanying return receipt of notice
- Information Notice for Voluntary Acquisition of Property
- Title Policy as proof of ownership and outstanding liens
- Appraisal and Appraisal review (if applicable)

- Offer to purchase with statement for just compensation, response to the offer, and negotiation
- City Council Ordinance approval of the purchase
- Environmental Review and clearance achieved
- Property purchase (closing), Warranty Deed recorded, Title Insurance Policy
- Proper maintenance of the property until disposition

As listed above, these steps are followed in the property acquisition process. However throughout the process, additional concerns and/or complications may arise that could include additional requirements as imposed by HUD or other governing bodies, such as possible relocation assistance, numerous persons listed on the title, numerous liens against the property, etc. In these instances, the GMD shall ensure the proper documentation, assistance, lien releases, and negotiations per HUD requirements. The GMD shall incorporate the Uniform Relocation Act Acquisition & Relocation Section 104(d) Replacement Housing and Relocation as required by HUD.

11.4 Demolition Process

The property shall be secured, and an asbestos inspection and report shall be completed. The project shall be advertised for bid, and contractors who have previously bid on demolition projects shall be notified. The Invitation for Bid shall include Instructions to Bidders, Specifications, Bid Proposal Form, Purchase Certification Form, Equal Employment Opportunity Form, and Pre-Demolition Asbestos Survey. The contractor shall familiarize themselves with the documents before submitting their Proposal.

Demolition projects are undertaken only through a written contract between the contractor and the City. Contracts shall be awarded to the party submitting the Lowest Responsible Bid. The lowest responsible bid shall generally be the bid proposal from the bidder who has (1) complied with all bid specifications, bid instructions, and contract requirements and (2) offers to perform the contract for the lowest price. The City reserves the right to reject any bids. The contract shall contain the bid amount, all general conditions, and a description of the work to be performed. If the lowest responsible bidder is unable to provide the required documentation in a timely manner, the City may reject the bid and negotiate with the bidder who submitted the next lowest responsible bid. The City may continue this process until a successful bidder is determined. The contract may be changed as federal, state, and local laws, regulations or policies deem necessary.

The contractor's proposal shall comply with general demolition specifications, as supplied by GMD including a Pre-Demolition Asbestos Survey. Drawings and/or detailed specifications shall be prepared by the contractor only when deemed essential by GMD or Building Safety to show the scope of work involved so misunderstandings can be avoided.

11.5 Contractor Requirements

The contractor shall be required to obtain and pay for all required utility and demolition permits.

The contractor shall be responsible for the cost of transportation and verification of disposal of all materials to a licensed landfill area, which will accept these materials. The City encourages recycling of demolition materials where possible.

A demolition permit is required and may be obtained from the City of Urbana.

The contractor must be bonded with the City of Urbana and is required to have evidence of such bond on file with the Urbana Engineering Division before contract signing.

11.6 Close-Out Procedures

1. Interim and Final Inspections by the Building Safety Division for approval of demolition work to ensure conformance with contract specifications and issues.
2. Obtain from the contractor the disposal verification, lien waiver, and invoice prior to final payments.
3. Review the file to be certain that all documentation is in order and that all necessary signatures have been obtained.

11.7 Property Maintenance and Disposition

Properties acquired in support of new construction of an ongoing effort to sustain and maintain neighborhoods shall be maintained until such time disposition occurs. Properties shall be donated, transferred, or sold to a non-profit housing developer or CHDO for the use of new construction of affordable housing if the low and moderate-income housing national objective is sought. The following shall be the process in which the properties shall be disbursed.

- The GMD shall notify non-profit housing developers and CHDOs of any properties the City owns that may be used for the construction of new affordable housing. The GMD shall maintain and update the list.
- A residence shall be constructed by all applicable land development, zoning, and building codes, and the Visitability standards of the City of Urbana, Illinois, and with any covenants recorded for the subdivision in which Subject Property is located.
- A request for each property from the non-profit housing developer or CHDO shall be submitted in writing to the Manager of the Grants Management Division with the proposed time frame for construction, sale, and all other applicable information that may be pertinent to the project (i.e. funding appropriated for the construction, income qualifications for a potential owner, building design, etc.) At no time shall the housing developer request properties to land banks for future development.
- The City shall convey properties by good and sufficient Warranty Deed, subject to current general taxes, covenants, conditions, restrictions, easements apparent or of record, and to all applicable zoning laws and ordinances.
- The Developer shall accept the property in its "as-is" condition, and the City disclaims all warranties express or implied as to the condition of the Subject Property.
- After the transfer of the property, the Developer shall be responsible for property maintenance and obtaining and paying for all permits required under said codes.

- The residence constructed on these properties shall be substantially compatible in design and quality of construction as required by the Building Safety Division and the Grants Management Division Manager, acting on behalf of the City. Additional alterations to the proposed design may be required before the issuance of any building permit.

The residence constructed on Subject Property must subsequently be sold only to a family having income at or below 80 percent of the Median Family Income for Champaign County based on household size. The developer shall keep a record of compliance with this Section on file for inspection by representatives of the City and the U.S. Department of Housing and Urban Development.

11.8 Removal of Slum and Blight on a Spot Basis

Properties may be acquired and/or cleared to ameliorate a blighting factor outside of a designated slum or blighted area when the property cannot be immediately transferred to a non-profit housing developer or CHDO. In such instances, the process described below shall be followed.

To comply with the national objective of elimination or prevention of slums or blight on a spot basis, i.e., outside a slum or blighted area, an activity must meet the following criteria:

- The activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area; and
- The activity must be limited to Clearance alone or Acquisition and Clearance

11.8.1 Acquisition

1. Acquisition may qualify under the Slum or Blighted Area category if the acquired real property is in an area designated by the grantee as a slum or blighted area, and the property will be used in a manner that addresses one or more of the conditions that contributed to the deterioration of the area.
2. Acquisition may qualify under the Spot Blight category if the acquired property is located outside a designated slum or blighted area and the acquisition is required for clearance which will eliminate specific conditions of blight or physical decay on a spot basis.
3. The acquisition of property that is located outside a designated slum/blight area and the acquisition is a prerequisite for clearance, which will eliminate specific conditions of blight or physical decay on a spot basis.

11.8.3 Clearance

1. Clearance may qualify under the Slum or Blighted Area category if the clearance activities are in an area designated by the grantee as a slum or blighted area and address one or more of the conditions that contributed to the deterioration of the area.
2. Clearance may qualify under the Spot Blight category if the activity eliminates specific conditions of blight or physical decay on a spot basis not located in a designated slum/blight area.
3. Clearance activities not involving acquisition can only be undertaken once the legal

authority to proceed has been obtained from the owner of the property. Clearance activities alone will be undertaken upon the availability of funds.

11.8.3 General Terms and Conditions

1. The full amount of any demolition and acquisition expenses may be secured with a lien placed on the property that will be payable upon transfer of the property. The lien may be forgiven by the Grants Management Division if the property is transferred to a non-profit housing developer or CHDO.
2. The City of Urbana is required to expend 70 percent of its CDBG funds to benefit low and moderate-income persons. Actions taken through the slum and blight national objective do not count toward this amount.

12.0 ENERGY EFFICIENCY GRANT

The City of Urbana Energy Efficiency Grant program provides support to residents who live in single-family, owner-occupied properties to supplement the cost of improving the energy efficiency of their homes. Support is provided as a non-repayable grant to the resident. This program is available to those who qualify for and participate in the Ameren Illinois Home Efficiency Income Qualified (HEIQ) Program. For more information on Ameren's HEIQ program, please visit: [Home Efficiency | Ameren Illinois \(amerenillinoissavings.com\)](http://amerenillinoissavings.com)

The HEIQ program is designed to assist both low and moderate-income customers with energy efficiency upgrades to their homes. To qualify for the HEIQ program, an applicant must be a current Ameren Illinois customer, live in a single-family residence, heat their home with an Ameren fuel source, and provide income verification within the program income guidelines.

12.1 Eligible and Ineligible Activities

Eligible activities include:

- Paying the remaining balance after Ameren's HEIQ support has been applied to a project (Generally those who qualify as Tier 2 customers under the Ameren HEIQ program.)
- Installation or replacement of an energy-efficient furnace for those households who qualify as senior or disabled.

Ineligible activities include:

- Energy efficiency requests made outside of the Ameren HEIQ program.

12.2 General Terms and Conditions

1. To qualify for the Energy Efficiency Grant, applicants must already be enrolled in the Ameren HEIQ program.
2. The maximum amount of assistance through this program is \$3,500 within one program year.

3. Applicants can receive an Energy Efficiency Grant and then receive assistance through another rehabilitation program described in this manual for the same property.
4. The Grants Management Division (GMD) will pay all administrative expenses for processing the Energy Efficiency Grant.
5. Payments made outside of the approved application process will not be reimbursed.
6. Self-help work is not permitted.
7. GMD uses IRS form 1040 to determine adjusted gross income for the Energy Efficiency Grant program.

12.3 Eligibility Criteria

1. A **dwelling unit** must meet the following criteria to qualify for the Energy Efficiency Grant:
 - a. Qualify for the Ameren HEIQ Program
 - b. Be located within the corporate limits of Urbana.
 - c. Be structurally sound and relatively free of building deficiencies that would render the property “substandard.”
 - d. Not located in an area that conflicts with environmental or zoning regulations (e.g., located in a floodplain, adjacent to a railroad, or other noise source) or with the City’s 2020/2024 Consolidated Plan, as amended.
 - e. Be a single-family, owner-occupied residential property. Owner-occupied units in multiple-unit structures, duplexes, or mobile homes are ineligible for assistance under this program.
 - f. Rental units are ineligible for assistance under this program
2. For an **applicant** to qualify for an Energy Efficiency Grant, they must meet the following criteria:
 - a. Be a current customer of Ameren.
 - b. Be enrolled in the Ameren HEIQ program as a Tier 2 customer with a copay.
 - c. Have a household income that does not exceed 80 percent of the median family income for Champaign County MSA as determined by HUD.
 - d. Property title must be in the applicant’s name. Contract buyers and trust deed recipients will be considered on a case-by-case basis depending on the contract and legal terms.
 - e. Applicant must pay all sums necessary to release outstanding liens on the property other than mortgage and tax liens in good standing.

12.4 General Processing Procedures

12.4.1 Application Process

The applicant for an Energy Efficiency Grant must be the occupant of the unit to be assisted, either as the owner or trust deed recipient. They must also be enrolled in the Ameren HEIQ program.

1. Following the approval of the work scope from Ameren which will require a copay, an automated email will be sent to the customer including their project number, total copay, a link to the City of Urbana Energy Efficiency application, and a message encouraging them to apply.

- a. It is the responsibility of the applicant to apply for supplemental assistance through the Energy Efficiency Grant. GMD staff will reach out **one** time as a reminder and to encourage the customer to apply.
- b. GMD staff shall advise the applicant of the objectives and procedures of the Energy Efficiency Grant Program, objectives and procedures of other housing assistance programs that could be combined with the Energy Efficiency Grant program, and specific terms and conditions under which assistance is provided.
2. GMD staff will help the applicant apply for the Energy Efficiency Grant program through the Neighborly Software portal.
3. Required documentation includes:
 - a. Verification of employment.
 - b. Verification of other earnings and assets.
 - c. Verification of deposits with financial institutions.
 - d. Applicant's interest in the property to be renovated.
 - e. Verification of mortgage or deed of trust.
 - f. Verification of homeowners insurance.
 - g. Verification of Ameren account.
 - h. Any additional information necessary to make a determination of eligibility.

12.4.2 Work Determination/Contractor (Program Ally) Procurement

1. Once an Energy Efficiency Grant applicant has been approved, GMD staff will email confirmation to the applicant and Ameren. GMD staff, Ameren, and the applicant will agree on the scope and schedule of work to be done. An Environmental Review will be completed by GMD staff and on-site work will be completed by an approved Ameren Program Ally.
2. Ameren will prepare the overall project scope of work per their program limits, which will be available for both the homeowner and GMD staff to review. Ameren will conduct all preconstruction conferences and contract signings.
3. Due to the collaborative nature of the Energy Efficiency Grant program with Ameren's HEIQ program, no bid solicitation is required. The construction contract will be awarded to the most qualified contractor per the work scope from a list of Program Allies kept by Ameren.
 - a. The Program Ally will begin work at their earliest convenience. The Program Ally is responsible for coordinating work hours with the client.
 - b. The Program Ally is also responsible for utility and building permit fees required for the project.

12.4.3 Contract Management

GMD staff may inspect energy efficiency projects at any time to ensure compliance with guidelines, monitor the quality of materials and workmanship, and confirm that progress meets the agreed-upon work schedule.

12.5 Close-Out Procedures

1. The Program Ally will submit to Ameren all final paperwork, including a work scope. The work scope must be signed by the customer.

2. If necessary, GMD staff will conduct a final inspection and approval of the work to ensure compliance with contract specifications.
3. GMD staff will obtain from the Program Ally a signed lien waiver before delivery of the final Energy Efficiency Grant payment.
4. GMD staff will review customer files to be certain that all documentation and signatures have been collected. All relevant documentation will be uploaded into Neighborly.

13.0 CDBG - Down Payment Assistance Program

The CDBG – Down Payment Assistance Program is a grant available to income-eligible homebuyers to acquire single-family housing within the Urbana City limits. The amount of the grant is determined by the lender and the Grants Management Division based on which Eligible Activity best meets the needs of the homebuyer.

13.1 Eligible and Ineligible Expenses

Eligible Expenses: The following activities are eligible for financial assistance using CDBG funds. The program is limited to only one of the following:

- Subsidize interest rates and mortgage principal amounts, including making a grant to reduce the effective interest rate on the amount needed by the purchaser to an affordable level. The funds granted would have to be applied toward the purchase price. Alternatively, the grantee/subrecipient could make a subordinate loan for part of the purchase price, at little or no interest, for a number of funds the payments on which, together with that required under the first mortgage, would be affordable to the purchaser.
- Finance the cost of acquiring property already occupied by the household at terms needed to make the purchase affordable.
- Pay all or part of the premium (on behalf of the purchaser) for mortgage insurance required up-front by a private mortgagee. This would include the cost of private mortgage insurance.
- Pay any or all of the reasonable closing costs associated with the home purchase on behalf of the purchaser including:
 - Financing fees
 - Credit reports
 - Title binders and insurance
 - Surety fees
 - Recordation fees, transactions taxes
 - Legal and accounting fees, including cost certification
 - Appraisals
 - Private Home Inspections by independent vendor

- Pay up to 50% of the down payment required by the mortgagee for the purchase on behalf of the purchaser.

The lender will review the above options and select the activity that best meets the needs of the homebuyer.

Ineligible Expenses:

- Earnest money
- Homebuyer counseling

13.2 General Terms and Conditions

1. The property must be a single-family residential property that is either owned and occupied by the seller or is vacant and has not been rented out in the past six months unless the tenant is purchasing the home. Assistance can be offered to a buyer even if the same property received assistance through other programs administered by the Grants Management Division.
2. The property must be located within the Urbana City limits.
3. Assistance may be provided in conjunction with other eligible rehabilitation assistance programs as described in this manual, within the same program year.
4. Homebuyers participating in the program must maintain the dwelling as their primary residence for a minimum of 12 months after closing.

13.2.1 Blended Down Payment Assistance

CDBG assistance can be combined with other down payment programs such as the Illinois Housing Development Authority (IHDA) and Federal Home Loan Bank (FHLB).

13.3 Eligibility Criteria

Property Eligibility

To qualify for assistance, the property must:

1. Be located within the corporate limits of the City of Urbana.
2. Be currently occupied by the Seller or vacant – the property may not have been rented within the past 6 months unless the tenant is the purchaser.
3. Be a single-family owner-occupied residential property. Buyers purchasing a duplex unit may only receive assistance if one-half of the duplex is being acquired. The City cannot assist buyers purchasing more than one dwelling unit in a single transaction.

Buyer Eligibility

1. Buyers are pre-qualified to enroll in the CDBG-DPA program if they are projected to earn 80% or less of the area median income for their family size (as defined annually by HUD) in the upcoming 12 months and intend to occupy the home they would like to purchase as their permanent residence.
2. The City of Urbana will verify that the potential Buyer is income-qualified using HUD's online income calculator

<https://www.hudexchange.info/incomesssincomecalculator/>. The lender must be associated with a bank and be located within Champaign County.

3. The buyer must complete Homebuyer Counseling.
4. The Champaign County lenders who are associated with a bank are eligible to use the program. Brokers are ineligible.

13.4 Processing Procedures

Inspection and Appraisal

1. The City of Urbana will review the private home inspection before closing. The Bank will need to discuss the details of the work to be done with the Buyer, particularly if the Seller is not willing to pay for the repairs outright.
2. The Bank will ascertain the appraised value of the Seller's property, either by hiring a licensed residential appraiser or through disclosure of the Buyer or Seller, and verify that the appraised value does not exceed 95% of the median purchase price for Champaign County as defined annually by HUD (<https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>). If the appraised value of the property exceeds 95% of the median purchase price for Champaign County, then the Buyer must choose an eligible property.
3. Repairs noted in the private home inspection that fall within the City of Urbana's current housing programs may be eligible for escrow options utilizing CDBG funds.

Underwriting and Closing

1. The Lender will send the contact information for the Seller's Realtor/Attorney to the City of Urbana at least 21 days before the closing date. The City of Urbana will send the Seller's Realtor/Attorney copies of the Affidavit of Occupancy and the Voluntary Letter to be signed and returned to the City of Urbana.
2. After approval of the Homebuyer Mortgage Analysis Spreadsheet, the City of Urbana will forward an approval letter to the lender.
3. The Bank must forward a closing disclosure and/or settlement sheet to the City of Urbana by 10:00 a.m. the day before the closing. This will allow staff to verify the City's grant amounts are listed correctly. The City will process the down payment assistance check and deliver it at the time of the closing.

13.5 CDBG - Down Payment Assistance Program Checklist & Closeout Procedure

Step 1. Pre-approval

___ Lender pre-approves buyer for a loan (35% maximum front-end, 43% maximum back-end). Exceptions can be made for good credit or other cause.

___ Lender refers the buyer to Homebuyer Counseling.

___ Lender submits the property appraisal, contract, income verification, homebuyer counseling, and release to the City of Urbana.

Step 2. Process and Income Verification

___ The City of Urbana staff verifies that the homebuyer is income-qualified using HUD's online income calculator and also retains the following information in the project file:
Six months' checking and/or savings account statements from all homebuyer financial accounts

- Most recent statements for any investment accounts
- Evidence of the buyer's completion of homebuyer counseling

___ The City of Urbana staff sends a preapproval to the lender along with a summary of the income qualification.

___ The City of Urbana staff completes the environmental review for the file.

___ The City of Urbana ensures that the appraised value of the property does not exceed 95% of the **median purchase price for Champaign County** as defined annually by HUD.

___ The City of Urbana or lender sends the Homebuyer Mortgage Analysis Spreadsheet to the City of Urbana for approval.

Step 3. Inspection (est. time to schedule and complete inspection, then complete repairs and re-inspection: 1 week)

___ City of Urbana staff reviews the private home inspection.

___ City of Urbana staff obtains Uniform Relocation Act (URA) acknowledgments from the seller.

Step 4. Approval

___ The City of Urbana confirms with the Lender the eligible activity and requested the amount of the grant to be brought to closing.

___ The City of Urbana approves the Homebuyer Mortgage Analysis Spreadsheet and submits the request for a check (est. time to release check: 1 week).

___ The City of Urbana staff sends an approval letter to the lender. Staff must have the following documents in hand to complete this step:

- Private Home Inspection report
- URA acknowledgments from the seller
- Confirmation from the City of Urbana that the buyer is income-eligible and has received counseling

___ An invoice from the lender is necessary to provide down payment assistance.

Step 5. Closing

___ Lender provides closing disclosure to the City of Urbana before the closing

The City of Urbana brings the following to the closing:

___ Check made out to the homebuyer, lender, or Title Company as needed.

14.0 CONTRACTING POLICIES AND PROCEDURES

This section describes the general contracting policies of the City of Urbana as they relate to housing rehabilitation projects, procedures whereby contractors can become eligible to contract for CDBG- and HOME-funded projects, policies governing the use of self-help in housing rehabilitation assistance programs, and housing rehabilitation projects conducted

in conjunction with for-profit individuals and companies, non-profit organizations, Empty Tomb, Inc.

14.1 General Contracting Policies

The City of Urbana encourages general contractors awarded CDBG- and HOME-funded contracts to utilize subcontractors and material suppliers located in Champaign County, employing Champaign County residents, and furthering federal, state, and local affirmative action goals.

Contracting Policies Pertaining to Whole House Deferred Loan

See the WHDL Program described in this manual.

Contracting Policies Pertaining to Access Grants

See the Accessibility Grant Program described in this manual.

Contracting Policies Pertaining to Emergency Grants

See the Emergency Grant Program described in this manual.

Contracting Policies Pertaining to Senior Repair Service Grants

See Senior Repair Service Grant Program described in this manual.

Contracting Policies Pertaining to the Secondary Structure Demolition Program

See the Secondary Structure Demolition Program described in this manual.

Contracting Policies Pertaining to Purchase/Rehab/Resell Program

See the Purchase/Rehab/Resell Program described in this manual.

Contracting Policies Pertaining to Property Acquisition/Disposition Program

See the Property Acquisition/Disposition Program described in this manual.

14.2 Contractor Standards

As described above, all Urbana housing rehabilitation programs utilize a list of qualified general contractors, minority/female-owned specialty contractors, or both. To implement these programs, GMD maintains lists of qualified general contractors and minority/female-owned specialty contractors. The City has adopted the following minimum standards for inclusion on these lists.

14.2.1 Standards for Qualified General Contractor List

Qualified general contractor status indicates the contractor has the financial resources and the experience in both project management and construction trades necessary to complete housing rehabilitation projects of the nature undertaken through the City's housing rehabilitation programs. GMD maintains a list of qualified general contractors eligible to participate in the City's housing rehabilitation programs. To qualify for inclusion on the list, a general contractor must apply GMD, which evidences that the contractor meets the following standards.

1. The contractor has completed at least two similar cases of nature and cost to those funded through the Urbana housing rehabilitation program to the satisfaction of clients, vendors, and subcontractors. The two cases must involve the management of at least one subcontractor and direct experience in one or more construction trades.
2. The contractor must provide evidence of insurance of the types and amounts as follows. The amounts are minimum levels.

3. The Contractor shall maintain during the entire period of his performance under this Contract for Rehabilitation the following minimum levels of insurance. All policies shall be written with insurance carriers qualified to do business in the State of Illinois.
 - a. Worker's Compensation Insurance - Per Illinois Statutory Requirements **(REQUIRED BY THE CITY)**
 - b. Comprehensive General Liability policy to cover bodily injury to persons other than employees and for damage to tangible property, including loss of use thereof, including the following exposures.
 - I. All premises and operations.
 - II. Explosion, collapse, and underground damage.
 - III. Contractor's Protective coverage for independent contractors or subcontractors employed by him/her.
 - IV. Contractual Liability for the obligation assumed in the Indemnification and Hold Harmless agreement of the contract.
 - V. Personal Liability endorsement with no exclusions pertaining to employment.
 - VI. Products and completed operations coverage. Combined single limits of at least one million (\$1,000,000) per occurrence.
 - c. Automobile Liability – Combined single limits of at least Five Hundred Thousand (\$500,000) per occurrence of bodily injury/property damage. Auto liability shall include owned, non-owned, and hired vehicles.
 - d. Umbrella Liability Policies may be used to satisfy the limits named above.
 - e. Pollution Liability (if applicable) - as required by the State of Illinois Department of Public Health for Lead Abatement Contractors.
4. The contractor must have financial resources including working capital and sufficient credit necessary to purchase building materials and retain subcontractors for housing rehabilitation work.
5. The contractor must be capable of securing permits required for housing rehabilitation. The contractor must have licenses required for construction trades or must be able to subcontract with firms that do.
6. The contractor must be in good standing with other federal, state, and local agencies and may not be on any government-maintained debarred contractor list.
7. The contractor must be in good standing with the Federal Internal Revenue Service and the State Department of Revenue. The contractor may not be subject to federal or state tax levy or lien.
8. The contractor adheres to the City's Equal Employment Opportunity Ordinance (or for companies new to City contracting, agrees to adhere to the ordinance and has the necessary written policies and procedures to do so). Continued participation in the housing rehabilitation programs is based in part on efforts by the contractor to retain minority/female-owned subcontractors in GMD-funded construction work.

GMD will approve contractors for the qualified general contractor list. GMD reserves the right to approve contractors for listing on the qualified general contractor list with conditions such as limits on project size and/or on the number of contracts the contractor will be allowed to undertake simultaneously.

GMD reserves the right to remove a contractor from the qualified general contractor list or to limit the scope of work by the contractor in the program for any of the following reasons. Before taking such action, GMD shall provide the contractor with written notification of the deficiency and shall allow the contractor reasonable time to correct the said deficiency.

1. The contractor fails to continue to meet any of the qualification standards listed herein.
2. The contractor fails to comply with provisions of a program construction contract and is declared in default of said contract. Grounds for declaration of default include, but are not limited to, the following:
 - a. Poor workmanship
 - b. Unable to secure and maintain the proper licenses and insurance requirements
 - c. Continued violation of a contract start or completion date
 - d. Abuse of change-order provisions
 - e. Bankruptcy or insufficient financial resources to complete work
3. The contractor's and subcontractor's conduct toward program clients is inconsistent with public policy.

14.2.2 Standards for Minority/Female-Owned and Specialty Contractor List

A minority/female-owned and specialty contractor is a firm specializing in one or more construction trades in which more than half of the assets are owned and controlled by a minority or female person or persons.

Before the commencement of any work funded through GMD, the company must meet the following additional standards.

1. The contractor must submit the appropriate Equal Employment Opportunity forms acceptably.
2. The contractor must provide evidence that she/he has insurance of the type and minimum amounts cited in the Standards for Qualified General Contractor List.
3. The contractor is capable of securing building and utility permits as necessary for the construction work proposed by the contractor.
4. The contractor is judged by GMD to have an acceptable record of performance, integrity, financial resources, and technical expertise as determined by an investigation of information requested by GMD and provided by the contractor.

14.3 Self-Help in Rehabilitation Assistance Programs

Self-help is not allowed in any project funded in accordance with this manual.

14.4 Rehabilitation Projects in Conjunction with non-profit agencies such as Empty Tomb, Inc.

Rehabilitation assistance through programs described in this manual is limited to a maximum funding amount per program. Recognizing that some projects cannot be completed at that cost, GMD may enter into a cooperative arrangement with a non-profit service organization such as Empty Tomb, Inc., a private, non-profit social service organization based in Champaign. GMD will provide CDBG/HOME funds to a homeowner for the purchase of building materials up to the maximum amount available per program. The

materials are then installed by the organization staff and volunteers under a contract between the organization and the homeowner. Staff and volunteers of such organizations are not eligible for reimbursement for their labor. The decision to involve any non-profit service organization in the project is ultimately made by the homeowner.

Non-profit agencies may be utilized through the City's Purchase/Rehab/Resell Program on a case-by-case basis as determined by the work to be accomplished, funding availability, and time allotted for the project. The City shall enter into a memorandum of understanding with the agency to provide funding for the materials and specialty contractors required to complete the project. Non-profit agencies and volunteers are not eligible for reimbursement for their time and labor. The agencies shall be required to submit proof of insurance. All policies shall be written with insurance carriers qualified to do business in the State of Illinois.

1. Worker's Compensation Insurance - Per Illinois Statutory Requirements **(REQUIRED BY THE CITY)**
2. Comprehensive General Liability policy to cover bodily injury to persons other than employees and for damage to tangible property, including loss of use thereof, including the following exposures.
 - a. All premises and operations.
 - b. Explosion, collapse, and underground damage.
 - c. Contractor's Protective coverage for independent contractors or subcontractors employed by him/her.
 - d. Contractual Liability for the obligation assumed in the Indemnification and Hold Harmless agreement of the contract.
 - e. Personal Liability endorsement with no exclusions pertaining to employment.
 - f. Products and completed operations coverage. Combined single limits of at least one million (\$1,000,000) per occurrence.
3. Automobile Liability - Combined single limits of at least (\$500,000) per occurrence of bodily injury/property damage. Auto liability shall include owned, non-owned, and hired vehicles.
4. Umbrella Liability Policies may be used to satisfy the limits named above.
5. Pollution Liability (if applicable) - as required by the State of Illinois Department of Public Health for Lead Abatement Contractors.

Involvement by a non-profit agency is determined on a case-by-case basis but is generally limited to a portion of the rehabilitation work at any particular site. Work is based on the type of renovation to be undertaken and on the availability of volunteers. Work requiring licensing such as electrical, plumbing, etc. shall be completed by licensed subcontractors and shall be paid accordingly.

Requests for payment submitted by the non-profit agencies to GMD shall be reviewed by GMD for reasonableness and completeness. Reimbursement for any material purchases may be disallowed if the GMD determines that the material cost significantly exceeds the suggested retail price of the material or if the GMD determines upon inspection of the property that the material has not been used in the rehabilitation. GMD shall encourage non-profits to purchase material supplies from Champaign County vendors whenever possible.

APPENDIX I: HUD PART 5 INCOME DEFINITIONS

HUD Part 5 Income Inclusions:

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services (before any payroll deductions).
2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness cannot be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets over \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment (except Supplemental Security Income (SSI) or Social Security).
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except for certain exclusions, as listed in paragraph 3 under Income Exclusions).
6. Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income:
 - a. Qualify as an assistance under the TANF program definition at 45 CFR 260.31; and
 - b. Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c).
 - c. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that are subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income consists of:
 - d. the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; **plus**
 - e. The maximum amount that the welfare assistance agency could allow the family for shelter and utilities. If the family welfare assistance is reduced from the

- standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling.
 8. All regular pay, special days, and allowances of a member of the Armed Forces (except as provided in number 8 of Income Exclusions).

HUD Part 5 Income Exclusions

1. Income from employment of children (including foster children) under the age of 18 years.
2. Payments received for the care of foster children or foster adults (usually persons with disabilities unrelated to the tenant family who are unable to live alone).
3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (except as provided in number 5 of Income Inclusions).
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of a live-in aide (as defined in 24 CFR 5.403).
6. Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a))
7. The full amount of student financial assistance paid directly to the student or the educational institution.
8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9. Self-Sufficiency Program Income.
 - a. Amounts received under training programs funded by HUD.
 - b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
 - c. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and that are made solely to allow participation in a specific program.
 - d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period.
 - e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be

- received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participated in the employment training program.
10. Temporary, nonrecurring, or sporadic income (including gifts).
 11. Reparation payments paid by a foreign government under claims under the laws of that government by persons who were persecuted during the Nazi era.
 12. Earnings over \$480 for each full-time student 18 years or older (excluding the head of household or spouse).
 13. Adoption assistance payments over \$480 per adopted child.
 14. Deferred periodic amounts from Supplemental Security Income (SSI) and Social Security benefits that are received in a lump sum amount or prospective monthly amounts.
 15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
 16. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
 17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions outlined in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion.

Updates will be published and distributed when necessary. The following is a list of income sources that qualify for that exclusion.

- The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;
- Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
- Payments received under the Alaskan Native Claims Settlement Act;
- Income derived from the disposition of funds to the Grant River Band of Ottawa Indians;
- Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes;
- Payments or allowances made under the Department of Health and Human Services Low-Income Home Energy Assistance Program (LIHEAP);
- Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income

received by individual Indians from funds derived from interests held in such trust or restricted lands;

- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or the Bureau of Indian Affairs student assistance programs;
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program);
- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from Spina bifida who is the child of a Vietnam veteran;
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act;
- Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.



OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

Special attention of:
 Regional Directors
 Field Office Directors
 CPD Directors and field office staff
 OEE Directors and field office staff
 PIH Directors and field office staff
 Office of Housing Directors and division staff
 ONAP Administrators and field office staff
 OLHCHH Directors and Healthy Homes Representatives
 Program Environmental Clearance Officers
 Responsible Entities
 Public Housing Authorities
 Tribes
 Tribally Designated Housing Entities

Notice: CPD-23-103

Issued: January 11, 2024

This notice will be effective 90 days after the date issued. For Tribes, Tribally Designated Housing Entities, and Department of Hawaiian Homelands Recipients, however, it will be effective two years after the date issued.

Expires: This Notice is effective until amended, superseded, or rescinded

SUBJECT: Departmental Policy for Addressing Radon in the Environmental Review Process

I. Purpose

The purpose of this Notice is to clarify that radon must be considered in the contamination analysis for 24 CFR Parts 50 or 58, as applicable; to provide guidance on recommended best practices for considering radon; and to identify the U.S. Department of Housing and Urban Development (HUD) programs that have established specific radon guidance. This Notice does not impose radon testing requirements; however, it does include guidance on strategies for considering radon in the site contamination analysis.

This notice applies *only* to projects that are subject to HUD’s contamination regulations at 24 CFR 50.3(i) or 24 CFR 58.5(i). It does not apply to the purchase of single family homes with an FHA-backed mortgage nor Section 184 and Section 184A loan guarantees. This notice also does *not* preempt any existing, federal state, or local requirements regarding radon. It also does not preempt the radon requirements found in HUD’s Office of Housing programs following the Multifamily Accelerated Processing (MAP) Guide, Healthcare Mortgage Insurance Program Handbook, Rental Assistance Demonstration Program Notice and supplemental guidance, or other current or future radon guidance that is more prescriptive. See section IV of this notice for links to Housing radon guidance documents.

Compliance with this notice is required 90 days after the date issued for all HUD programs subject to 24 CFR Parts 50 and 58, with the exception of Tribe, Tribally Designated Housing Entity (TDHE), and Department of Hawaiian Homeland (DHHL) recipients. In

recognition of the need to provide additional support for radon programs, compliance with this notice is required starting January 11, 2026 for Tribe, TDHE, and DHHL recipients.

II. Radon and its health effects

Radon is a radioactive gas that forms when radium and certain other radioactive metals break down in rocks, soil, and water.¹ It is found in nearly all soils and moves through the soil to the air and into structures through cracks and other areas of permeability. Building materials and groundwater may also be a source of indoor radon. Once inside, radon concentrations can build to high levels, regardless of the age, condition, or design of the building.

The most common pathway for human exposure to radon is inhalation indoors. Radon is the number one cause of lung cancer in non-smokers and the second leading cause of lung cancer overall.² The risk of adverse health effects from radon in indoor air depends largely on two main variables: the level of radon exposure and the length of time exposed. Many radon-induced lung cancers can be prevented by testing and reducing radon levels in existing buildings and by using radon resistant construction techniques for all new construction.³

The goal for mitigating radon in buildings is to reduce radon concentrations in indoor air as low as reasonably achievable and practicable considering the efficacy of current industry-standard radon reduction systems and environmental conditions (e.g., geology and climate). The most effective strategy to protect the health and safety of occupants is to prevent radon from entering the building by using radon resistant construction techniques; another effective strategy is to reduce the level of radon inside existing buildings by installing and operating a radon reduction system. An effective radon reduction system achieves two main goals: it reduces the concentration of radon gas in the home by venting it safely outside the structure and removes the radon gas from under the foundation before it can come into the home.

III. Considering radon in the environmental review

HUD's environmental regulations at 24 CFR 58.5(i)(2)(i) and (ii)⁴ state that,

[i]t is HUD's policy that all properties that are being proposed for use in HUD programs **be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances**, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property.

The environmental review of multifamily housing . . . , **must include the evaluation of** . . . other evidence of contamination on or near the site, to ensure that occupants of proposed sites are not

¹ National Institute of Health, Periodic Table, Element Summary, "Radon", <https://pubchem.ncbi.nlm.nih.gov/element/Radon>.

² U.S. Environmental Protection Agency, "Health Risk of Radon", <https://www.epa.gov/radon/health-risk-radon>.

³ <https://www.epa.gov/radon/health-risk-radon>.

⁴ HUD's contamination policy at 24 CFR 50.3(i)(1) and (2) implements the same substantive policy with slightly different text, <https://www.ecfr.gov/current/title-24/subtitle-A/part-50/subpart-A/section-50.3>.

adversely affected by any of the hazards listed in paragraph (i)(2)(i) of this section.

As radon is a radioactive substance, HUD or the responsible entity (RE) must consider it as part of the site contamination analysis for projects that:

- Require an environmental review at the level of *Categorically Excluded Subject to 50.4 or 58.5* (“CEST”), *Environmental Assessment*, or *Environmental Impact Statement*; and
- Involve structures that are occupied or are intended to be occupied at least four (4) hours a day.

Note: HUD’s contamination policy does not apply to projects that are Exempt or Categorically Excluded Not Subject to 50.4 or 58.5 (“CENST”).

HUD encourages environmental review preparers to follow the most recent U.S. Environmental Protection Agency (EPA) recommendations about assessing the health risk from radon exposure and when to reduce radon levels in indoor air. Because more people are exposed to moderate levels of radon, most radon-induced lung cancer results from long-term exposure to low or moderate radon levels in the home, as opposed to short term exposure to very high levels of radon.⁵ The EPA recommends homes be fixed if the radon level is 4 pCi/L or more. Because there is no known safe level of exposure to radon, EPA also recommends that Americans consider fixing their home for radon levels between 2 pCi/L and 4 pCi/L⁶. Indoor air radon levels vary across the U.S. and from parcel to parcel due to differences in geology, climate, seasonal variation, building construction, and other conditions. Additionally, because radon cannot be seen, tasted, or smelled, the only method for determining the precise radon level in a specific building is to test the indoor air.

Exemptions from having to consider radon in the contamination analysis⁷:

- Buildings with no enclosed areas having ground contact.
 - Buildings containing crawlspaces, utility tunnels, or parking garages would *not* be exempt, however buildings built on piers would be exempt, provided that there is open air between the lowest floor of the building and the ground.
- Buildings that are not residential and will not be occupied for more than 4 hours per day.
- Buildings with existing radon mitigation systems - document radon levels are below 4 pCi/L⁸ with test results dated within two years of submitting the application for HUD assistance and document the system includes an ongoing maintenance plan that includes periodic testing to ensure the system continues to meet the current EPA recommended levels. If the project does not require an application, document test results dated within

⁵ World Health Organization, *Handbook on Indoor Radon; A Public Health Perspective* (January 1, 2009). p. x, 2, <https://www.who.int/publications/i/item/9789241547673>.

⁶ <https://www.epa.gov/radon/what-epas-action-level-radon-and-what-does-it-mean>

⁷ These exemptions are specific to this notice and do not all comport with the requirements in the MAP Guide, Healthcare Mortgage Insurance Program Handbook, RAD Program Notice and supplemental guidance or other program guidance.

⁸ Or the EPA’s current recommended level for reducing radon levels in indoor air, <https://www.epa.gov/radon/health-risk-radon>.

two years of the date the environmental review is certified. Refer to program office guidance to ensure compliance with program requirements.

- Buildings tested within five years⁹ of the submission of application for HUD assistance: test results document indoor radon levels are below current the EPA’s recommended action levels of 4.0 pCi/L. For buildings with test data older than five years, any new environmental review must include a consideration of radon using one of the methods in Section A below.

A. How to consider radon in the HUD Environmental Review

This section details how environmental review preparers may consider radon in the HUD environmental review in order to satisfy 24 CFR 50.3(i) or 24 CFR 58.5(i)¹⁰. This section provides a recommended “best practice” method; however, preparers may utilize one of the alternate options if they choose not to implement the best practice.

i. Recommended Best Practice

When considering radon in the contamination analysis, HUD strongly recommends using the American National Standards Institute/American Association of Radon Scientists and Technologists (ANSI/AARST) radon testing standards for single- and multi- family buildings, schools, and large buildings, including those constructed using radon-resistant construction techniques.¹¹ The ANSI/AARST standard describes how to conduct testing, interpret test results, and draft a Radon Test Report to document the process for the building owner (and to use as documentation for the ERR).

The ANSI/AARST standards can be viewed online for free and are intended to be implemented by licensed radon professionals. To find a licensed radon professional in your area contact the State/Tribe’s radon program office,¹² National Radon Proficiency Program (NRPP),¹³ or the National Radon Safety Board (NRSB).¹⁴

There may also be state and/or local radon requirements, depending on the jurisdiction. Contact the relevant State/Tribal radon control program to ensure the project complies with State/Tribal requirements.¹⁵

Note: Although testing is not required under this notice, *testing is the only way to determine the radon level within a building.*

⁹ Note that the allowance for the use of test results within the previous five years is specific to this notice and does not comport with the ANSI/AARST standards.

¹⁰ This section does not apply to projects that are subject to the MAP Guide, Healthcare Mortgage Insurance Program Handbook or RAD Program Notice and supplemental guidance or other current or future HUD radon guidance that is more prescriptive.

¹¹ ANSI/AARST Standards (In lieu of developing a federal radon testing standard, the EPA references the ANSI/AARST Standards), <https://standards.aarst.org/> (<https://www.epa.gov/radon/radon-standards-practice>).

¹² The National Radon Program Services, “State Radon Programs Information”, <https://sosradon.org/state>.

¹³ NRPP, <https://nrpp.info>.

¹⁴ NRSB, <https://www.nrsb.org>.

¹⁵ <https://sosradon.org/state>.

ii. Alternative Options

Using the ANSI/AARST radon testing standards is not the only option available for considering the risk that occupants may be exposed to high radon levels.¹⁶ If the environmental review preparer chooses not to conduct radon testing per the ANSI/AARST standards, one of the following alternative strategies¹⁷ must be used to consider radon in the contamination analysis. Review the HUD program office guidance in Section IV to ensure the strategy used to consider radon in the contamination analysis complies with specific program office requirements for the project.¹⁸

1. Do-it-yourself (DIY) radon test kits may be used to measure radon levels in single-family dwelling units. In HUD single-family buildings¹⁹ with multiple units, one DIY test kit must be used for each dwelling unit. DIY radon test kits may be available for low or no cost through State/Tribal radon program offices and are available to purchase through the National Radon Program Services website and some state radon control program websites.²⁰

When using a DIY test kit, there can be quality control issues that affect the quality of the test results. To ensure the DIY test results are as accurate as possible, it is important to read the entire test kit instructions before activating the test device and to follow them fully. The EPA's *Citizen's Guide to Radon*²¹ and the ANSI/AARST standard for testing single-family housing are excellent resources for detailed instructions about conducting the radon test, including where to place the test device(s), how to prepare the home (whether to close the windows, turn off fans, the length of time to test), how to document the test process, and interpret the results. HUD encourages that test devices be approved by either the NRPP or NRSB. Contact the National Radon Program Services helpline, the State/Tribal radon program office, or the local health department for assistance.²²

2. In remote or other areas where there are no licensed/certified radon professionals and/or DIY test kits cannot be shipped to a lab in sufficient time, the local government, such as a local health department or environmental department, may decide to purchase radon monitoring equipment and train staff to use it. Monitoring equipment, such as continuous radon monitors, should be used in accordance with the manufacturer's instructions and intended use and staff should ensure proper quality control and quality assurance practices are adhered to.

¹⁶ High levels of radon are those that are at or above 4 pCi/L.

¹⁷ Alternative to measuring radon levels in indoor air using the ANSI/AARST standards.

¹⁸ Note: REs and HUD must also ensure that the strategy used complies with any state or local laws and regulations regarding radon.

¹⁹ HUD defines "single family building" as a residential building with one to four dwelling units.

²⁰ National Radon Program Services, <https://sosradon.org/purchase-kits>.

²¹ EPA, *A Citizen's Guide to Radon: The Guide to Protecting Yourself and Your Family from Radon* (EPA 402/K-12/002, December 2016), <https://www.epa.gov/radon/publications-about-radon>.

²² The National Radon Program Services, which has phone, email, and mail connections, is operated by Kansas State University for the US EPA, <https://sosradon.org/Contact>. (The phone numbers may also be reached by persons with hearing or speech difficulties by dialing 711 via teletype (TTY) or telecommunications device for the deaf (TDD)).

3. Scientific data review. Available science-based information may be used to determine whether the project site is located in an area that has average documented radon levels at or above 4 pCi/L. Contact the State/Tribal radon program office (or health department), as needed, for assistance with obtaining and interpreting available science-based information about radon levels in the area. Science-based information includes, but is not limited to:

- State/Tribe-generated radon information, such as surveys of radon levels from collecting radon measurement data or geological studies that identify high risk areas.
- Department of Health and Human Services, Centers for Disease Control and Prevention (CDC), National Environmental Public Health Tracking, Radon Testing map.²³ This map provides radon test data from national radon testing laboratories and states that can be viewed by state or county. Radon test data ranges from 1988 to the present.

Environmental review preparers may *not* use the EPA Map of Radon Zones nor EPA State Maps of Radon Zones for considering radon levels at a project site for compliance with 24 CFR 50.3(i) or 24 CFR 58.5(i) because it is not appropriate for a site-specific analysis of radon risk, which is required for a HUD environmental review.

Note: Although science-based, a document review *does not* determine the radon level in a specific building; where feasible, HUD recommends using one of the radon testing strategies.

When conducting a scientific data review in lieu of testing, there must be a minimum of 10 (ten) documented test results over the previous 10 years for which data is available in a given county for the scientific data review approach to be utilized. If there are less than 10 documented results over this period, then there is a lack of scientific data for the purposes of this notice and no further consideration of radon is needed if testing is infeasible or impracticable.

Additionally, testing data utilized should cover the smallest geographic area for which the minimum amount of documented test results exist, up in size to the county in which the project is located. The best available data must be used. Best available data refers to the most current data that best indicates the level of radon concentration at a project site. Whenever possible, utilize the average of the previous 10 years of data.

There may be certain scenarios in which use of the Recommended Best Practice or Alternative Options identified above may not be feasible or practicable due to limited access to testing (e.g., lack of licensed radon professionals in the project area) and lack of scientific data (e.g., there are less than 10 documented test results over the previous 10 years). Refer to section **C. Documenting the environmental review record** below for documentation requirements in these scenarios.

²³ CDC, “National Environmental Public Health Tracking, Radon Testing”, <https://www.cdc.gov/nceh/tracking/topics/RadonTesting.htm>.

B. Mitigating Radon

When radon testing determines indoor air radon levels are at or above 4 pCi/L or the scientific data review determines the project site is located in an area that has documented radon levels at or above 4 pCi/L, the Environmental Review Record (ERR) must include a mitigation plan. When the determination is based on a scientific data review, if feasible, HUD recommends conducting radon testing (using one of the testing strategies described in the previous sections) to confirm radon levels in the building(s) proposed for HUD funding. If testing then demonstrates that radon levels within the building are below 4 pCi/L, mitigation would *not* be required; environmental review preparers can simply document the test results in the ERR.

The mitigation plan²⁴ must identify the radon level; consider the risk to occupants' health; describe the radon reduction system that will be installed; whenever possible, establish an ongoing maintenance plan to ensure the system is operating as intended; establish a reasonable timeframe for implementation (i.e., integrate radon mitigation activities into an annual plan or a 5-year plan that is already completed for HUD funded activities); and require post-installation testing. Where feasible, post-installation testing should be conducted by a licensed radon professional. In an area where there are no licensed radon professionals, there may be other personnel, such as trained staff, other professionals (i.e., engineers, geologist, scientists, public health staff) who have experience conducting radon testing or have the relevant skills and knowledge to follow the device instructions or ANSI/AARST test protocols and mitigation standards. For assistance Contact the EPA's local radon program office, state/Tribe radon program office, the National Radon Program Services,²⁵ or refer to the applicable ANSI/AARST standard for guidance.

If using the ANSI/AARST mitigation standard to install the radon reduction system, follow the guidance in the standard to draft the mitigation and the operation, maintenance, and monitoring plans.

C. Documenting the environmental review record

Under HUD's regulations, 24 CFR 58.38(a)(3) or 50.11, HUD, or the RE, is required to document the radon evaluation as part of the contamination analysis in the ERR. For ERRs documented using the HUD Environmental Review Online System (HEROS), document the radon evaluation in the Contamination and Toxic Substances factor Compliance Determination screen and upload supporting documentation. For Office of Housing projects, document the radon evaluation in the HEROS Housing Requirements Screen.

If testing is not conducted and not otherwise required by program guidance, the documentation will need to provide evidence of average documented radon test results covering the project site or its county, other science-based information suggesting radon levels at the project site, or evidence of a lack thereof.

²⁴ Example of an areawide radon testing plan: Home Forward, Multnomah County, Oregon at: <http://homeforward.org/content/radon-information>.

²⁵ EPA Regional, State, and Tribal Radon contacts, <https://www.epa.gov/radon/epa-map-radon-zones-and-supplemental-information#datainfo>; National Radon Program Services, <https://sosradon.org/main> or 800 644-6999.

In instances where radon testing will be conducted but cannot be conducted until after the environmental review record is certified -such as with new construction or certain rehabilitation projects- then the initial documentation would not include a radon evaluation but must include a condition for post-construction radon testing followed by mitigation if needed. The environmental preparer must update the environmental review record with the radon evaluation and proof of any required mitigation when complete.

Acceptable methods to document radon consideration in the ERR include:

- ANSI/AARST standard: Include a copy of the test report and mitigation plan (if applicable) as described in the standard in the ERR. For Office of Housing programs, follow program guidance requirements on timing and documentation.
- DIY and other radon test strategies: Document the test device, time period of test, test conditions (HVAC system off windows closed, outside temperature), test results, and other conditions relevant to test conditions. Refer to the applicable ANSI/AARST standard as guidance.
- Review of CDC radon testing data, geologic studies/maps, other scientific data: Describe and cite the maps and data used to determine the area wide radon levels and include copies of all supporting documentation (maps/studies) in the ERR.
- In instances where HUD grantees, applicants, and recipients are unable to obtain science-based data, environmental review preparers must consider the feasibility of radon testing if they have not already. If the grantee, applicant, or recipient determines that testing is infeasible or impracticable, the environmental review must document the basis for this determination.²⁶ Acceptable documentation in these scenarios where testing is infeasible and science-based data is not available includes but is not limited to: correspondence with state and local radon control agencies indicating a lack of scientific data evidencing radon levels at the project site, a copy of CDC Environmental Health Tracking Network information showing the project site is located in a county with a lack of scientific data, and a basis for the conclusion that testing would be infeasible or impracticable. The RE, grantee, applicant, or recipient is not required to submit additional documentation substantiating their decision that testing is infeasible or impracticable.
- When all this is documented in the ERR, *no* further consideration of radon is needed and no further action with respect to radon is needed for the environmental review. .

Examples of acceptable documentation of radon consideration in the ERR:

- A project site is located in a county in which the CDC Radon Testing data shows that more than 10 tests have been conducted over the last 10 years. The average of the 200 tests completed in the county over the last 10 years is 4.5 pCi/L. Since scientific data

²⁶ Common instances where this determination may occur include a lack of funding for testing or the cost of testing is prohibitively high when compared with the cost of a particular low-dollar project.

indicates that average radon levels in the county in which the project is located are greater than 4.0 pCi/L, the grantee must either test for radon or formulate a mitigation plan they will implement.

- Radon testing data from the CDC Environmental Public Health Tracking Network map shows data for the county in which the project site is located, which is the smallest area for which data is available. The data shows the annual mean pre-mitigation radon measurement in tested buildings for the most recent 10-year period as 1.8 pCi/L. There is no other available evidence of radon levels in the area. The local government chooses to establish a radon testing plan to confirm radon levels in specific buildings are below 4 pCi/L. The test plan timeframe aligns with the RE's housing rehabilitation plan.
- A project site is located in a county in which the CDC Radon data shows that more than 10 tests have been conducted over the last 10 years. The average of the 220 tests completed in the county over the last 10 years is 3.2 pCi/L. The responsible entity or HUD reviewer documents the results in the environmental review records and therefore satisfies this notice's requirement that radon be considered as part of the environmental review process.
- A project site is located in a county in which the CDC data shows that fewer than 10 tests have been conducted over the last 10 years. The RE or HUD reviewer documents the lack of scientific data in the environmental review records. The RE has reviewed the cost of radon testing for the project and determined that testing is infeasible because the cost to test for this project would cut too much into the project's small budget. They note this determination in the environmental review record.

The local EPA radon contact person and the National Radon Program Services may be able to assist with developing a testing plan. The EPA's *A Citizen's Guide to Radon* (for single family homes) and the ANSI/AARST standards (single family and multifamily buildings) are a good source for guidance on the information that is included in a test plan.

Note: HUD or a Responsible Entity must reject projects in areas that have sufficient documented radon levels at or above 4 pCi/L if no mitigation has been proposed or performed.

IV. HUD program office documents addressing radon

Current HUD program office guidance regarding radon testing and mitigation is listed below. Each HUD program office is responsible for issuing program-specific radon guidance. Program guidance may be updated as Departmental policies develop; be sure to use the most current guidance. Additionally, this notice does not preempt or modify existing HUD program-specific radon requirements, such as those found in the Multifamily Accelerated Processing (MAP) Guide, the Healthcare Mortgage Insurance Program Handbook 4232.1 Rev-1, the RAD Program Notice and Supplemental Notice 4B, or other current or future radon guidance that is more prescriptive. For questions concerning program office guidance, contact your program office representative.

- Office of Housing, *Multifamily Housing, Multifamily Accelerated Processing Guide* (4430.G), Section 9.6.3, https://www.hud.gov/program_offices/administration/hudclips/guidebooks/hsg-gb4430
- Office of Housing, Office of Residential Care Facilities, *Healthcare Mortgage Insurance Program Handbook* (4232.1), Section 7.8, Rev-1), or most recent edition, <https://www.hud.gov/sites/documents/42321S2C7HSGH.PDF>
- Office of Housing, Office of Recapitalization, Rental Assistance Demonstration (RAD) Program (Notice H-2019-09 PIH-2019-23 (HA)) and Supplemental Notice 4B (Notice H-2023-08 PIH-2023-19 (HA)), <https://www.hud.gov/RAD/library/notices>
 - Quick Reference Guide, Environmental Review Requirements for RAD Conversions (2020), <https://www.hudexchange.info/resource/4216/environmental-review-requirements-for-rad-transactions/>. Check RAD Resource Desk for future guidance, <https://www.radresource.net/index.cfm>
- Office of Public and Indian Housing (PIH), Radon Information for PIH Programs (Notice 2013-06 (HA)), <https://www.hud.gov/sites/documents/PIH2013-06.PDF> and <https://www.hudexchange.info/programs/radon/>

V. Resources

A. HUD resources for implementation of this notice

Costs for radon testing and mitigation are considered eligible program costs for many HUD grant programs. As such, costs for radon testing and mitigation could be included in the total project costs funded or insured by HUD. **Note:** Costs for ongoing operation and/or maintenance of installed mitigation systems may not be eligible under certain HUD programs. For questions about the eligibility of the ongoing maintenance of radon mitigation systems, as well as other funding-specific questions, contact your HUD program office contact.

Table A on the following page, notes the major HUD programs for which radon testing and/or mitigation under 24 CFR 50.3(i) or 24 CFR 58.5(i) is an eligible program expense. This list is non-exhaustive; for other HUD programs please contact the appropriate program office contact.

Table A: HUD programs and radon testing and mitigation as an eligible expense

Program or grant name	Is radon testing an eligible expense?	Is radon mitigation an eligible expense?²⁷
Community Development Block Grant (CDBG)	Yes	Yes
Community Development Block Grant CARES Act (CDBG-CV)	Yes	Yes
Community Development Block Grant Disaster Recovery (CDBG-DR)	Yes	Yes
Community Development Block Grant Mitigation (CDBG-MIT)	Yes	Yes
Community Project Funding (CPF) Grants	Yes	Yes
Continuum of Care Program (CoC)	Yes	Yes
Emergency Solutions Grants Program	Yes	Yes
FHA-Insured Healthcare Loans	Yes	Yes
FHA-Insured Multifamily Loans	Yes	Yes
Green and Resilient Retrofit Program (GRRP)	Yes	Yes
HOME Investment Partnerships American Rescue Plan Program (HOME-ARP)	Yes	Yes
HOME Investment Partnerships Program (HOME)	Yes	Yes
Housing Opportunities for Persons With AIDS (HOPWA)	Yes	Yes
Housing Trust Fund (HTF)	Yes	Yes
HUD Section 8 renewals with capital repairs	Yes	Yes
HUD Section 8(bb) Transfer of Budget Authority.	Yes	Yes
Indian Community Development Block Grant (ICDBG)	Yes	Yes
Indian Housing Block Grant Program (IHBG)	Yes	Yes
Public Housing Capital and Operating Funds	Yes	Yes
Rental Assistance Demonstration (RAD)	Yes	Yes
Section 108 Loan Guarantee Program	Yes	Yes
Section 202 Supportive Housing for the Elderly Program	Yes	Yes
Section 811 Supportive Housing for Persons with Disabilities Program	Yes	Yes
Self-Help Homeownership Opportunity Program (SHOP)	Yes	Yes
Transfers of Rental Assistance with HUD Held or Insured Debt and/or Use Restrictions ("Section 209 Transfers.")	Yes	Yes

²⁷ Note: The term "radon mitigation" refers only to initial installation of a radon mitigation system and does *not* encompass ongoing maintenance.

B. Other radon resources

- EPA radon website, <https://www.epa.gov/radon> National Radon Program Services, <https://sosradon.org/>
 - Helpline: 1-800-557-2366
 - Comprehensive radon information, links to state radon programs and radon testing and mitigation information, and access to radon helplines
- CDC, National Center for Environmental Health, “Radon”, <https://www.cdc.gov/radon/>
 - National Environmental Public Health Tracking Network testing data map: <https://www.cdc.gov/ncet/ncet/tracking/topics/RadonTesting.htm>
- ANSI/AARST radon testing protocols and mitigation standards, <https://standards.aarst.org/>
- HUD 3-part radon webinar series sponsored by the Office of Lead Hazard Control and Healthy Homes and Public and Indian Housing, <https://www.hudexchange.info/programs/radon/>
- Office of Lead Hazard Control and Healthy Homes, *About Radon*, https://www.hud.gov/program_offices/healthy_homes/healthyhomes/radon
- OEE, *Radon Fact Sheet*, <https://www.hudexchange.info/resource/4955/oe-radon-fact-sheet/>
- OEE Radon and HUD-Assisted Projects Webinar Series, <https://www.hudexchange.info/news/radon-and-hud-assisted-projects-webinar-series/>

For questions concerning this Notice, contact your local OEE field environmental office staff, <https://www.hudexchange.info/programs/environmental-review/hud-environmental-staff-contacts/>



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Grants Management
Division*

Memorandum

TO: The Urbana Community Development Commission

FROM: Breaden Belcher, Grants Division Manager
Nick Olsen, Community Development Coordinator

DATE: May 23, 2024

SUBJECT: Youth Services Grant Program - CDBG Public Service Funding (FY 2024 - 2025)

Introduction

In its advisory capacity to the Urbana City Council, one of the responsibilities of the Community Development Commission (CDC) is to recommend programs for Community Development Block Grant (CDBG) public service funding. In FY2 2024-2025, a total of \$58,000 in CDBG public service funding is available. Grants Division staff propose committing \$30,000 of this funding to RACES for the Survivor Services – Trauma Support program.

Background

RACES applied for funding as part of the City’s annual Youth Services Grant Program. This program is a competitive funding opportunity that provides grants to local public and private non-profit agencies that support the documented needs of low-income Urbana youth from early childhood (Kindergarten, Pre-K) through 22 years of age. Applications for the FY 2024 – 2025 Youth Services Grant Program opened on February 1, 2024 and closed on April 1, 2024.

Staff received applications from 16 agencies to fund 22 individual programs. On May 3, 2024, Grants Division staff convened a grant review committee to score and rank the applications, and to determine which programs will be funded specifically through CDBG Public Service funds.

Recommendation

The review committee recommends providing \$30,000 in CDBG public service funding to RACES to support the Survivor Services Program – Trauma Therapy program. A detailed description of this program can be found in Attachment A. The approved program budget can be found in Attachment B.

Options

1. Forward the proposed funding allocations for RACES to City Council with a recommendation for approval.
2. Forward the proposed funding allocations with changes to City Council with a recommendation for approval.
3. Do not recommend approval of the proposed funding allocations.

Fiscal Impacts

Pending final CDBG budget allocation and approval from HUD, \$30,000 in FY 2024-2025 CDBG Public Service funding will be committed to the Youth Services Grant Program. There will be no additional fiscal impacts on the city.

Attachment A

Program Description

Survivor Services Program – Trauma Therapy

RACES is located in Urbana and is dedicated to serving Urbana residents. With this funding, one of the agency's therapists will be devoted to youth services and 75% of their appointments will be specifically held for Urbana youth. This aligns with the request for funding to support 75% of their compensation. The remaining 25% of their time would be available to any clients in RACES' service area, including additional clients who live in Urbana.

The agency anticipates being able to provide therapy services to 189 individuals, if fully funded. Each Therapist maintains a caseload of 20 individuals at a time and assists with groups and crisis intervention services (including the hotline and medical advocacy). Some clients stay with their therapist for an extended period of time, due to the complex nature of the trauma many survivors of sexual violence face. The agency does not have predefined caps on the number of sessions clients may receive, since each individual's path towards healing is unique.

Therapy services at RACES are part of the agency's Survivor Services Program. Master's level clinicians provide trauma-informed, culturally competent therapy through multiple treatment modalities, utilizing approaches that best meet the goals and the needs identified by clients. Therapeutic approaches include cognitive-behavioral therapy, Eye Movement Desensitization and Reprocessing (EMDR), and arts-based therapy. These services are provided by five full-time staff members based out of the agency's office in Urbana, and a contractual therapist who maintains an office in Rantoul.

The Survivor Services Program also includes the agency's crisis intervention and advocacy services. RACES has trained staff and volunteers available to provide support 24/7 through the agency's sexual assault crisis hotline. Walk-in crisis intervention services are available in-person Monday-Friday 8:30am-5pm at the agency's office. Medical advocacy is also available 24/7. Advocates respond to the emergency department to provide emotional support, explain survivor's rights and options, and provide new clothing and hygiene products, as directed by the survivor. RACES' Legal Advocates provide support to survivors who are navigating the legal system through court accompaniment, support filing for protective orders, and direct intervention to help survivors access victims' services programs.

RACES utilizes a survivor-centered approach to services. This means that all clients are active participants in determining their plan for services.

RACES also maintains a prevention education program, which provides age-appropriate, trauma-informed sexual violence prevention programming to individuals 3 and older.

Attachment B

Budget

Program	Amount
Survivor Services - Trauma Therapy	\$30,000

Funding will support Youth Services therapist that will provide counseling services to 189 individuals.