

PUBLIC NOTICE
Annual Action Plan Substantial Amendment (2021-#4)

As an entitlement community, the City of Aurora, Illinois ("City") receives funding from U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) Program, HOME (HOME) Investment Partnerships Program, and Emergency Solutions Grant (ESG) Program. In accordance with the City of Aurora's Citizen Participation Plan and the requirements of HUD, a public hearing will be held at 4:00 p.m. on December 15, 2021, City Hall, 5th Floor Conference Room B, 44 E. Downer Place, Aurora, IL 60507 to provide an opportunity for comment on proposed *Substantial Amendment to the City of Aurora's 2016, 2017, 2018, 2019, 2020, and 2021 Annual Action Plans*. The Substantial Amendment will result in the re/allocation of CDBG and HOME funds and adjustments needed to ensure the integrity of the City's spending obligations. This Amendment will also further address the City's effort to comply with HUD's regulatory requirements in administering the City's CDBG and HOME Programs.

Please be advised that effective November 24, 2021, the proposed Substantial Amendment will be available for review and public comment at the following locations: City of Aurora-Community Development Division, 44 E. Downer Place, Aurora, IL; Library-Main, 101 S. River St., Aurora, IL; Library-Eola, 555 S. Eola Rd, Aurora, IL; Library-West, 233 S. Constitution Dr., Aurora, IL; and on the City of Aurora website: www.aurora-il.org/1175/Community-Development.

Upon advance request, the City will provide for translation services to meet the needs of non-English speaking residents. The City will also take whatever actions are appropriate to serve the needs of persons with disabilities. For more information, to make special arrangements, or to provide comments, contact Community Development Division (CDD), 44 E. Downer Place, Aurora, IL 60507, (630) 256-3320 or cdd@aurora.il.us. Written and verbal comments will be accepted no later than 4:00 p.m., December 27, 2021. All responses will be addressed by the CDD and submitted to HUD. The Substantial Amendment is scheduled for review and adoption at the City Council's January 11, 2022 meeting at 6:00 p.m., City Hall, Council Chambers 2nd Floor, 44 E. Downer Place, Aurora, IL 60507. Please be advised that the public hearing and meeting dates are all subject to change.

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Housing & Community Development Block Grant

Consolidated Plan Program Years 2020 - 2024

Proposed Substantial Amendment (2021-#4)

to

2016, 2017, 2018, 2019, 2020, and 2021 Annual Action Plans

DRAFT (November 2021)

**Community Development Division • 44 E. Downer Place • Aurora, Illinois 60507
(630) 256-3320 • cdd@aurora-il.org**

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Substantial Amendment 2021-#4 Executive Summary

Substantial Amendment 2021-#4 proposes amendments to the following documents:

- Substantial Amendments to 2016, 2017, 2018, 2019, 2020, and 2021 Annual Action Plans (AAP)

As an entitlement community, the City of Aurora, Illinois ("City") receives funding from U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant Program (CDBG), HOME (HOME) Investment Partnerships Program, and Emergency Solutions Grant (ESG) Program. In accordance with the City of Aurora's Citizen Participation Plan and the requirements of HUD, a public hearing will be held at 4:00 p.m. on December 15, 2021, City Hall, 5th Floor Conference Room B, 44 E. Downer Place, Aurora, IL 60507 to provide an opportunity for comment on proposed *Substantial Amendments to the City of Aurora's 2016, 2017, 2018, 2019, 2020, and 2021 Annual Action Plans*. The Substantial Amendments will result in the re/allocation of unexpended funds and adjustments needed to ensure the integrity of the City's spending obligations and also further address the City's effort to comply with HUD's regulatory requirements in administering the City's HOME Program.

The Substantial Amendments to the the City's 2016, 2017, 2018, 2019, 2020, and 2021 AAPs will result in the re/allocation of 2016, 2017, 2018, 2019, 2020, and 2021 HOME funds (\$2,900,000) and 2019, 2020, and 2021 CDBG funds (\$600,000) and the adjustments needed to ensure the integrity of the City's spending obligations and also further address the City's effort to comply with HUD's regulatory requirements in administering the City's HOME and CDBG Programs.

Upon closure of the public comment period and receipt of City Council approval, all proposed amended and new activities together with their proposed funding will be entered into the applicable sections within HUD's e-Con Planning Suite Reporting System. The following tables and project/activity descriptions reflect the proposed substantial amendments to the City's 2016, 2017, 2018, 2019, 2020, and 2021 AAPs (proposed amendments are shown as tracked changes on):

	2021 Annual Action Plan
Project Name	HOME-Assisted Affordable Housing Projects
Target Area	City of Aurora
Goals Supported	Expand the Affordable Housing Stock
Needs Addressed	Homeless Prevention Neighborhood Investments that affirm fair housing Sustainability/Community Resiliency

Funding	HOME: \$2,768,238 <u>\$2,900,000</u> <u>Substantial Amendment (2021-#4) will reprogram unexpended prior and current year HOME direct project activity funds (EN) and prior year (2016-2020) program administration funds (PA) -for a new activity as per the following estimated amounts:</u> <table><tr><td></td><td><u>EN</u></td><td><u>PA</u></td><td><u>Reprogrammed Funds</u></td></tr><tr><td>2016</td><td>\$ 125,959.74</td><td>\$ 44,846.50</td><td>\$ 170,806.24</td></tr><tr><td>2017</td><td>\$ 389,683.50</td><td>\$ 22,969.35</td><td>\$ 412,652.85</td></tr><tr><td>2018</td><td>\$ 562,914.75</td><td>\$ 52,101.55</td><td>\$ 615,016.30</td></tr><tr><td>2019</td><td>\$ 516,015.00</td><td>\$ 29,221.82</td><td>\$ 545,236.82</td></tr><tr><td>2020</td><td>\$ 552,785.40</td><td>\$ 51,159.02</td><td>\$ 603,944.42</td></tr><tr><td><u>2021</u></td><td><u>\$ 552,343.37</u></td><td></td><td><u>\$ 552,343.37</u></td></tr><tr><td>Total</td><td>\$2,699,701.76</td><td>\$200,298.24</td><td>\$2,900,00.00</td></tr></table>		<u>EN</u>	<u>PA</u>	<u>Reprogrammed Funds</u>	2016	\$ 125,959.74	\$ 44,846.50	\$ 170,806.24	2017	\$ 389,683.50	\$ 22,969.35	\$ 412,652.85	2018	\$ 562,914.75	\$ 52,101.55	\$ 615,016.30	2019	\$ 516,015.00	\$ 29,221.82	\$ 545,236.82	2020	\$ 552,785.40	\$ 51,159.02	\$ 603,944.42	<u>2021</u>	<u>\$ 552,343.37</u>		<u>\$ 552,343.37</u>	Total	\$2,699,701.76	\$200,298.24	\$2,900,00.00
	<u>EN</u>	<u>PA</u>	<u>Reprogrammed Funds</u>																														
2016	\$ 125,959.74	\$ 44,846.50	\$ 170,806.24																														
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<u>2021</u>	<u>\$ 552,343.37</u>		<u>\$ 552,343.37</u>																														
Total	\$2,699,701.76	\$200,298.24	\$2,900,00.00																														
Description	Funding will be made available for new affordable housing units, tenant-based rental assistance, and additional resources for homebuyers.																																
Target Date	12/31/ 2021 <u>2023</u>																																
Estimate the number and type of families that will benefit from the proposed activities	<u>Low and moderate-income households</u> TBD																																
Location Description	<u>Citywide</u> <u>Neighborhood Revitalization Strategy Area (NRSA)</u> NRSA TBD																																
Planned Activities	<u>HOME-2021-02: Fox Valley Apartments, Lincoln School, 641 S. Lake St. and Todd School, 100 Oak Ave., Aurora, Illinois 60506. This proposed workforce housing development encompasses two sites in the City of Aurora known as the Lincoln School and Todd School. The housing rehabilitation activities will result in the creation of 47 rental units of which approximately 148 will be HOME units.</u> TBD																																
Project Name	Community Facilities/Infrastructure/Amenities																																
Target Area	City of Aurora Neighborhood Revitalization Strategy Area																																
Goals Supported	Enhance and Improve Access to Amenities Promote Energy-Efficiency/Sustainable Investment																																
Needs Addressed	Neighborhood Investments that affirm fair housing Sustainability/Community Resiliency																																
Funding	CDBG: \$300,000 <u>\$900,000</u>																																

Description	Targeted neighborhood investments that provide safe and accessible pedestrian modes of transportation from affordable housing communities to neighborhood amenities and public transit, promote crime prevention through environmental design standards, and adds neighborhood amenities (i.e. public art, community gardens, playgrounds, <u>public health facilities</u> , and parks) that enhance the quality of life.
Target Date	12/31/ <u>2023</u>
Estimate the number and type of families that will benefit from the proposed activities	Approximately 15,400 LMI families <u>Approximately 1,000 persons/households annually.</u>
Location Description	City-wide NRSA
Planned Activities	<p>CDBG-2018-02: Mutual Ground /Shelter Exterior Rehabilitation, 418 Oak Ave, Aurora, IL 60506 - \$100,000 (for overall project total of \$245,000 when combined with 2018 CDBG funds).</p> <p><i>Contingency Statement: due to this project's (CDBG-2018-02) unanticipated delays and its time sensitivities, the City intends to allocate pre-award costs in accordance with HUD's regulatory thresholds. Alternatively, via Substantial Amendment 2020-#4, the City reserves the right to allocate 2020 and/or prior year unexpended funds in the amount of \$100,000 to this project. Should 2020 and/or prior year funds become available, this project's 2021 allocation will be reallocated to new and/or existing project.</i></p> <p>CDBG-2020-09: Fox Valley Park District/Wellness Walk, 101 W. Illinois Avenue, Aurora, IL 60506 - \$200,000</p> <p><u>CDBG-2021-13: Fox Valley Apartments/Health Clinic, 100 Oak Ave., Aurora, IL 60506 - Construction of an on-site healthcare facility - \$600,000</u></p>
	2020 Annual Action Plan
Project Name	Emergency Shelter and Subsistence Program
Target Area	Citywide
Goals Supported	Public Service Assistance Including the Prevention and Reduction of Homelessness/ CDBG-Assisted Affordable Housing Projects

Needs Addressed	Public Service Assistance Support Coronavirus (COVID-19) and Other Infectious Disease Responses
Funding	\$ 166,201.50 (CDBG-CV); \$188,000.00 (CDBG)
Description	Subsistence payments will be provided to qualifying households directly affected by COVID-19 for homelessness prevention. In developing this project, the City will reach out to its partner agencies (such as, but not limited to its Continuum of Care, FEMA, State, etc.) to ensure that the CDBG-CV funds are solely used as gap funding.
Target Date	December 31, 2021
Estimate the number and type of families that will benefit from the proposed activities	TBD
Location Description	Neighborhood Revitalization Strategy Area Citywide
Planned Activities	City staff will release an abbreviated application and plans to hold a virtual meeting to provide a summary of the requirements, timeline, and process for applying in early May (estimated).
Project Name	Small Business Assistance (2018, 2019 and 2020 Annual Action Plans – CDBG-2018-14, 2020-08, CDBG-CV-2020-01)
Target Area	Neighborhood Revitalization Strategy Area Low- and Moderate-Income Census Tracts
Goals Supported	Foster Small and Local Business Development
Needs Addressed	Neighborhood Investments that Affirmatively Further Fair Housing Choice Capacity Building Support Coronavirus (COVID-19) and Other Infectious Disease Responses
Funding	\$988,000 1,100,000 (CDBG PYs 2018-2020: \$688,000 1,100,000 ; CDBG-CV: \$300,000) This activity will be split into two activities totaling \$700,000 each. The first allocation will be available immediately while the second allocation will be dependent on receipt of funding from the Department of Housing and Urban Development
Description	The program is open to microenterprises which includes 0-5 employees, including the business owner[s] and to small businesses with no more than 50 employees. Funding will be provided to business owners seeking to establish, stabilize, or expand their business activities within the defined NRSA or citywide. Funds will be used to assist (for-profit) businesses by providing up to \$15,000 for businesses with 5 or less employees, and up to \$25,000 for businesses up to 50 employees in the form of a

	forgivable loan. The City will require an extensive duplication of benefits review for each business to confirm if multiple programs have been applied for and received to determine gap financing.
Target Date	December 31, 2020
Estimate the number and type of families that will benefit from the proposed activities	Approximately 56-90 LMI Business Owners or LMI jobs created or retained. The activity will provide business development to approximately 56-90 small businesses.
Location Description	Neighborhood Revitalization Strategy Area Low- and Moderate-Income Census Tracts
Planned Activities	Small Business Loan Program through Invest Aurora. Each business will need to provide backup documentation to demonstrate the need of funding as well as a summary of how the funds will be used. In addition to the caps identified based on the number of employees. Businesses will also be required to demonstrate their activities' low and moderate income (LMI benefit via LMI job retention/ creation, LMI business owner, and/or location within the City's Neighborhood Revitalization Strategy Area. City staff plans to release the application on May 1st and is in the process of scheduling a virtual webinar to provide an overview of the application. Additionally, businesses will need to submit a duplication of benefits review to demonstrate if additional funding was received or applied for at the local, state, and federal level. Due to the limited funding and high probability of applications, a lottery of eligible businesses may be considered to streamline the process in awarding funding. Businesses funded via CDBG-CV funds will be required to demonstrate their COVID-19 recovery funding need.

The following funding adjustments will be made to accommodate the above referenced -Amendment 2021-#4 activities under the City's 2016, 2017, 2018, 2019, 2020, and 2021 Annual Action Plans and to also allow the City to expend its funds in a timely manner. Proposed recommendations follow:

Proposed Amended HOME/CDBG Activity	Original/Amended Funding Allocation	Substantial Amendment #2021-4 Recommended Re/Allocation Amount	HUD Program Year Funding Source(s)	Project Reallocation Comments
HOME Program Administration	\$291,820.62	-\$200,298.24	2016-2020	Unexpended Funds
HOME Entitlement Direct Project Activities	\$2,711,619.39	-\$2,699,701.76	2016-2021	
CDBG-2018-14, 2020-08, CDBG-CV-2020-01: STABLE (Micro/Small Business Loan Program)	\$1,100,000	-\$412,000	2018-2020	Project Complete / Unexpended Funds
CDBG-2020-CV-03: Emergency Subsistence Program	\$188,000	-\$188,000	2020	Project Complete / Unexpended Funds
Deobligated Funding Total (Amount Available to reallocate)		\$2,900,000 (HOME) \$600,000 (CDBG)		
Proposed New HOME/CDBG Activity	Original/Amended Funding Allocation	Substantial Amendment #2021-4 Recommended Re/Allocation Amount	HUD Program Year Funding Source(s)	Project Reallocation Comments
HOME-2021-02: Fox Valley Apartments Developer: Visionary Ventures	\$0	\$2,900,000	2016-2021	Funds to be used for rehabilitation of Fox Valley Apartments
CDBG-2021-13: Fox Valley Apartments/Public Health Clinic	\$0	\$600,000	2018-2020	Funds to be used for construction of a public health facility.
<i>(Re)Allocation / Total</i>		\$2,900,000 (HOME) \$600,000 (CDBG)		

Citizen Participation Timeline

All public hearing and meeting dates are subject to change.

November 24, 2021:

- Public hearing notice for Substantial Amendment 2021-#4 posted on the City's website, www.aurora-il.org/1175/Community-Development
- Public hearing notice for Substantial Amendment 2021-#4 published in *The Beacon News*

- Substantial Amendment 2021-#4 Public Comment Period Opens

December 15, 2021: Substantial Amendment 2021-#4 Public Hearing at 4:00 p.m.

December 15, 2021: Substantial Amendment 2021-#4 – Block Grant Working Committee at 4:00 p.m.

December 16, 2021: Substantial Amendment 2021-#4 - Finance Committee Review at 3:00 p.m.

December 21, 2021: Substantial Amendment 2021-#4 - Committee of the Whole Review at 5:00 p.m.

December 27, 2021: Substantial Amendment 2021-#4 Public Comment Period closes at 4:00 p.m.

January 11, 2022: Substantial Amendment 2021-#4 City Council Review and Approval at 6:00 p.m.

January 14, 2021: Substantial Amendment 2021-#4 submitted to HUD

(all dates are tentative)

Public Notice, Comments, and City of Aurora Responses

Following the close of the public comment period and receipt of City Council approval, all of the above referenced Consolidated Plan/Annual Action Plan activities and re/allocations will be formally submitted to HUD for approval (via the applicable narrative and tables within their respective reports such as the Executive Summary, PR-15, PR-10, AP-12, AP-15, AP-20, AP-38, AP-55).

Public Comments and City of Aurora Responses

Any comments and the City's response(s) will be included in the City's report submittals to HUD upon conclusion of the public comment period. To date, the City has not received any comments.

This document will serve as the City's Substantial Amendment submittal to HUD for the following federal resources:

The **Home Investment Partnerships (HOME) Program** was put into place with the National Affordable Housing Act of 1990 and serves to provide decent, affordable housing to low-income households through structured support of non-profit housing providers, local and state governments and private sector participants.

The **Community Development Block Grant (CDBG)** is Aurora's most flexible funding resource and can be used for housing and non-housing activities, including those that revitalize neighborhoods, promote economic development, improve community facilities/infrastructure, and provide public services, all of which must benefit the City's low and moderate income residents. The CDD anticipates receiving approximately \$1.5 million each year.