PUBLIC NOTICE

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 and CDBG-CV), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant Program (ESG). In accordance with the City of Aurora’s Citizen Participation Plan and the requirements of HUD, a virtual public hearing will be held at 1:00 p.m. on January 6, 2021 to provide the public an opportunity to comment on the 2021 City of Aurora Annual Action Plan and proposed funding recommendations as well as proposed Substantial Amendment 2020-#4. The public hearing will be viewable via remote access at: https://us02web.zoom.us/j/88958609329?pwd=K25nVHJKZURodDlXaTR4d0Y3TE1hUT09. To join the public hearing for purposes of public comment via telephone, please call:

Phone Number: +1 312 626 6799
Meeting ID: 889 5860 9329
Passcode: 962583

Those wishing to provide public comment must pre-register with the Community Development Division no later than 12:00 noon on January 4, 2021 via email: dnr@aurora-il.org or voicemail, 630-256-3320. Speakers must provide their name and telephone number from which the public hearing will be accessed. The public is advised that all telephone numbers and participant names may be visible to the public.

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, contact the Community Development Division via email: dnr@aurora-il.org or voicemail, 630-256-3320.

Please be advised that effective December 21, 2020, a summary of the proposed 2021 Annual Action Plan and Substantial Amendment 2020-#4 will be available for review and public comment on the City of Aurora’s website: www.aurora-il.org/1175/Neighborhood-Redevelopment. The proposed Amendment to the City’s 2018, 2019, and 2020 Annual Action Plans is to de-obligate prior and current year Community Development Block Grant (CDBG) and Community Development Block Grant – Corona Virus (CDBG-CV) funds from projects that were cancelled and/or had unexpended funds and to re-allocate the funds to existing or new projects. Approximately $293,592 in CDBG funds and approximately $1,091,683 in CDBG-CV funds will be reprogrammed to existing and/or new projects. Additionally, under this amendment to the 2020 Annual Action Plan, the City will include its HOME Resale and Recapture Guidelines.

As per 24 CFR 570.200(h), 24 CFR Part 92.212, and 2 CFR 200.458, the public is hereby notified that under certain conditions, the City and/or its subrecipients may incur costs associated with the CDBG, HOME, and ESG activities identified above and described in the City’s 2021 Annual Action Plan prior to the effective date of its grant agreement with HUD. The total amount of any pre-award costs incurred will not exceed $300,000 or 25% of the amount of the City’s anticipated 2021 CDBG allocation. Costs related to the HOME program may not exceed 25% of the City’s current program amount. Costs related to the ESG program will comply with the regulatory requirements as outlined in 24 CFR 576. Citizens are advised that such pre-award costs will have no effect on future grants, and will be in compliance with the regulations that govern the CDBG, HOME, and ESG Programs as stated at 24 CFR Part 570, 24 CFR 92, and 24 CFR Part 576, respectively, as well as the Environmental Review Procedures stated in 24 CFR Part 58. To provide the required public disclosure of the City’s intent to use unobligated carry forward funds as necessary for such 2021 pre-award costs, the regulatory provisions for incurring pre-award costs will be discussed at the public hearing. This may include using unobligated front funding for CDBG public service, program administration, neighborhood revitalization/infrastructure, and housing activity costs as well as HOME and ESG administration and project costs. Questions should be directed to the Community Development Division at (630) 256-3320 or DNR@aurora-il.org.

To provide comments, please contact the Community Development Division (CDD) via phone at (630) 256-3320 or dnr@aurora-il.org. Written and verbal comments will be accepted no later than 4:00 p.m., January 19, 2021. All responses will be addressed by the CDD and submitted to HUD. The City of Aurora Annual Action Plan 2021 is scheduled for review and adoption at the City Council’s January 26, 2021 meeting at 5:00 p.m., via the Zoom video conferencing platform unless otherwise published. As with all Aurora City Council meetings, public viewing will be available on the City’s Facebook page (www.facebook.com/cityofaurorail) and on the homepage of the City’s website (www.aurora-il.org).
City of Aurora, Illinois
Housing & Community Development Block Grant
Consolidated Plan
Program Years 2020 – 2024

2021 Annual Action Plan

DRAFT (December 2020)
Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This document contains the Annual Action Plan for the City of Aurora, effective from January 1, 2021 through December 31, 2021. This Plan is intended to promote decent, safe, sanitary, and affordable housing, as well as neighborhood stability within the City of Aurora. It continues to address long-standing housing and community development priorities defined in the City’s 2020-2024 Consolidated Plan, which include physical, economic, demographic, and social conditions throughout the city. As the lead agency, the City of Aurora’s Community Development Division (CDD) is responsible for carrying out activities to meet the Plan’s priority needs.

The Annual Action Plan describes the activities the City intends to undertake in Program Year 2021 with funds received from the U.S. Department of Housing and Urban Development (HUD). The programs include the Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant Program (ESG).

The City’s 2021 allocations are based upon an estimate as per 100% of the City’s 2020 annual allocations, and will be selected and approved by City Council on January 26, 2021.

The Annual Action Plan describes the activities the City intends to undertake in Program Year 2021 with funds received from the U.S. Department of Housing and Urban Development (HUD). The programs include the Community Development Block Grant Program (CDBG) and the HOME Investment Partnerships Program (HOME), Emergency Solutions Grant Program (ESG), and Section 108 Program.

At the end of the City’s year, the City is required to submit its second report, the Consolidated Annual Performance and Evaluation Report (CAPER) which details how the City spent its federal funds and whether or not the City met the goals set forth in the Consolidated Plan and Annual Action Plan during that year.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

3. Evaluation of past performance
This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Over the next 4 years, the CDD hopes to improve on a variety of issues to increase efficiency and utilize federal funds in an efficient and timely matter. The CDD would like to increase the pipeline of projects to spend funds in a timely fashion. The goal is to have several shovel-ready projects, should additional funds be received or become available. This will reduce the City’s CDBG timeliness ratio and prevent the loss of HOME funding due to inactivity.

The City would also like to increase the number of agencies and city departments that have the capacity to apply for and receive CDBG, HOME, and ESG (as applicable) funds. There are numerous non-profit agencies that qualify based on their services and clientele, but need to increase their reporting and recordkeeping practices and learn about the additional requirements of federal funding.

The City will also continue to review its community development trends and needs on an ongoing basis and make amendments to the Plan as required over the next 4 years.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City announced its pre-application CDBG workshop on September 23, 2020. The non-mandatory workshop was conducted via the Zoom online platform for potential 2021 applicants on October 5, 2020. At that time, in addition to presenting the City’s anticipated 2021 CDBG allocation, the City also presented its intentions for its HOME allocation with funding designated for program administration (10% of anticipated allocation) and the Direct Project and Community Housing Development Organization set-aside activities TBD as well as its Emergency Solutions Grant (ESG) funds which the City indicated it did not anticipate it would receive. The CDBG application period was open for approximately two and a half weeks. Twenty-three applications were submitted. City staff reviewed the applications and submitted its proposed recommendations. Although the City's Block Grant Working Committee (BGWC) would typically review, approve, and submit its HUD funding recommendations to City Council for the City's Annual Action Plan, the BGWC was unable to meet due to COVID-19 social distancing accommodations as all City Boards and Commissions not essential to the daily governance of the city were cancelled until December 31, 2020. A public hearing is scheduled for January 6, 2021. The 2021 Annual Action Plan public comment period will conclude on January 21, 2021. It is anticipated that the City’s Annual Action Plan will be approved by City Council on January 26, 2021. Copies of the public notices together with any received public comments and the City’s responses will be made available in the 2021 AAP’s Citizen Participation Comments Attachment prior to submittal to HUD.
5. **Summary of public comments**

A public hearing for the City’s 2021 Annual Action Plan is scheduled for January 6, 2020. At this time, public comments have not been submitted. Any public comments will addressed by the City and will also be included in the final Plan that is submitted to HUD.

6. **Summary of comments or views not accepted and the reasons for not accepting them**

The wide range of perspectives in the public participation process pointed to the need for flexibility of the use of funds to address Aurora’s affordable housing gap, de-concentrate poverty, and provide neighborhood-based amenities in underserved communities. A more detailed summary of public comments is provided in the Citizen Participation Outreach Table in PR-15 – Citizen Participation.

7. **Summary**

This document serves as the application to the U.S. Department of Housing and Urban Development (HUD) for the following federal resources:

**The Community Development Block Grant (CDBG) program** 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.

**The HOME Investment Partnerships (HOME) program** supports building, acquiring, and/or rehabilitating affordable housing for rent, homeownership, or provides direct rental assistance to low-income residents. CDD anticipates receiving approximately $737,077 each year.

**The Emergency Solutions Grant (ESG) program** provides permanent supportive housing assistance for residents who are experiencing a housing crisis and/or homelessness. Similar to CDBG and HOME, the City’s ESG funding receipt is based upon a HUD specific formula together with the City’s ability to meet HUD’s minimum funding threshold eligibility requirements. Aside from 2018, the City has not received ESG funds. However, in anticipation of the City’s receipt of its 2020 Census data, the City is also including ESG in this Plan. Due to its ESG funding history, the City is unable to forecast specific allocations for the next four years. Should the City receive funding, however, the City will amend its Plan accordingly.

The City anticipates level funding throughout implementation of the Plan. The total funding anticipated over the next 4 years is approximately $8.8 million, though this number may change pending annual appropriations and program income (i.e. repayment of loans).
PR-05 Lead & Responsible Agencies – 91.200(b)

1. **Agency/entity responsible for preparing/administering the Consolidated Plan**

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<table>
<thead>
<tr>
<th>Agency Role</th>
<th>Name</th>
<th>Department/Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Agency</td>
<td>AURORA</td>
<td>Community Development Division</td>
</tr>
<tr>
<td>CDBG Administrator</td>
<td>AURORA</td>
<td>Community Development Division</td>
</tr>
<tr>
<td>HOPWA Administrator</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>HOME Administrator</td>
<td>AURORA</td>
<td>Community Development Division</td>
</tr>
<tr>
<td>ESG Administrator</td>
<td>AURORA</td>
<td>Community Development Division</td>
</tr>
<tr>
<td>HOPWA-C Administrator</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

**Table 1 – Responsible Agencies**

**Narrative (optional)**

As a HUD entitlement grantee, the City of Aurora has designated its Community Development Division (CDD) as the lead agency for administration of the CDBG, HOME and ESG Programs. The City’s Block Grant Working Committee serves as the policy body overseeing that provides oversight to the development of the Consolidated Plan, the Annual Action Plan, and related housing and community development programs. The CDD works with area community development and housing organizations, businesses, and funders to plan, develop, implement, and evaluate activities outlined in this Plan. The City of Aurora serves as the overall administrator for the programs and activities under this Plan.

**Consolidated Plan Public Contact Information**

Chris Ragona  
Community Development Manager  
*Community Development Division*  
Innovation and Core Services Department  
City of Aurora  
44 E. Downer Place  
Aurora, IL 60505  
P: 630-256-3320
**AP-10 Consultation – 91.100, 91.200(b), 91.215(l)**

1. **Introduction**

The City’s 2021 Annual Action Plan (AAP) was prepared by its Community Development Division. As the lead agency, the City of Aurora’s Community Development Division (CDD) is responsible for carrying out activities to meet priority needs. The City followed its Citizen Participation Plan in announcing its 2021 AAP funding cycle.

The City announced its pre-application CDBG workshop on September 23, 2020. The non-mandatory workshop was conducted via the Zoom online platform for potential 2021 applicants on October 5, 2020. At that time, in addition to presenting the City’s anticipated 2021 CDBG allocation, the City also presented its intentions for its HOME allocation with funding designated for program administration (10% of anticipated allocation) and the Direct Project and Community Housing Development Organization set-aside activities TBD as well as its Emergency Solutions Grant (ESG) funds which the City indicated it did not anticipate it would receive. The CDBG application period was open for approximately two and a half weeks. Twenty-three applications were submitted. City staff reviewed the applications and submitted its proposed recommendations. Although the City’s Block Grant Working Committee (BGWC) would typically review, approve, and submit its HUD funding recommendations to City Council for the City’s Annual Action Plan, the BGWC was unable to meet due to COVID-19 social distancing accommodations as all City Boards and Commissions not essential to the daily governance of the city were cancelled until December 31, 2020. A public hearing is scheduled for January 6, 2021. The 2021 Annual Action Plan public comment period will conclude on January 21, 2021. It is anticipated that the City’s Annual Action Plan will be approved by City Council on January 26, 2021. Copies of the public notices will be made available in the 2021 AAP’s Citizen Participation Comments Attachment in the report to be submitted to HUD.

**Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))**

Staff from the Mayor’s Office participate in a variety of non-profit roundtables and coordinates meetings to identify needs for service and investment within the community.

**Aurora Housing Authority:** The City of Aurora maintains a positive relationship with the Aurora Housing Authority (AHA) and its new Executive Director, Ralph Jordan. The CDD has held several meetings with new leadership and will continue the dialogue during this planning period and beyond to create, maintain, and further affordable housing opportunities throughout the City.
Nonprofit Service Providers: The City also makes an effort to communicate and carry on a dialogue with service providers and the community at large about the Consolidated Plan goals, objectives, and activities to support the current Plan, including agencies that provide housing assistance, such as including the Association for Individuals with Disabilities (AID) and Community Housing Advocacy and Development (CHAD).

Frequent Users System Engagement (FUSE): The FUSE initiative is a collaborative partnership of local agencies representing government - City of Aurora, Aurora Fire Department, Aurora Police Department, health care - Presence Mercy Medical Center, Rush Copley Medical Center - and nonprofit service providers - Hesed House, Breaking Free and Association for Individual Development. The explicit mission of the FUSE Initiative is to develop innovative solutions for the chronically homeless individuals who frequently use public services like ambulances and emergency rooms.

Financial Empowerment Center (FEC) Replication Initiative: The Cities for Financial Empowerment (CFE) fund provides both funding and focused technical assistance to mayors and their teams to promote systemic financial empowerment programs and policies into city services that improve individual and financial stability. During 2020, The Neighbor Project partnered with the City to develop and manage the FEC as well as coordinate and build partnerships among other organizations, and will continue to administer the program through 2021. Services at the FEC include financial counseling assistance – reducing debt, establishing and improving credit, connecting to safe and affordable banking services, building savings, and budgeting, among other activities.

Thrive Collaborative Center: This City-owned facility serves as a nonprofit service center. Through the center, organizations have the opportunity to pay a low-cost membership to the City and benefit from lower operations costs by sharing of space, equipment, and technology with several other organizations.

Invest Aurora: Invest Aurora is a public-private partnership that works to promote, attract, and retain commercial, industrial, retail, and mixed-use development in the City of Aurora by providing assistance and prospective businesses by way of community data, land and building availability, development assistance, and financing resources.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.
The City is an active participant in the Kane County Continuum of Care (CoC) system and is one of three local governments that provide non-federal funding on an annual basis to administratively support the CoC. As an active part of the CoC, the City has been a substantial force to promote better outreach, case management, and planning to address homelessness issues in the City. The City, Elgin, and Kane County currently serve in a co-leadership position for the Kane County Continuum of Care, and utilize this position to coordinate the efforts of essential County-wide networks and coalitions. The City also partners with the CoC to identify priority needs, strategies, and funding opportunities, putting forth an objective view of performance, and finally, to share the information to help planning efforts of diverse providers within Kane County. This allows the City to coordinate efforts with partner agencies to achieve a collective impact on priority needs throughout the City.

Hesed House, the largest homeless services provider in the City, is located in a former municipal building. This building was converted into a full-service homeless facility through the use of City funds. Hesed House is the second largest homeless shelter in the State of Illinois and has established a comprehensive resource center to help transition individuals and families out of homelessness. The City has actively sought to expand this community resource and other homeless services over the last three years through the completion of facilities improvement infrastructure projects funded via the CDBG program and local funds.

A primary goal of Hesed House is to assist individuals and families in becoming self-sufficient, enabling them to transition from temporary to permanent housing. Both organizations have within their goals and outcomes that of working toward permanent housing and self-sufficiency. To meet this goal, each organization provides case management that includes life skills training, advocacy, and referrals to partner agencies. This case management is meant to assist in stabilizing a homeless person’s situation so that they can concentrate on addressing the root cause of their homelessness and gaining access to stable housing.

The City and its CoC partners continue to advocate for funding and program efficiencies to maintain the County’s over 300 emergency shelter beds in the face of greater program demand. In addition to the vital service base provided with emergency shelter beds, the City and its partners also emphasize transitional shelter as a strategic response to reducing homelessness.

The City will continue to be an active participant in the Kane County Continuum of Care and will implement the actions and activities outlined in the Continuum’s Homeless Strategy.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction’s area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS
The Kane County COC consults with the State of Illinois and plans for the efficient use of ESG Funds in the County. ESG funds are allocated according to a ranking system. Evaluation criteria includes but are not limited to; program/agency capacity and duplicity of services. The CoC reports on and evaluates the performance of ESG recipients and sub recipients. The COC’s geographic area includes the entire Kane County area.

Annually, the COC establishes priorities for funding projects in Kane County. The selection process is transparent and inclusive and based on the standards indicated in 24 CFR Part 578.19(b). The COC develops and follows a collaborative process for the development of applications in response to a HUD Notice of Funding Availability (NOFA). Priorities for funding are determined based on HUD’s priorities found in the NOFA, annual gap analysis, and consistency with the COC’s plan to end homelessness.

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Please see Appendix A for list of agencies who participated in the City’s October 5, 2021 CDBG application workshop.

Identify any Agency Types not consulted and provide rationale for not consulting

The CDD maintains a list of more than 400 stakeholders

Efforts to include all agency types relevant to the Annual Action Plan were contacted for input into the process and development of the 2021 AAP. These efforts included email notices to the CDD’s list of close to 400 stakeholders, public notices on the City’s website, newspaper notices in The Beacon News, and a public hearing. Additionally, the CDD communicates throughout the year with the various agencies, partners, and government bodies to gather information and to identify needs.

Other local/regional/state/federal planning efforts considered when preparing the Plan

<table>
<thead>
<tr>
<th>Name of Plan</th>
<th>Lead Organization</th>
<th>How do the goals of your Strategic Plan overlap with the goals of each plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care</td>
<td>Kane County Continuum of Care</td>
<td>Prevent and end homelessness; increase the supply of affordable and supportive housing; increase the economic security of households in Continuum of Care System; increase prevention efforts to stabilize households before housing loss occurs.</td>
</tr>
<tr>
<td>Name of Plan</td>
<td>Lead Organization</td>
<td>How do the goals of your Strategic Plan overlap with the goals of each plan?</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>On to 2050</td>
<td>Chicago Metropolitan Agency for Planning</td>
<td>The plan promotes continued housing choice and calls to increase funding in a way that links housing with transit, jobs, and other amenities.</td>
</tr>
<tr>
<td>2017 Downtown Master Plan</td>
<td>Planning and Zoning Department</td>
<td>Promote small and local business development; increase community amenities in underserved communities with the addition of arts and culture; infrastructure improvements that promote foot traffic and walkability; promote housing development downtown.</td>
</tr>
<tr>
<td>2016 Sustainable Aurora Plan</td>
<td>Office of the Mayor/Planning and Zoning Department</td>
<td>Increase the City's renewable energy to 50%, promote environmental justice to low- and moderate-income communities; and promote community resilience.</td>
</tr>
<tr>
<td>Route 59 Corridor Study</td>
<td>Planning and Zoning Department</td>
<td>Diversify housing options, promote intergenerational housing.</td>
</tr>
<tr>
<td>2019 Technology Strategic Plan</td>
<td>Information Technology Division</td>
<td>Promote Aurora's economic competitiveness, decrease the digital divide for low- and moderate-income residents and business owners, and increase engagement efforts to English as a second language population.</td>
</tr>
<tr>
<td>Kane County Workforce Development Plan</td>
<td>Kane County Workforce Development Board</td>
<td>Provide services that increase economic opportunities and reduce or prevent poverty.</td>
</tr>
<tr>
<td>2012 Analysis of Impediments to Fair Housing Choice</td>
<td>Kane County, City of Elgin, and City of Aurora</td>
<td>Provide affordable housing opportunities and make targeted neighborhood investments that increase racial and ethnic diversity and provide additional housing choice to persons with physical and developmental disabilities.</td>
</tr>
</tbody>
</table>

Table 2 – Other local / regional / federal planning efforts

**Narrative (optional)**

Not applicable.
AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

To ensure citizen participation, the City of Aurora adopted a Citizen Participation Plan on September 4, 2010 (amended August 13, 2019 and April 28, 2020).

The following dates reflect the City’s public comment periods for its 2021 Annual Action Plan Approval:

1. December 21, 2020 to January 19, 2021

The City’s 2021 Draft Annual Action Plan was made available for public comment on December 18, 2020. The public comment period is scheduled to conclude on January 19, 2021. A public hearing is scheduled for January 6, 2021 at 1:00 p.m. via the remove online access through the ZOOM online platform. Copies of the City's draft 2021 Annual Action Plan was made available online at https://www.aurora-il.org/1175/Neighborhood-Redevelopment.

Citizen Participation Outreach The CDD maintains a list of more than 400 stakeholders. Efforts to include all agency types relevant to the Annual Action Plan were contacted for input into the process and development of the 2021 AAP. These efforts included email notices to the CDD’s list of close to 400 stakeholders, public notices on the City’s website, newspaper notice in The Beacon News and a public hearing. Additionally, the CDD communicates throughout the year with the various agencies, partners, and government bodies to gather information and to identify needs. The CDD emailed announcements, posted public notices online and in the newspapers regarding its CDBG application workshop. The CDD also posted public notices online and in the newspapers regarding its 2021 Annual Action Plan.
<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Mode of Outreach</th>
<th>Target of Outreach</th>
<th>Summary of response/attendance</th>
<th>Summary of comments received</th>
<th>Summary of comments not accepted and reasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Public Meeting 10-05-20</td>
<td>General Public/Non-Profit Organizations</td>
<td>43</td>
<td>Questions were asked by potential applicants with regard to eligible activities and application deadline.</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>2. Newspaper Ad 12-18 2020</td>
<td>General Public/Non-Profit Organizations</td>
<td></td>
<td>With this newspaper publication, the minimum 30-day public comment period was initiated.</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>3. Internet Outreach 12-21 2020</td>
<td>General Public/Non-Profit Organizations</td>
<td></td>
<td>With this online publication, the minimum 30-day public comment period was initiated.</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>4. Public Hearing 01-06-20</td>
<td>General Public/Non-Profit Organizations</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>5. Public Meeting 1-12-21 Planning &amp; Dev. Committee Mtg.</td>
<td>General Public/Non-Profit Organizations</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Sort Order</td>
<td>Mode of Outreach</td>
<td>Target of Outreach</td>
<td>Summary of response/attendance</td>
<td>Summary of comments received</td>
<td>Summary of comments not accepted and reasons</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------</td>
<td>--------------------</td>
<td>-------------------------------</td>
<td>----------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>6.</td>
<td>Public Meeting 01-19-21 Committee of the Whole</td>
<td>General Public</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>7.</td>
<td>Public Meeting 01-26-21 City Council</td>
<td>General Public</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>
Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The Office of Community Planning and Development at the U.S. Department of Housing and Urban Development (HUD) allocates CDBG, HOME, and ESG to Aurora’s Community Development Department.

The Anticipated Resources Matrix below outlines each of these funds, expected amounts available in Year 2 and a projection of resources between fiscal year 2020 and fiscal year 2024, and a pre-populated list of available uses of funds from the HUD’s planning system (Integrated Disbursement and Information System). The amounts include funds that can be used towards administrative caps. For example, the CDBG program allows up to 20% and the HOME program allows up to 10% of its programs funds to be spent towards planning and administrative expenses. As a result, the full five-year entitlement may not be fully allocated in the Goals section of AP-20.

Program income dollars are collected annually by the Community Development Division, for both the CDBG and HOME programs. Program income is derived primarily from repayment of loans provided to citizens to assist in the purchase of homes or from developers provided to assist in the development of affordable housing and non-housing community development projects within Aurora.

If the total grant received by the City of Aurora is lower or higher than the funds allocated to activities in AP-20, then each activity’s budget will be reduced or increased in the same proportion as the percentage difference between the estimated total grant and the actual total grant.

Unexpended prior year program funds and CARES Act CDBG-CV funding has been or will be reflected in substantial amendments to the City’s 2020 and prior year AAPs.
### Anticipated Resources

<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 2</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
</tr>
</tbody>
</table>
| CDBG    | public - federal| Acquisition Admin and Planning  
Housing  
Public Improvements  
Public Services | 1,533,216 | 0 | 0 | 1,533,216 | 6,132,864 | Total amounts to $6,132,864 which is the projected total for the remaining four years of the City’s entitlement allocation (based upon 2020 allocation). Amount is subject to change depending upon unexpended prior year funds and program income. |
| HOME    | public - federal| Acquisition  
Homebuyer assistance  
Homeowner rehab  
Multifamily rental new construction  
Multifamily rental rehab  
New construction for ownership  
TBRA | 737,077 | 0 | 2,203,977 | 2,941,054 | 5,145,031 | Total amounts to $5,145,031 which is the projected total for the remaining four years of the City’s entitlement allocation (based upon 2020 allocation) and prior year resources. Amount is subject to change depending upon unexpended prior year funds and program income. |
<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 2</th>
<th>Narrative Description</th>
</tr>
</thead>
</table>
| ESG    | public - federal | Conversion and rehab for transitional housing, Financial Assistance, Overnight shelter, Rapid re-housing (rental assistance), Rental Assistance Services, Transitional housing | 0 0 0 0 0 | Total amounts to $0 which is the projected total for the remaining four years of the City’s entitlement allocation (based upon 2020 allocation). Amount is subject to change depending upon city’s receipt of 2021 funds.
<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 2</th>
<th>Expected Amount Available Remainder of ConPlan</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG-CV</td>
<td>public - federal</td>
<td>Acquisition Admin and Planning Economic Development Financial Assistance Housing Overnight shelter Public Improvements Public Services Rapid re-housing (rental assistance) Rental Assistance Services Other</td>
<td>0</td>
<td>0</td>
<td>This was a special 2020 CDBG allocation to prevent, prepare for, and respond to the coronavirus (COVID-19). (The City received funds under two rounds in the amounts of $902,078 and $1,091,683 as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136.)</td>
</tr>
</tbody>
</table>

**Table 3 - Expected Resources – Priority Table**

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

The HOME program requires participating jurisdictions to provide match in an amount equal to no less than 25% of the total HOME funds drawn for the project cost. Sources of match can be cash, donated land or real property, infrastructures improvements, bonds...
issued by state or local government, donated materials, equipment, or professional services, sweat equity, and the value of foregone taxes. The City of Aurora encourages applicants to submit proposals that leverage eligible HOME match dollars. Since 2010, the City has partnered with developers and non-profit agencies to produce an approximate match surplus of $1.6 million dollars. This surplus will ensure the City will meet the required match obligations for the next several years without the need for any additional match contributions. Additionally, CDBG projects are often only a portion of the total budget, producing additional match for activities identified as public service and capital improvements.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The Thrive Collaborative Center is located at 712 S. River Street, a vacant, city-owned building that was once an administrative office for the Fox Valley Park District. During this consolidated planning period, this property has been transformed into a collaborative center for nonprofit organizations and social entrepreneurs to share the space and resources. Organizations pay low-cost memberships to the city for the use of private and shared spaces along with opportunities for organizations and entrepreneurs to enhance their operation through various curated workshops and training.

Discussion

Contingency Statement:
The City will administer approximately $5 million dollars during the 2021 program year. Projects will be funded by Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and potential Section 108 Loans. Activities are listed in section AP-35 - Projects segment. The funds provided from these grants include 2020 funds as well as projected program income from prior years' loan repayments and reallocated prior year funds. In 2017, the City received $6 million through HUD’s Section 108 Loan Guarantee Program, of which $3 million remains available. The CDBG, HOME and ESG Funds are programmed with regulatory caps in mind. This includes a 20% administration cap for CDBG, 10% administration cap for HOME, and a 7.5% administration cap for ESG. If the City receives less than the anticipated amount of funding, project amounts will be reduced accordingly. These actions may take place without triggering a Substantial
Amendment to this Action Plan if the total amount of funds received in each grant is within 15% of City estimates.

The City is making assumptions on its receipt of level funding as per its 2020 funding allocations and has the following contingency plan in place for when actual amounts are announced. If the 2021 CDBG funding is increased, administration will be increased to its respective percentage cap. A CDBG funding decrease will result in a drop in administration and public service funding to their maximum regulatory threshold percentages (20% and 15%, respectively). Public service activities will be evenly reduced across each project. In the event that there is a funding increase, the City reserves the right to allocate additional funds to its Down Payment Assistance Program for a total project amount of $50,000. Additional funding will then be reviewed by staff and may require further approval by the Block Grant Working Committee and City Council.

HOME administration will be increased or decreased to the maximum percentage based on actual funding amounts. HOME projects, once selected, will be underwritten and actual funding will be combined with unallocated available HOME funds to determine the best use of funds. Any major increases or decreases to grant funding may require a substantial amendment, and the City will follow its Citizen Participation Process.

The City did not receive a 2020 ESG Allocation; however, if the City receives a 2021 allocation, administration funds will be allocated as per the maximum percentage based on actual funding amounts. Once selected, ESG projects may require a substantial amendment, and the City will follow its Citizen Participation Process to allocate the funds.

As per 24 CFR 570.200(h), 24 CFR Part 92.212, and 2 CFR 200.458, the public is hereby notified that under certain conditions, the City and/or its subrecipients may incur costs associated with the CDBG, HOME, and ESG activities identified above and described in the City’s 2021 Annual Action Plan prior to the effective date of its grant agreement with HUD. The total amount of any pre-award costs incurred will not exceed $300,000 or 25% of the amount of the City’s anticipated 2021 CDBG allocation. Costs related to the HOME program may not exceed 25% of the City’s current program amount. Costs related to the ESG program will comply with the regulatory requirements as outlined in 24 CFR 576. Citizens are advised that such pre-award costs will have no effect on future grants, and will be in compliance with the regulations that govern the CDBG, HOME, and ESG Programs as stated at 24 CFR Part 570, 24 CFR 92, and 24 CFR Part 576, respectively, as well as the Environmental Review Procedures stated in 24 CFR Part 58. To provide the required public disclosure of the City’s intent to use unobligated carry forward funds as necessary for such 2021 pre-award costs, the regulatory provisions for incurring pre-award costs will be discussed at the public hearing. This may include using unobligated front funding for CDBG public service, program administration, economic development, public facility/community amenity, and housing activity costs as well as HOME and ESG administration and project costs. Regarding public facility...
improvement/community amenity projects, the City reserves the right to allocate pre-award costs to projects on a chronological basis based upon the year that the project was originally awarded funds, but due to unforeseen circumstances could not move forward to completion during the project’s original period of performance.
### Annual Goals and Objectives

#### AP-20 Annual Goals and Objectives

#### Goals Summary Information

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Goal Name</th>
<th>Start Year</th>
<th>End Year</th>
<th>Category</th>
<th>Geographic Area</th>
<th>Needs Addressed</th>
<th>Funding</th>
<th>Goal Outcome Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expand the Affordable Housing Stock</td>
<td>2020</td>
<td>2024</td>
<td>Affordable Housing</td>
<td>Neighborhood Revitalization Strategy Area</td>
<td>Affordable Housing Capacity-Building Homeless Prevention</td>
<td>HOME: $663,370</td>
<td>Rental units constructed: 18 Household Housing Units</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td>Public Housing</td>
<td>City of Aurora</td>
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<td>Homeless</td>
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<td></td>
<td>Non-Homeless Special Needs</td>
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<td>Special Needs</td>
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<td>Neighborhood Investments that affirm</td>
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<td>fair housing</td>
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<td></td>
<td>Sustainability/Community Resiliency</td>
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<tr>
<td>2</td>
<td>Strengthen Homeownership Among LMI Households</td>
<td>2020</td>
<td>2024</td>
<td>Affordable Housing</td>
<td>Neighborhood Revitalization Strategy Area</td>
<td>Affordable Housing</td>
<td>CDBG: $37,668</td>
<td>Homeowner Housing Units Added: 10 Households</td>
</tr>
<tr>
<td></td>
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<td>City of Aurora</td>
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</tr>
<tr>
<td>3</td>
<td>Ensure Housing Stock is Safe/Healthy/Accessible</td>
<td>2020</td>
<td>2024</td>
<td>Affordable Housing</td>
<td>Neighborhood Revitalization Strategy Area</td>
<td>Neighborhood Investments that affirm fair housing</td>
<td>CDBG: $508,876</td>
<td>Homeowner Housing Rehabilitated: 74 Households</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>City of Aurora</td>
<td>Sustainability/Community Resiliency</td>
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<td></td>
<td>Non-Homeless Special Needs</td>
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<td></td>
<td></td>
<td>Special Needs</td>
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</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
</tr>
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</tr>
<tr>
<td>4</td>
<td>Public Service Assistance</td>
<td>2020</td>
<td>2024</td>
<td>Affordable Housing</td>
<td>Neighborhood Revitalization Strategy Area City of Aurora</td>
<td>Capacity-Building Homeless Prevention</td>
<td>CDBG: $229,982</td>
<td>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted Homelessness Prevention: 6,751 Persons Assisted</td>
</tr>
<tr>
<td>5</td>
<td>Foster Small and Local Business Development</td>
<td>2020</td>
<td>2024</td>
<td>Non-Housing Community Development</td>
<td>Neighborhood Revitalization Strategy Area City of Aurora</td>
<td>Capacity-Building Neighborhood Investments that affirm fair housing</td>
<td>CDBG: $150,000</td>
<td>Businesses assisted: 1 Other</td>
</tr>
<tr>
<td>6</td>
<td>Enhance and Improve Access to Amenities</td>
<td>2020</td>
<td>2024</td>
<td>Non-Housing Community Development</td>
<td>Neighborhood Revitalization Strategy Area City of Aurora</td>
<td>Sustainability/Community Resiliency</td>
<td>CDBG: $300,000</td>
<td>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 15,400 Persons Assisted</td>
</tr>
<tr>
<td>7</td>
<td>Administration</td>
<td>2020</td>
<td>2024</td>
<td>Administration</td>
<td>Administration</td>
<td>Administration</td>
<td>CDBG: $306,690 HOME: $73,707</td>
<td>Other: 1 Other</td>
</tr>
</tbody>
</table>

Table 2 – Goals Summary
<table>
<thead>
<tr>
<th></th>
<th>Goal Name</th>
<th>Goal Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Expand the Affordable Housing Stock</td>
<td>Expanding the existing affordable housing stock with newly produced units will better meet the current unmet need for affordable housing. Throughout this Consolidated Planning period, housing restricted to households below 80% AMI will be considered; however, RFPs will prioritize projects that increase the stock of permanent supportive housing, family-sized units, housing restricted to households who earn less than 50% of the area median income, and special needs groups, including housing for older adults, physically and developmentally disabled, persons who are mentally ill, persons with substance use disorders, victims of domestic violence, and persons with HIV/AIDS.</td>
</tr>
<tr>
<td>2</td>
<td>Strengthen Homeownership Among LMI Households</td>
<td>Activities that increase access to homeownership and maintains homeownership for low and moderate-income households. &quot;Access&quot; refers to financial assistance to purchase a home, increasing financial literacy, housing counseling education, and fair housing enforcement and education. &quot;Maintenance&quot; refers to activities that sustain homeownership such that homeowners have tools to remain in their homes, including access to capital for needed home rehabilitation, removal of barriers to accessibility, education about home maintenance and rehabilitation, and foreclosure prevention education and financial assistance. Activities will be targeted to low and moderate-income households and households with special needs populations.</td>
</tr>
<tr>
<td>3</td>
<td>Ensure Housing Stock is Safe/Healthy/Accessible</td>
<td>Promote long-term, community-based housing options for older adults and persons with physical and developmental disabilities to age in place; promote actions that decrease environmental hazards, such as lead-based paint or lead poisoned drinking water, and other hazards as part of the Healthy Homes Rating System. Also support policies and programs that increase a community’s ability to respond to natural disasters and other impacts of climate change, particularly for vulnerable populations.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Goal Description</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>4</td>
<td>Public Service Assistance</td>
<td>Activities that promote this goal include tenant-based rental/mortgage assistance for the prevention of homelessness, rapid-rehousing, the development of new permanent supportive housing units, community-based shelter facilities, and needed public services that increase economic opportunities, reduce poverty, or support special needs populations.</td>
</tr>
<tr>
<td>5</td>
<td>Foster Small and Local Business Development</td>
<td>Targeted commercial revitalization efforts, technical assistance programming to increase economic opportunity, and greater access to capital for low and moderate-income entrepreneurs. Funds will be targeted in the NRSA and will be prioritized to gateway corridors in the City.</td>
</tr>
<tr>
<td>6</td>
<td>Enhance and Improve Access to Amenities</td>
<td>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, and parks) that enhance the quality of life.</td>
</tr>
<tr>
<td>7</td>
<td>Administration (CDBG/HOME)</td>
<td>Effective administration of City of Aurora's CDBG and HOME Programs.</td>
</tr>
</tbody>
</table>
Projects

AP-35 Projects – 91.220(d)

Introduction

Through the City of Aurora’s Request for Proposal process, the Community Development Division gives preference for affordable housing projects that integrate neighborhoods racially, ethnically, and economically. In addition, the City targets neighborhood investments that affirmatively further fair housing choice by increasing the number of non-housing investments that increase the desirability of distressed neighborhoods through increasing community amenities, public investments, and economic opportunities. To balance any unintentional housing cost increases as a result of infrastructure or community amenity investments, Aurora is committed to promoting housing affordability and preservation efforts to keep residents in their homes as property values rents rise around them.

Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Housing Rehabilitation</td>
</tr>
<tr>
<td>2</td>
<td>Increase Home Ownership</td>
</tr>
<tr>
<td>3</td>
<td>Financial Empowerment Center - Public Service</td>
</tr>
<tr>
<td>4</td>
<td>Section 108 Repayment Contingency</td>
</tr>
<tr>
<td>5</td>
<td>Targeted Public Services</td>
</tr>
<tr>
<td>6</td>
<td>Community Facilities/Infrastructure/Amenities</td>
</tr>
<tr>
<td>7</td>
<td>HOME-Assisted Affordable Housing Projects</td>
</tr>
<tr>
<td>8</td>
<td>Program Administration (CDBG, HOME)</td>
</tr>
<tr>
<td>9</td>
<td>Community Housing Development Organization Reserve</td>
</tr>
</tbody>
</table>

Table 4 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In its 2020-2024 Consolidated Plan, the City has identified eight goals to address housing and community development needs during its five-year performance period. On an annual basis, the City will try to achieve as many of these goals as feasible. For 2021, the City has selected projects that meet six of its Consolidated Plan’s goals and also for financial reporting consistency, added administration as an additional funding goal.

Priority is assigned based on: the level of need that is demonstrated by the data collected during the preparation of the Consolidated Plan, specifically in the Needs Assessment and Market Analysis; the information gathered during the consultation and citizen participation process; and the availability of resources to address these needs.

Project selection and funding award considers the applicants’ proposal and demonstrated financial
need, the sub-recipient’s experience and capacity, performance goals, and ability to leverage other funds. One of the primary obstacles to meeting underserved needs of residents and organizations is the availability of funding and the declining funding to address the many housing and community development needs.
## AP-38 Project Summary

### Project Summary Information

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Project Name</strong></td>
<td>Housing Rehabilitation</td>
</tr>
<tr>
<td></td>
<td><strong>Target Area</strong></td>
<td>Neighborhood Revitalization Strategy Area</td>
</tr>
<tr>
<td></td>
<td></td>
<td>City of Aurora</td>
</tr>
<tr>
<td></td>
<td><strong>Goals Supported</strong></td>
<td>Ensure Housing Stock is Safe/Healthy/Accessible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Address Blighted Property Issues</td>
</tr>
<tr>
<td></td>
<td><strong>Needs Addressed</strong></td>
<td>Neighborhood Investments that affirm fair housing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sustainability/Community Resiliency</td>
</tr>
<tr>
<td></td>
<td><strong>Funding</strong></td>
<td>CDBG: $508,876</td>
</tr>
<tr>
<td></td>
<td><strong>Description</strong></td>
<td>Housing rehab activities will promote long-term, community-based housing options for older adults and persons with physical and developmental disabilities to age in place; promote actions that decrease environmental hazards, such as lead-based paint or lead poisoned drinking water, and other hazards as part of the Healthy Homes Rating System; and also to support electrical, plumbing, HVAC and other upgrades. Funds may also be used to support policies and programs that increase a community's ability to respond to natural disasters and other impacts of climate change, particularly for vulnerable populations.</td>
</tr>
<tr>
<td></td>
<td><strong>Target Date</strong></td>
<td>12/31/2022</td>
</tr>
<tr>
<td></td>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td>Approximately 74 LMI households (owner-occupied single-family households and multi-unit tenant households)</td>
</tr>
<tr>
<td></td>
<td><strong>Location Description</strong></td>
<td>City-wide</td>
</tr>
<tr>
<td>Planned Activities</td>
<td>The Safety First and the Safe at Home programs finance home repairs that address safety issues and remove threats to health and safety and remove accessibility barriers for persons with limited mobility or other physical impairments. The programs currently offer grants and loans specifically for repairs and handicapped improvements. The Aurora Housing Authority Indian Trail project will provide central air, new electrical systems and other upgrades for 34 households and 96 residents. The Community Development Division will continue to monitor and augment these programs to ensure low- and moderate-income residents can not only access affordable housing, but maintain safe, stable housing.</td>
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<tr>
<td><strong>CDBG-2021-01</strong>:</td>
<td>Aurora Housing Authority/401-417 Indian Trail Road Upgrades - $233,876</td>
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<tr>
<td><strong>CDBG-2021-02</strong>:</td>
<td>The Neighbor Project/Safety First - $200,000</td>
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<tr>
<td><strong>CDBG-2020-12</strong>:</td>
<td>Rebuilding Together Aurora/Safe at Home - $75,000</td>
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</table>

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Homeownership</th>
</tr>
</thead>
</table>
| **Target Area** | Neighborhood Revitalization Strategy Area  
City of Aurora |
| **Goals Supported** | Strengthen Homeownership Among LMI Households |
| **Needs Addressed** | Affordable Housing |
| **Funding** | CDBG: $37,668 |
| **Description** | This project is administered through the City of Aurora, Choose Aurora is a down payment assistance forgivable loan program (with loan amounts between $3,000 - $5,000 and not to exceed up to 50% of the lender required down payment amount) aimed at first time homebuyers within the City Limits that are at/below 80% of the area median income. |
| **Target Date** | 12/31/2021 |
| Estimate the number and type of families that will benefit from the proposed activities | 10 low to moderate income households. |
| Location Description | City-wide and NRSA. |
| Planned Activities | Direct first-time homebuyer assistance. |

**CDBG-2021-04: City of Aurora/Choose Aurora Down Payment Assistance - $37,668**

*Contingency statement: Should the City receive an increase in its 2021 CDBG allocation, the City reserves the right to increase this project’s funding to a project total of $50,000.*

| Project Name | Financial Empowerment Center - Public Service |
| Target Area | City of Aurora |
| Goals Supported | Public Service Assistance |
| Needs Addressed | Homeless Prevention |
| Funding | CDBG: $75,000 |
| Description | The Aurora Financial Empowerment Center will provide area residents with free one-on-one financial counseling to support families to become more financial stable. |
| Target Date | 12/31/2021 |
| Estimate the number and type of families that will benefit from the proposed activities | 150 LMI Individuals |
| Location Description | 712 S. River Street, Aurora, IL 60506 and 32 S. Broadway, Aurora, IL 60505 |
| Planned Activities | Funding will be used for staff salaries.  
**CDBG-2021-11**: City of Aurora Innovation Department/Financial Empowerment Center - $75,000 |
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<tbody>
<tr>
<td><strong>4</strong></td>
<td><strong>Project Name</strong></td>
</tr>
</tbody>
</table>
| **Target Area** | Neighborhood Revitalization Strategy Area  
City of Aurora |
| **Goals Supported** | Foster Small and Local Business Development |
| **Needs Addressed** | Sustainability/Community Resiliency  
**Neighborhood Investments that affirm fair housing** |
| **Funding** | CDBG: $150,000 |
| **Description** | Funding will be provided |
| **Target Date** | 12/31/2021 |
| **Estimate the number and type of families that will benefit from the proposed activities** | Not applicable |
| **Location Description** | Aurora City Hall, 44 E. Downer Place, Aurora, IL 60505 |
| **Planned Activities** | In the event that funds are needed, CDBG funds will be set aside to assist in covering the City's $3M Aurora Arts Centre Section 108 Loan.  
**Section 108-2021-01**: City of Aurora/Section 108 Repayment Contingency - $150,000 |
| **5** | **Project Name** | Targeted Public Services |
| **Target Area** | Neighborhood Revitalization Strategy Area  
City of Aurora |
<p>| <strong>Goals Supported</strong> | Public Service Assistance |</p>
<table>
<thead>
<tr>
<th>Needs Addressed</th>
<th>Homeless Prevention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>CDBG: $154,982</td>
</tr>
<tr>
<td>Description</td>
<td>Funding for targeted public services will be provided for programs that increase economic opportunities, reduce poverty, and support the needs of special populations. This includes housing related services, supports for special needs populations, and workforce development programming.</td>
</tr>
<tr>
<td>Target Date</td>
<td>12/31/21</td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td>Approximately 6,751 low and moderate income individuals will be assisted (including but not limited to: children, youth, families, unemployed persons, battered spouses, homeless persons, elderly persons (age 62 years and older), severely disabled adults, veterans)</td>
</tr>
<tr>
<td>Location Description</td>
<td>Citywide</td>
</tr>
</tbody>
</table>
| Planned Activities | **CDBG-2021-06:** SciTech Museum/SciTech @Home STEAM Saturday Club - $25,000  
**CDBG-2021-07:** Quad County Urban League/Economic Empowerment Center, Workforce Development - $15,000  
**CDBG-2021-08:** Senior Services Associates, Inc./ Care Coordinator Services - $30,000  
**CDBG-2021-09:** Simply Destinee/Simply Destinee Support, Educate, Engage & Dance (S.E.E.D.) Program - $25,000  
**CDBG-2021-10:** Mutual Ground/Breaking Free/ Domestic Violence Shelter / Substance Abuse - $50,000  
Contingency Statement: the City intends to allocate pre-award costs in accordance with HUD’s regulatory thresholds. |

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Community Facilities/Infrastructure/Amenities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Area</td>
<td>City of Aurora</td>
</tr>
</tbody>
</table>
| 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

### 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, and parks) that enhance the quality of life.

### Target Date
12/31/21

### Estimate the number and type of families that will benefit from the proposed activities
Approximately 15,400 LMI families

### Location Description
City-wide

<table>
<thead>
<tr>
<th>Planned Activities</th>
<th>Description</th>
</tr>
</thead>
</table>
| CDBG-2018-02: Mutual Ground/Mutual Ground- Shelter Exterior Rehabilitation - $100,000 (for overall project total of $245,000 when combined with 2018 CDBG funds).  
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.  
CDBG-2020-09: Fox Valley Park District/Wellness Walk - $200,000 |

### Project Name
HOME-Assisted Affordable Housing Projects

### Target Area
Neighborhood Revitalization Strategy Area
City of Aurora
| **Goals Supported** | Expand the Affordable Housing Stock  
Strengthen Homeownership Among LMI Households  
Ensure Housing Stock is Safe/Healthy/Accessible |
|---------------------|------------------------------------------------|
| **Needs Addressed** | Affordable Housing  
Homeless Prevention |
| **Funding** | HOME: $552,808 |
| **Description** | Funding will be made available for new affordable housing units, tenant-based rental assistance, and additional resources for homebuyers. |
| **Target Date** | TBD |
| **Estimate the number and type of families that will benefit from the proposed activities** | Low and moderate income households |
| **Location Description** | TBD |
| **Planned Activities** | TBD |
| **Project Name** | Program Administration (CDBG, HOME) |
| **Target Area** | City of Aurora |
| **Goals Supported** | Expand the Affordable Housing Stock  
Ensure Housing Stock is Safe/Healthy/Accessible  
Public Service Assistance  
Foster Small and Local Business Development  
Address Blighted Property Issues  
Enhance and Improve Access to Amenities  
Promote Energy-Efficiency/Sustainable Investment |
| Needs Addressed          | Affordable Housing  
|                         | Homeless Prevention  
|                         | Neighborhood Investments that affirm fair housing  
|                         | Capacity-Building  
|                         | Sustainability/Community Resiliency  
| Funding                 | CDBG: $306,690  
|                         | HOME: $73,707  
| Description             | Up to 20% of CDBG funds and up to 10% of HOME funds may be spent on planning and administrative activities.  
| Target Date             | 12/31/21  
| Estimate the number and type of families that will benefit from the proposed activities | TBD  
| Location Description    | City-wide  
| Planned Activities      | CDBG and HOME Staff Salaries, program management-related expenses  
|                         | **CDBG-2021-05:** Center for Neighborhood Technology/Planning Study - $7,500  
|                         | *Contingency Statement: the City intends to allocate pre-award costs in accordance with HUD’s regulatory thresholds.*  
| 9 Project Name          | Community Housing Development Organization Reserve  
| Target Area             | Neighborhood Revitalization Strategy Area  
|                         | City of Aurora  
| Goals Supported         | Expand the Affordable Housing Stock  
| Needs Addressed         | Affordable Housing  
|                         | Capacity-Building
<table>
<thead>
<tr>
<th><strong>Funding</strong></th>
<th>HOME: $110,562</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>At least 15% of the annual HOME allocation must be spent towards certified CHDOs.</td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td>City-wide</td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td>Development of affordable housing</td>
</tr>
</tbody>
</table>
AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Activities funded under the Community Development Block Grant Program are restricted to census tracts where more than 51% of the residents earn less than 80% of the area median income. HOME and ESG funds may be spent across the city.

The City intends on using the NRSA designation as a tool to leverage HUD’s flexible regulations, financial resources from Invest Aurora and other partners, and a concentration of nonprofit offices located in the boundary to address housing, economic empowerment, and neighborhood revitalization issues. The City may provide increased funding limits for projects or programs within the NRSA in order to incentivize revitalization work in this area.

Geographic Distribution

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Percentage of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood Revitalization Strategy Area</td>
<td>10</td>
</tr>
<tr>
<td>City of Aurora</td>
<td>90</td>
</tr>
</tbody>
</table>

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Given the concentration of households experiencing housing issues as well as the additional incentives offered in the Neighborhood Revitalization Strategy Area, preference and incentives will be given to projects and programs within the NRSA.

Discussion

Through the City of Aurora’s Request for Proposal process, the Community Development Division will give preference for affordable housing projects that integrate neighborhoods racially, ethnically, and economically. In addition, the City will target neighborhood investments that affirmatively further fair housing choice by increasing the number of non-housing investments that bolster the desirability of distressed neighborhoods with additional community amenities, public investments, and economic opportunities. To balance any unintentional housing cost increases as a result of infrastructure or community amenity investments, Aurora is committed to promoting housing affordability and preservation efforts to keep residents in their homes as nearby property values and/or rents rise in their neighborhoods. For 2021, one of the City’s community facility projects is located within the NRSA and the City’s other community facility projects will be located within LMI census tract areas. Additionally, the City’s 2021 CDBG housing rehabilitation activity partners intend to focus
activities on the NRSA, and the City’s first-time homeowner program offers an additional incentive for prospective NRSA homebuyers.
Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This section specifies the goals for the number of homeless, non-homeless, and special needs populations estimated to be provided affordable housing and the number of affordable housing units supported by program type in the FY20210 program year.

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households to be Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Homeless</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Table 6 - One Year Goals for Affordable Housing by Support Requirement

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households Supported Through</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Assistance</td>
</tr>
<tr>
<td>The Production of New Units</td>
</tr>
<tr>
<td>Rehab of Existing Units</td>
</tr>
<tr>
<td>Acquisition of Existing Units</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

Affordable housing is one of the key priority needs identified as a result of community consultations and discussions and represents one of the most significant challenges facing lower-income households in the City of Aurora. Four out of the nine goals in the Annual Action Plan explicitly call for actions that address housing affordability issues. They include: 1) Expand the affordable housing stock, 2) Strengthen homeownership among low- and moderate-income households, and 3) Ensure the housing stock is safe, healthy, and accessible for all residents.
AP-60 Public Housing – 91.220(h)

Introduction

The Aurora Housing Authority (AHA) provides housing assistance through its federal Public Housing and Housing Choice Voucher programs to nearly 2,000 households. AHA’s public housing portfolio consists of 502 units at five developments, serving families, seniors and non-elderly disabled individuals. In addition, the agency administers 1,428 federally funded vouchers through its Housing Choice Voucher program. The agency also provides services to senior and family residents through its Resident and Opportunity Self-Sufficiency Program.

Actions planned during the next year to address the needs to public housing

• Continue to streamline work order requests so that issues are corrected more quickly than they have been in the past;
• Re-evaluate preference criteria for Housing Choice Vouchers, and open the waitlist;
• Continue to modernize the existing portfolio;
• Seek out new opportunities for public housing units.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Currently, the Aurora Housing Authority (AHA) lacks Resident Councils in its public housing communities. During monthly meetings, staff have been encouraging residents to begin a resident council as a platform to promote capacity building activities, organizational support, and resource coordination. Residents of Maple Terrace are in the early stages of creating a resident council. With technical assistance and guidance from AHA staff, their first meeting will be held in September 2019. In this first year of the Consolidated Plan, the AHA anticipates continuing to foster the formation of this and possibly other resident councils.

The agency holds public hearings, community meetings, and public comment periods to discuss resident concerns and solicit input/feedback on current and proposed policies, programs and activities as part of the Annual Plan and Capital Fund Program. AHA has begun to host monthly meetings at each site to give the residents a forum to express their concerns about their living environment, which is fostering relationships between AHA staff and the residents and will lead to more streamlined approaches to addressing issues and improving the living environment in public housing.

The AHA has recently allocated resources to a tenant services budget, which will be used to foster partnerships with other social service agencies that may be able to provide efficient youth and adult resident programming for residents.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.
AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Aurora will continue to address its homelessness prevention goals and actions by continuing its participation in the Kane County Continuum of Care and will implement the actions and activities outlined in the Homeless Strategy as written in this Consolidated Plan.

Under a competitive request for proposal process, the Community Development Division intends to provide targeted public services that promote the Consolidated Planning Goal to Prevent and End homelessness. The following programs include housing related services, case management, supportive service for persons with special needs, and a workforce development initiative that promotes self-sufficiency.

- City of Aurora Financial Empowerment Center
- Quad County Urban League/Economic Empowerment Center, Workforce Development-
- Senior Services Associates, Inc./ Care Coordinator Services
- Mutual Ground/Breaking Free/ Domestic Violence Shelter / Substance Abuse
- Hesed SEEDS Case Management (CDBG-CV)
- HOPE Fair Housing Center/Fair Housing Activities (CDBG-CV)
- Aurora Area Interfaith Food Pantry(CDBG-CV)
- Marie Wilkinson Food Pantry(CDBG-CV)
- Prairie State Legal Services(CDBG-CV)

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City will continue to be an active participant in the Kane County Continuum of Care and will implement the actions and activities outlined in the Continuum’s Homeless Strategy. Also, under program year 2020, the City has allocated funding to prevent homelessness by providing assistance to Breaking Free’s Homeless Substance Abuse Treatment Services, Mutual Ground’s Emergency Shelter (domestic violence), and Hesed House’s SEEDs Case Management Programs. The City will also promote the Kane County Continuum of Care’s policy actions after its 2019 needs assessment series:

- Work with homeless service providers and funders to ensure that local outreach efforts are culturally competent and designed to meet the needs of people with addictions and mental illnesses.
- Grow the Continuum of Care’s Coordinated Entry process with a goal to develop interagency collaboration, partnerships and coordination of services.
• Work with homeless services providers to review restrictive program rules and make adjustments as appropriate to reduce barriers that keep people from obtaining and retaining permanent housing. Work with local municipalities as appropriate to advocate for solutions to critical issues, such as affordable housing, local wages and public transportation.

Hesed House regularly reaches out to unsheltered homeless individuals by:

• Collaborating with the Aurora Police Department to jointly canvas the City at least three times a year as part of the Point-in-Time Count.
• If a homeless individual is found, they are invited to utilize the shelter. However, if the person is unwilling to utilize the shelter, Hesed House continues to follow up and meet the individual where they are.
• Whether on the street or in the shelter, Hesed House case managers follows up with the individuals to help foster relationships.
• Hesed House case managers puts the individual on VI-SPDAT, which gets them on a county list for HUD programs and is part of the coordinated entry process.

Addressing the emergency shelter and transitional housing needs of homeless persons

The PADS Program is managed by Hesed House and is an overnight shelter for men, women, and children. The facility offers a place to sleep, shower, do laundry, eat a meal, find medical and legal assistance and other life-sustaining services. The shelter operates from 7pm to 7am every night of the year. The men’s sleeping area accommodates 88 sleeping mats. After 9:30 pm, additional mats are placed in our double duty dining room. Several other smaller sleeping areas provide mats and volunteer oversight for single women. Over 70 faith-based communities with teams of volunteers provide food and serve meals, oversee the shelter dining room, store, laundry facilities, and four sleeping areas. Volunteers also make sack lunches and breakfasts to serve guests as they depart for work or other destinations in the morning. Shelter residents are also eligible to sign up for case management services, assistance in finding housing, help securing identification/personal documentation, access to employment training, medical and legal assistance, as well as help obtaining veterans’ benefits.

Hesed House also manages a daytime drop-in center that provides shelter, food, access to critical ancillary services for self-sufficiency five days a week. This facility serves 500 men, women and children through its daytime services on a weekly basis.

The City of Aurora currently does not have any transitional housing programs.

The City assists service providers with their facility needs by providing letters of support and providing financial resources.

Helping homeless persons (especially chronically homeless individuals and families, families
with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

**Increase the Supply of Affordable Housing:** Increasing the supply of supportive and affordable housing is central to Aurora’s efforts to prevent and end homelessness. During this consolidated planning period, Aurora will:

- Align federal and local investment to meet the Permanent Supporting Housing inventory need for individuals and families who were formerly homeless or who have disabling conditions.
- Ensure there is adequate supply of housing affordable at 30% of income for lower-income households to a range of income levels.
- Work with funders to ensure all new and turnover opportunities are filled via the Coordinated Assessment and Housing Program (CAHP) system.
- Develop common protocol to assist with the identification of individuals and families ready to “move on” from Permanent Supportive Housing.
- Increase access to housing opportunities by providing funding assistance to get in the door with help paying for security deposit/first month’s rent assistance.

**Increase Economic Security of Households:** Households are more stable when resources are in place to pay for basic necessities such as food, transportation, and medical care. Helping households increase income is critical for the homeless services system as a whole. In Permanent Supportive Housing, the household pays no more than 30% of their income towards housing costs. To the extent that Aurora can increase income, the homelessness system can serve more households and spread resources more broadly. Economic security is particularly important for households provided with Rapid Re-Housing assistance, a tool that moves persons experiencing homelessness more quickly into safe, stable housing, but is not intended to be a long-term affordable housing solution. In order to increase the success of families and individuals in the program, and to reduce the likelihood of a return to homelessness, Aurora will increase efforts to provide targeted employment assistance to these households both quickly and intentionally.

**Increase Homelessness Prevention Efforts:** The City of Aurora will support programs to prevent new individuals from becoming homeless, including individuals transitioning out of other systems (i.e. adult and juvenile justice systems, child welfare and foster care systems, behavioral and other health institutions).

**Housing stability/Case Management** – Time limited case management for helping people in the transition from emergency or transitional housing into permanent supportive housing to create
additional stability.

**Aurora Information Referral System** - The Aurora Information Referral System (AIRS) connects people with the resources and services they need in the Aurora and Fox Valley region.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are:** being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

In addition to the actions listed in the narrative above, the City of Aurora will pursue the following actions to assist individuals exiting institutions:

**Home Rehab/Accessible Housing Modifications:** The Safety First and the Safe at Home program finances home repairs that address safety issues and remove threats to health and safety and remove accessibility barriers for persons with limited mobility or other physical impairments. The program currently offers grants and loans specifically for roof repairs and handicapped improvements. Aurora’s Lead Service Line Replacement Program is a pilot program implemented during this consolidated planning process, and will help ensure low- and moderate-income homeowners with young children (under 6) have access to remove hazards by replacing lead service lines. The Community Development Division will continue to monitor and augment these programs to ensure low- and moderate-income residents can not only access affordable housing, but maintain safe, stable housing.

**Frequent Users System Engagement (FUSE):** The City will continue its Frequent Users of Systems Engagement (FUSE) partnership with other area rapid re-housing, health, and mental health and service agencies. Established in 2016, the FUSE’s vision was to create a new intervention strategy and system of communication and coordination to immediately impact the most vulnerable residents through supportive housing and to sustain a process that would prevent other high-need individuals from getting trapped in the cycle of emergency services. Through an agreed upon assessment strategy and a housing placement strategy, and the group created an interagency coordination process that had not previously existed. The group conducts monthly phone conferences as well as quarterly in-person meetings to complete planning activities and propose short and long term policy recommendations that will help the City respond to all of its vulnerable residents.

**Discharge Coordination Policy:** Aurora will continue to work with the Kane County Continuum of Care and State of Illinois Agencies on adequate discharge policies of persons coming from publicly funded
institutions and systems of care, including foster care, health care, mental health, and corrections.
**AP-75 Barriers to affordable housing – 91.220(j)**

**Introduction:**

The following barriers were identified from stakeholder consultation, staff comments, and a review of the 2012 Analysis of Impediments to Fair Housing Choice.

**Community outreach:** Increase information accessibility across the community regarding the existing housing and supportive service resources as well as fair housing laws, including who to contact if discrimination exists and legal rights. Also, strengthen the communication framework to reach limited English proficient residents, particularly Spanish-speaking residents.

**Fair housing compliance testing:** Stakeholders and citizen input from the online survey as well as respondents from the 2012 Analysis of Impediments noted that discriminatory practices continue to exist, particularly from rental property owners/managers and toward low-income, minority renters, formerly homeless, voucher holders, and households with disabilities. By seeking current real time data to gain an accurate picture of local housing industry practices, the City’s decision makers can be better informed on any needed actions to prioritize target populations for local and federal resources.

**Underwriting guidelines:** Older housing stock in need of significant maintenance and rehab, housing for persons with physical and intellectual disabilities, permanent supportive housing for chronically homeless, and larger unit sizes are all project types that are particularly more challenging to produce, given certain attributes that drive costs per unit higher and reduces the project’s ability to achieve economies of scale large enough to recoup the fixed costs to develop the project. Targeting a significant portion of the project to extremely low-income households is difficult to achieve without significant subsidies, including a permanent operating subsidy. The City should continue to ensure that its specific underwriting standards continue to be based upon project type and complexity, and could increase the ratio of subsidy per housing unit on targeted projects where the nature of the project tends to have higher per unit costs, on average.

**Voucher selection criteria:** Selection criteria among Housing Choice Voucher waitlist candidates prioritized households with a working member, which made access to housing challenging among the unemployed for households out of the labor force (i.e. retired, severely disabled).

**Development capacity:** Currently, there are few affordable housing developers working in the City; however, the City continues to prioritize capacity-building programming, such as technical assistance trainings for affordable housing developers, to increase the nonprofit capacity and better understand how to promote additional affordable housing development.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning**
ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

**Funding for affordable housing development:** Increasing the supply of quality affordable housing by targeting a portion of HOME, CDBG, and ESG resources towards new construction or rehabilitation of affordable housing through a request for proposal process. CDD will work with the development community to continue to reduce barriers for development, including the way proposals are received and evaluated.

**Leverage greater public and private resources:** Federal resources received under this annual action plan are not enough to substantially increase the affordable housing stock. Given the layers of financing often needed to make housing affordable to special needs populations and lower-income households, the City will proactively leverage other local, state, and federal resources (and assist community organizations doing so). In addition, the City will work with private lenders to develop innovative funding mechanisms to support housing and community development goals. This will ensure developers and organizations interested in building housing in Aurora have adequate resources to increase the supply of affordable housing.

**Homebuyer Programs:** Choose Aurora offers up to $5,000 forgivable loan to first time homebuyers in City limits. Resources help homeowners who earn below 80% AMI with down payment and closing cost assistance to help increase access to homeownership to low- and moderate-income households. The City will continue to implement this program over this consolidated planning period, and will monitor and augment this program as needed.

**Home Rehabilitation Programs:** The Safety First and the Safe at Home program finances home repairs that address safety issues and remove threats to health and safety and remove accessibility barriers for persons with limited mobility or other physical impairments. The program currently offers forgivable and deferred loans specifically for roof repairs and handicapped improvements. Aurora’s Lead Service Line Replacement Program is a pilot program implemented during this consolidated planning process, and will help ensure low- and moderate-income homeowners with young children (under 6) have access to remove lead hazards from their water service lines. The Community Development Division will continue to monitor and augment these programs to ensure low- and moderate-income residents can not only access affordable housing, but maintain safe, stable housing.

**Re-evaluate preference criteria for Housing Choice Vouchers:** The Aurora Housing Authority will be re-evaluating its preference criteria during this consolidated planning period prior to opening the waitlist for Housing Choice Vouchers.
AP-85 Other Actions – 91.220(k)

Introduction:

The following actions will be taken to address obstacles to meeting underserved needs, to foster and maintain affordable housing, to reduce lead-based paint hazards, to reduce the number of poverty-level families, to streamline funding processes, and to enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Over the course of the consolidated planning period, the Community Development Division will continually assess and make adjustments to its policies in response to changing market conditions and service needs, and will ensure projects that serve households and communities with higher needs for services, funding, and housing are awarded preference points during the funding process.

Federal resources received under this annual action plan are not enough to address the needs of households and persons experiencing homelessness who are currently underserved by the market and available programs. Given the layers of financing often needed to deliver services or make housing affordable to special needs populations and the lowest-income households, the City will provide preference points to projects that leverage other resources, so that federal and local funds may be stretched further and assist as many underserved households as possible.

With the available resources, the City anticipates supporting its underserved population by doing the following:

• Provide housing resources (more fully described below) to underserved households identified in the housing and market analysis.
• Provide funding in support of community facilities, infrastructure, and other amenities that increase the desirability of distressed neighborhoods lacking amenities.
• Offer financial support/programs to small businesses that have difficulty securing conventional financing for space acquisition, development, or renovation.

Actions planned to foster and maintain affordable housing

1. Provide technical assistance to organizations interested in becoming a certified Community Housing Development Organization.
2. Offer incentives/funding for the following activities:
   a. Homebuyers with incomes up to 80% of the area median income purchase homes that they can afford.
   b. Homeowners with incomes up to 80% of the area median income to rehabilitate homes in disrepair.
c. Make funds available for developers who want to build or rehabilitate housing for-sale or rental housing that would be set aside to households with incomes below 80% of the area median income.

d. Community-based organizations that provide key housing related services that prevent homelessness and help maintain housing for households in need. These services may include foreclosure or eviction prevention, homebuying counseling, legal services, or supportive services for persons with special needs (e.g. mental illness, developmental disability, physical disability, homeless, and substance abuse addiction).

3. The following initiatives have not been implemented yet for this annual action plan, but the Community Development Division will explore program implementation for this action plan as well as future action plans during this consolidated planning cycle:

a. A pilot tenant-based rental assistance program for emergency-based rental assistance.

b. Work with the Historic Preservation Office to augment existing funding opportunities for low-income households with added home rehab costs from its location in an historic district.

c. A pilot solar installation program for homeowners and landlords that would reduce utilities and lower overall housing cost burden for low-income households.

**Actions planned to reduce lead-based paint hazards**

The City as well as its CDBG subrecipients for housing rehabilitation (The Neighbor Project and Rebuilding Together Aurora) and down payment assistance follow HUD’s Lead Safety Guidance as per 24 CFR 35 by including the distribution of the pamphlet, “Protect Your Family From Lead in Your Home” in their respective programs. All HOME direct housing assistance activities are required to address lead based paint hazards through the City of Aurora Property and Rehabilitation Standards, which cites compliance with Title X Lead Based Paint Regulations and the Environmental Protection Agency Renovation, Repair and Painting Rule (RRP).

As part of the environmental review process, all CDBG direct housing assistance activities address lead based paint hazards. Also, all HOME direct housing assistance activities address lead based paint hazards through the City of Aurora Property and Rehabilitation Standards, which cites compliance with Title X Lead Based Paint Regulations and the Environmental Protection Agency Renovation, Repair and Painting Rule (RRP).

In addition, the City of Aurora will actively look for funding opportunities in collaboration with the Kane County Health Department and the City of Elgin to administer programs that address lead-based paint hazards in residential units where children reside who have been diagnosed with elevated lead
blood levels.

Safety First Program: In partnership with The Neighbor Project, income-eligible homeowners may receive funding to address safety issues at their homes of income-eligible homeowners in the amount of $4,999 in the form of a three (3) year forgivable loan, and for certain activities, additional funding of up to $5,000 in the form of a deferred loan. Environmental remediation, including lead pipe replacement, replacement of service line replacement, remediation of lead-based paints, radon, mold, and asbestos.

Lead Service Line Replacement Program: The City of Aurora estimates that 50% of private property water service lines are made of lead. To mitigate any impacts from possible future lead infiltration into the water supply from a water main leak or break, the city created a lead service line replacement program in 2018 to encourage property owners to replace their lead service lines located on their property. Homeowners are given an option to replace their service lines by working with one of the approved City contractors. Or, homeowners may waive their right, acknowledging the potential health dangers to their household. The City offers four different options to assist lower-income households who may not be able to afford to replace the service lines.

Actions planned to reduce the number of poverty-level families

1. Promote community-based economic development by making microloans available to small businesses and explore funding for small business technical assistance.
2. Support community-based organizations that provide public services that increase economic opportunities, reduce poverty, and support the needs of special populations. This includes housing related services, services for special needs populations, and workforce development programming. Goals for service-related activities would be focused on promoting self-sufficiency among poverty-level (or at-risk) individuals and families.
3. Improve, maintain, and increase the number of affordable housing units within the City through actions mentioned above that would foster and maintain affordable housing.
4. Support capacity building for nonprofit organizations that would lead to more efficient delivery of public services to poverty-level individuals and families.

Actions planned to develop institutional structure

Community-based nonprofit organizations, community development corporations, and other public agencies have significantly contributed to the City of Aurora through neighborhood stability and growth. The City will continue to refine the way in which funds are delivered effectively to the community. This year, the city will:

1. Strategically and proactively seek out partnerships with community-based organizations that can
more efficiently deliver programs and services. One example of a new partnership during this first year of the Consolidated Plan is with the City of Aurora Engineering Department and The Neighbor Project to create a Lead Service Line Pipe Replacement Program for eligible low-income households with children in the household under 6 years old.

2. Re-evaluate existing programs and ensure they are appropriately scaled to meet the community’s need. The City has recently modified its Safety First Program to allow a forgivable loan up to $4,999 and a second deferred loan up to $5,000 for certain activities (i.e. environmental hazards). After a few years of program implementation, few homeowners participated, given the older housing stock in need of rehab assistance. In addition, for homeowners participated found the funding amount was inadequate to address the some rehab needs. The City will continue to re-evaluate and scale its programs after documenting the existing program’s impact.

3. Increase staff participation and canvassing of neighborhoods to generate greater interest in programs. The greater presence CDD staff has to share information about programs and learn about community needs, the better prepared CDD will be to inform programs and increase participation to ensure that the City is meeting its spending goals.

**Actions planned to enhance coordination between public and private housing and social service agencies**

Throughout the implementation of this Annual Action Plan, the City of Aurora intends to enhance coordination with other critical public and private organizations that will be critical partners to help realize the goals outlined in the Consolidated Plan. These actions include:

1. Continue the Community Development Division’s active role in the Continuum of Care for Kane County, which provides housing and other forms of support for the homeless.
2. Continue to work with service and housing providers to address the housing needs of lower-income households and special needs populations.
3. Continue to foster its relationship with the Aurora Housing Authority.
4. Improve relationships with the development community to raise awareness about available funds. Increased education and additional capacity building opportunities may increase the number of organizations who apply for funds to develop or preserve affordable housing.
5. Make connections between service providers and the development community to help streamline housing and services for housing for individuals with special needs.
# Program Specific Requirements

## AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

### Introduction:

This section describes HUD program requirements for the Community Development Block Grant Program (CDBG) HOME Investment Partnerships (HOME) and Emergency Solution Grant (ESG) program.

### Community Development Block Grant Program (CDBG)

**Reference** 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed  
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee’s strategic plan.  
3. The amount of surplus funds from urban renewal settlements  
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan  
5. The amount of income from float-funded activities  

**Total Program Income:**

### Other CDBG Requirements

1. The amount of urgent need activities  
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

### HOME Investment Partnership Program (HOME)

**Reference** 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is
as follows:

The City of Aurora establishes the terms of assistance for each project funded through a regulatory agreement subject to the HOME requirements. Investment can take a wide range of forms, depending upon the project or program’s specific needs, and include:

**Interest or non-interest bearing loans or advances:** These loans are amortizing loans, with or without accruing interest. Repayment is expected on a regular basis so that over a fixed period of time all of the principal and interest is repaid. The term of the loan may vary and the property or some other assets are used as collateral.

**Deferred Loans (forgivable or repayable):** These loans are not fully amortized, and some, or even all, principal and interest payments are deferred until some point in the future. Loan terms are structured based on a case by case situation and deferred payment loans use the property or some other form of collateral as security for repayment.

**Grants:** Provided with no requirement or expectation of repayment. They would require no liens on the property or other assets.

**Interest subsidies:** An upfront discounted payment to a private lender in exchange for a lower interest rate on a loan.

**Equity Investment:** An investment made in return for a share of ownership. Under this form of subsidy, the City of Aurora acquires a financial stake in the assisted property and is paid a monetary return on the investment if money is left after expenses and loans are paid.

**Loan Guarantee and Loan Guarantee Accounts:** HOME funds may be pledged to guarantee loans or to capitalize a loan guarantee account. A loan guarantee or loan guarantee account ensures payment of a loan in a case of default.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyers must receive housing counseling before receiving HOME assistance to understand all rules and restrictions associated with the federal financing, the long term commitment of purchasing a home, the implications of accepting a mortgage with loan terms, the recapture or resale option, and to consider the family’s ability to sustain mortgage payments for the life of the loan. At the sale of the home, the homebuyer will enter into a regulatory agreement (i.e. deed
restriction) with the City of Aurora, which will outline the compliance period.

Affordable compliance periods for homebuyers who receive HOME funds will depend upon the amount of financing provided, and will generally be subject to a compliance period. If a home purchased with HOME assistance is sold during the period of affordability, resale or recapture provisions apply to ensure the continued provision of affordable housing. At the resale, the affordability terms will be reset at the sale of the home.

Please refer to the City’s HOME Resale and Recapture Guidelines in Appendix B.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City of Aurora, through its HOME RFP process, will make HOME funds available to developers interested in acquiring units for affordable housing. Property owners interested in acquiring units with HOME funds will be required to set aside a portion of their project as affordable under HOME guidelines. Projects approved will be required to enter into a regulatory agreement with the City of Aurora and will be subject to a compliance period on the units set aside as affordable under HOME regulations.

Please refer to the City’s HOME Resale and Recapture Guidelines in Appendix B.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City of Aurora, through its HOME RFP process, will make funds available to multifamily property owners interested in refinancing existing debt in exchange for setting aside a portion of their project as affordable under HOME guidelines. Projects approved will be required to enter into a regulatory agreement with the City of Aurora and will be subject to a compliance period on the units set aside as affordable under HOME regulations.

**Emergency Solutions Grant (ESG)**

Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

   The City of Aurora’s ESG written standards for ESG are included as Appendix C.

2. If the Continuum of Care has established centralized or coordinated assessment system that
meets HUD requirements, describe that centralized or coordinated assessment system.

The Kane County Continuum of Care consults with the State of Illinois and plans for efficient use of ESG funds in Kane County. ESG funds are allocated according to a ranking system. Evaluation criteria include but are not limited to; program/agency capacity and duplicity of services. The CoC reports on and evaluates the performance of ESG recipients and sub recipients. The COC’s geographic area includes the entire Kane County area. Annually, the COC establishes priorities for funding projects in Kane County. The selection process is transparent and inclusive and based on the standards indicated in 24 CFR Part 578.19(b). The COC develops and follows a collaborative process for the development of applications in response to a HUD NOFA. Priorities for funding are determined based on HUD’s priorities found in the NOFA, annual gap analysis, and consistency with the COC’s plan to end homelessness.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City has developed an application process for the distribution of ESG funds appropriated by HUD directly to the City. The RFP process accepts applicants from private nonprofit organizations to promote street outreach, expand emergency shelter, prevent homelessness, or offer rapid re-housing assistance.

To ensure that the City’s limited pool of funding received is used in the most effective way possible to help organizations provide services to homeless individuals and families in Aurora, funds the competitive application process establishes scoring criteria. Individual projects will be assessed for completeness of the grant application, past performance, and other priorities that promote goals outlined in the Consolidated Plan and in planning efforts by the Kane County Continuum of Care.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City will distribute the Annual Action Plan and ESG RFP to the Kane County Continuum of Care and active homeless service providers in the City. The Continuum of Care board does maintain at least homeless (or formerly homeless) individual on the board. These organizations will help distribute information about the programs to a substantial number of current and formerly homeless consumers. In addition, federal regulations require that the Continuum of Care conduct periodic needs assessments as part of their homeless service planning processes. As part of their needs assessment, the Continuum engages with both organizations working in the field as well as individuals experiencing homelessness.
5. Describe performance standards for evaluating ESG.

The City will utilize two types of performance standards for evaluating ESG activities. The first is an executed contract between the City and the sub-recipient. The contract includes the ESG regulations, a scope of services that describes the program, the provision of services, the process for the distribution of cash assistance (if applicable), and the program budget and outcome measures. If the sub recipient is out of compliance with any of the provisions of the contract, the City can terminate the funding.

The second is the quarterly payment request process. Through this process we make sure that the funds are being spent in a timely manner, are being used for eligible activities (including activities that were described in the scope of work), and the proper back-up documentation is being submitted to support the costs as requested. CDD may also complete monitoring site visits on an as needed basis.
APPENDIX A

List of Participants
City of Aurora 2021 CDBG Pre-Application Workshop Virtual Webinar
Monday, October 5, 2021 – 10:00 a.m.

Chris Ragona, Host – City of Aurora, Community Development Division Manager
Amy Munro, Co-host – City of Aurora,
Gail Walsh, Prairie State Legal Services
Ramona Wood, Rebuilding Together Aurora
Amy Daeschler, CASA Kane County
Adele Larsen, Senior Services Associates
Shannon Flavin, Waubonsee Community College
Tim Kustusch, World Relief
Jerry Ratz Hesed House
Melissa Dempsey - Mutual Ground & Breaking Free
Thomas Janeteas, Hesed House
Bob Halverson School District 129
Beth McClory, Senior Services Associates
Sinclair Gallagher, Simply Destinee Youth Program
Sara Carmody, DuPage Senior Citizens Council/Kane Senior Council
Claire Culton, Fox Valley Hands of Hope
Ms. Dockery Echo Development Centerhttps://www.echodevelopmentcenter.com/
Tara Neff, City of Aurora
Liz Carrizales, City of Aurora
Dee Hakala, City of Aurora
Valerie Varju, Child Care Resource & Referral
Neil McMenamin, Hesed House

DRAFT City of Aurora 2021 Annual Action Plan (December 2020) (Rev. 12-29-20) 56

OMB Control No: 2506-0117 (exp. 09/30/2021)
Ryan Abrahamson, West Aurora SD 129
Heather Binder, Rebuilding Together Aurora
Sue Natiello, Triple Threat Mentoring
Brett Campbell, The Neighbor Project
Joe Jackson - Hesed House
Kacie Chitwood, The Alive Teen Center
Drew Williams-Clark, representing the Center for Neighborhood Technology
Alma Ramirez, YWCA Metropolitan Chicago
Ian Wade - City of Aurora Engineering Division
Christie Plotzke, Association for Individual Development (AID)
Brandy R. Mutehart, Prairie State Legal Services
Teresa Rosa-Jackson, Bridging The Gap of Aurora, Inc.
Ralph Jordan, Aurora Housing Authority
Kirk Albinson, The Community Builders, Inc.
Jamal Scott, Waubonsee Community College
Shirley Stacy HOPE Fair Housing Center
City of Aurora – Resale and Recapture Guidelines for HOME Investment Partnership Program – Homeownership Activities

Drafted: December 16, 2020

The City of Aurora will use HOME Investment Partnership Program funds to provide housing for low income persons. A low income household is defined as a household that has an annual gross income that does not exceed 80 percent of area median income. The forms of funding used to assist homebuyers and/or developers may include: down payment assistance, development subsidies, direct loans as second mortgages, or some combination of these methods. The City of Aurora will use the recapture method of insuring affordability for all homebuyers receiving direct assistance. The City of Aurora will use the resale provision of insuring affordability for for-sale housing where the homebuyer does not receive direct assistance. Only one method shall be utilized for each project, the recapture method is only allowed when there is direct HOME assistance to the homebuyer; resale provisions must be used when there is only a development subsidy provided to the project. Development subsidy is defined as the difference between the total development cost of producing the unit and the fair market value of the property.

A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Under the resale guideline option, HUD’s regulations at 24CFR92.254 must be followed when a HOME-assisted unit is transferred during the HOME Program’s period of affordability. The regulations require that the property is transferred to another low-income homebuyer; the original homebuyer receives a “fair return” on investment (as defined below); and the property is transferred (or sold) at a price that is “affordable to a reasonable range of low-income buyers” (as defined below).

Fair return on investment definition –

Net proceeds from the sale must provide the original homebuyer, now the home seller, a “fair return” on his/her investment. The City of Aurora will allow all net proceeds, less all liens recorded against the property including the City deferred mortgage and/or down payment assistance, to be returned to the seller.

Affordable to a reasonable range of low-income buyers –

To ensure that a HOME-assisted unit is transferred at a price that is “reasonable to a range of low-income buyers” the City will target properties at a price that is affordable to households earning between 50-80% of area median income. The table below outlines the ratios and factors for
determining affordability.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Choose Aurora Homebuyer Assistance Forgivable Loan Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriateness of Amount of Assistance</td>
<td>Homebuyers to have a total housing expenses to income ratio less than 25% but no more than 35% on the fixed costs of owning a home, including: principal, interest, property taxes, property insurance and mortgage insurance.</td>
</tr>
<tr>
<td>Monthly Expenses of Household</td>
<td>Cannot exceed 43% of income. The monthly expenses of the household may be determined by the senior lender’s UUTS or the City of Aurora’s financial underwriting. Housing ratio cannot exceed 35% (or go lower than 25% per above policy). The Housing ratio may be determined by the senior lender’s UUTS or the City of Aurora’s financial underwriting. The City of Aurora can, on a case by case basis, rely on the Compensating Factors as supplied in the HUD 4000.1 handbook to approve homebuyers that do not fit in the guidelines as stated above. These Compensating factors can be found in Appendix Item 1 and can be updated when new information is released from time to time.</td>
</tr>
<tr>
<td>Assets Available for the Acquisition</td>
<td>Homebuyer must have at least $1,000 of their own funds invested in the transaction. Borrowers’ liquid assets after closing may not exceed $25,000 after closing. Gift limits cannot exceed $20,000 within 3 months of the scheduled closing date.</td>
</tr>
<tr>
<td>Financial Resources to Sustain Homeownership</td>
<td>Borrowers must have one month of total expenses in reserve at closing after closing costs are subtracted from available funds. Borrower may also need additional reserves if required by primary lender.</td>
</tr>
<tr>
<td>Responsible Lending</td>
<td>Must choose a 30-year fixed-rate FHA or conventional mortgage. The interest rate (with no points) cannot be more than two percentage points above the 30-year fixed rate for the Illinois Housing Development Authority’s first-time homebuyer program.</td>
</tr>
</tbody>
</table>


Subject to recapture are the HOME funds that are invested in a HOME assisted unit as a direct subsidy to the homebuyer. This includes down payment assistance and second mortgages that finance the
difference between fair market value based on fair market value and the homebuyer's first mortgage. The minimum length of affordability is as follows based on the total direct HOME assistance to the homebuyer:

### Affordability Requirements for the HOME Program

<table>
<thead>
<tr>
<th>Direct Homeownership Assistance HOME Amount Per Unit</th>
<th>Minimum Period of Affordability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than $15,000</td>
<td>5 Years</td>
</tr>
<tr>
<td>$15,000 - $40,000</td>
<td>10 Years</td>
</tr>
<tr>
<td>More than $40,000</td>
<td>15 Years</td>
</tr>
<tr>
<td>New Construction</td>
<td>20 Years</td>
</tr>
</tbody>
</table>

The recapture provisions are as follows:

- The Affordability Period shall be based on the total direct HOME subsidy to the homebuyer and does not take into account a development subsidy provided on the unit.

- Activity Types - HOME funds as direct buyer assistance may be provided for new construction or acquisition/rehab/resale projects as a direct subsidy as a deferred second mortgage that reduces the need for buyer equity or senior debt financing.

- The buyer must be purchasing the home to use as a principal residence. In other words, the buyer must intend to live in the home for the entire affordability period and not be buying the home for any other purpose, such as investment or rental property. Should the buyer vacate the home before the affordability period has elapsed, 100% of the direct buyer assistance will be due. The City reserves the right to review buyer situations on a case by case basis.

- Enforcement Mechanisms - Recapture provisions shall be detailed within each written Home Investment Partnership Agreement between the City of Aurora and the Subrecipient or Developer as well as within each written Homebuyer Agreement between the homebuyer and The City of Aurora and enforced through a zero-interest, deferred payment mortgage on the property, filed with the proper County Recorder's Office where the property is located and also enforced through a Homebuyer Agreement that runs for the entire term of the affordability period. The deferred loan term will continue after the completion of the required affordability period, with the loan not due until the home is sold, the title is transferred, or the household no longer occupies the home as their primary residence. The full amount of the loan will be due at that time, out of net proceeds. For projects including new construction and for sale acquisition rehabilitation programs, the HOME assisted property owners will be required to maintain property insurance coverage in an amount sufficient to cover the amount of HOME assistance.
and list the City of Aurora as an additional insured during the period of affordability. Monitoring of insurance policies will assist in identifying properties that are no longer occupied by the assisted buyer.

- Methods- The recapture option allows the City of Aurora to recapture all or a portion of the HOME subsidy if the property is sold or transferred during the affordability period. All HOME assisted property sales under the recapture option shall meet the following criteria:

  1. The homebuyer may sell the property to any willing buyer.
  2. The transfer of the property during the period of affordability triggers repayment of the direct HOME subsidy to the City of Aurora in accordance with the promissory note the buyer entered into with the City of Aurora when he/she originally purchased the home.

In the event of recapture, the amount subject to recapture is as follows and will be further detailed within a promissory note signed by the buyer and by an agreement with the homebuyer that runs for the entire affordability period:

  1. Direct loans as a deferred second mortgage that reduces the need for buyer equity or senior debt financing are deferred until the property is sold, title is transferred or the buyer ceases to occupy the property as their principal residence, then the loan is due in full.

The amount of recapture is subject to the availability of net proceeds available from the sale of the property. Net proceeds is defined as the sales price minus superior loan repayment (other than HOME funds) and any other closing costs. This recapture is subject to the limitation that when the recapture requirement is triggered by a sale (voluntary or involuntary, and also including foreclosure or deed in lieu of foreclosure) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, the City of Aurora can only recapture the net proceeds, if any.

If the property is no longer occupied during the affordability period by the HOME-eligible household that originally purchased the property, the entire amount of the HOME investment becomes due. The buyer, so long as any sums remain unpaid to the City of Aurora and/or the period of affordability is still in effect, whichever is longer, must personally occupy the premises as his/her sole principal residence. Any lease or rental of subject premises even after the expiration of the affordability period shall constitute an event of non-compliance and the full loan amount shall become due and payable immediately.
• Mortgage Release – Upon receipt of recaptured funds, the City of Aurora will record a Release Deed with the proper County Recorder’s Office to release to original HOME assisted property.

• Repayments – Repayment of recaptured funds will be deposited in the HOME account and used for other HOME-eligible activities.

**Resale Provisions – (92.254(a)(5)(i))**

Under the resale guideline option, HUD’s regulations at 24(CFR)92.254 must be followed when a HOME-assisted unit is transferred during the HOME Program’s period of affordability. The regulations require that the property is transferred to another low-income homebuyer; the original homebuyer receives a “fair return” on investment (as defined below); and the property is transferred (or sold) at a price that is “affordable to a reasonable range of low-income buyers” (as defined below). The minimum length of affordability is as follows based on the total HOME subsidy to the property:

**Affordability Requirements for the HOME Program**

<table>
<thead>
<tr>
<th>Development Subsidies and Direct Assistance HOME Amount Per Unit</th>
<th>Minimum Period of Affordability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than $15,000</td>
<td>5 Years</td>
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<tr>
<td>$15,000 - $40,000</td>
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<td>15 Years</td>
</tr>
<tr>
<td>New Construction</td>
<td>20 Years</td>
</tr>
</tbody>
</table>

The resale provisions are as follows:

• The affordability period is based on the total amount of HOME funds invested in the housing including down payment assistance, direct loans as second mortgages, the difference between fair market value at the time of sale and sales price and development subsidies.

• Contract Price – The contract price for resale cannot vary more than 1% either above or below the value determined from a certified appraiser. The seller or buyer may request a second appraisal, but the negotiated price may not exceed the highest of the two completed appraisals or the lower of the two completed appraisals. The City of Aurora may approve a sales price that does not fit the definition above on a case by case basis.
• Activity Types – Resale provisions for Homeownership shall be used when there is no direct assistance provided to the homebuyer or in a market where it is questionable that the unit will maintain affordability on its own. City of Aurora HOME assisted activities which may use Resale provisions include Single Family New Construction or Acquisition/Rehabilitation/Resale activities.

• Principal Residency – The buyer must be purchasing the home to use as their sole principal residence. In other words, the buyer must intend to live in the home for the entire affordability period and not for any other purpose, such as investment or rental property.

• Enforcement Mechanisms – Resale requirements shall be detailed within each program written Homebuyer Agreement between the homebuyer and City of Aurora and enforced through a Regulatory and Land Use Restriction Agreement filed with the proper County Recorder’s Office where the property is located and the requirements within shall be triggered upon sale or transfer of the HOME assisted property. For homebuyer projects including new construction and acquisition/rehabilitation/resale programs, the HOME assisted property owners will be required to maintain property insurance coverage in an amount sufficient to cover the amount of HOME assistance and list the City of Aurora as an additional insured during the Period of Affordability. Monitoring of insurance policies will assist in identifying properties that are no longer occupied by the assisted buyer. In the event of non-compliance, the full loan amount shall become due and payable immediately.

• Methods – The resale option ensures that the HOME assisted unit remains affordable over the entire period of affordability. Resale provisions must be used where there is no direct assistance to the homebuyer which may include down payment assistance, direct loans as second mortgages, the difference between fair market value at the time of sale and sales price. All designated HOME-assisted property sales or transfers under the resale provision during the period of affordability shall meet the following criteria:

1. The new purchaser must meet the criteria of low income, defined as having annual household income at or below 80% of the area median income (as defined by HUD) for the Chicago-Joliet-Naperville, IL HUD Metro FMR Area, and occupy the property as the family’s principal residence.

2. The sales price must be “affordable” to a reasonable range of low income buyers based on their income and underwriting. Affordability is further defined in Table 1 above. To ensure affordability in the event that the sales price exceeds what is affordable to its target population of homebuyers the City of Aurora can provide direct assistance to the subsequent income-eligible buyer.
3. The housing purchase price may not exceed 95 percent of the median purchase price for the type of housing for the area as determined and published by the U.S. Department of Housing and Urban Development (HUD) from time to time. The City of Aurora also reserves the right to determine the 95 percent limit following HUD approved methodology, with such newly determined limits to be approved by HUD.

4. Net proceeds from the sale must provide the original homebuyer, now the home seller, a “fair return” on his/her investment. The City of Aurora will allow all net proceeds, less all liens recorded against the property including the City deferred mortgage and/or down payment assistance, to be returned to the seller.

- Resale Provision Release – Upon completion of the affordability period, The City of Aurora will file a release of the Regulatory and Land Use Restrictions Agreement document filed with the proper County Recorder’s Office to release the original HOME assisted property from the obligations of the affordability period. The deferred loan term will continue, with the loan not due until the home is sold, the title is transferred, or the household no longer occupies the home as their primary residence. The full amount of the loan will be due at that time, out of net proceeds.
APPENDIX C

ESG WRITTEN STANDARDS

INTRODUCTION

The City of Aurora, Illinois (“City”) has developed an application process for the distribution of Emergency Solutions Grants (ESG) funds appropriated by the U.S. Department of Housing and Urban Development (HUD) to the City as an Entitlement Community. This process, as outlined in this Program Guide, is used for the distribution of all HUD ESG funds budgeted by the City for subrecipient awards.

The ESG program provides funding to:

1. Engage homeless individuals and families living on the street;
2. Improve the number and quality of emergency shelters for homeless individuals and families;
3. Help operate these shelters;
4. Provide essential services to shelter residents;
5. Rapidly re-house homeless individuals and families; and
6. Prevent families and individuals from becoming homeless.

ESG funds may be used for the following five eligible program components. For a detailed summary of each activity, please see Section 6 of this document (pages 6-10).

- street outreach;
- emergency shelter;
- homelessness prevention;
- rapid re-housing assistance;
- Homeless Management Information System (HMIS).

Applications will be accepted during the 2019 funding cycle for the following funding categories:

I. Emergency Shelter;
II. Homelessness Prevention;
III. Rapid Re-Housing;
IV. Street Outreach.

Project policy, eligible beneficiaries, eligible activities and other criteria have been developed as a result of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. Since that time, HUD has issued “interim regulations” to guide grantees until final regulations are released. HUD continues to issue implementation guidance for the project on the
HUD Exchange website that takes the form of regulations. Based on the new law, key components that applicants and City ESG subrecipients must honor include:

- Organizations receiving HUD HEARTH funds for emergency shelter to families with children under age 18 shall not deny admission to any family based on the age of any child under age 18;
- Organizations receiving HUD HEARTH funds for projects serving families with minor children shall serve all families with one or more adults and minor children, regardless of family composition; further, these projects must comply with all requirements specified in the 2012 Equal Access to Housing Final Rule;
- Organizations receiving HUD HEARTH funds for projects must comply with all requirements specified in the 2016 Equal Access in Accordance with Gender Identity Final Rule;
- Definitions of “homelessness” and “at risk of homelessness” finalized in 2012;
- Definition of chronic homelessness as updated in 2015 (as defined in Section 6 on page 12);
- Additional changes that may be issued as HUD continues its HEARTH implementation.

It is essential that applicants prepare application documents in accordance with the instructions contained herein and as outlined during a future mandatory meeting with City of Aurora Community Development Staff. Applications should be clear, thorough and sufficiently detailed to provide all information requested. Failure to answer all questions may result in threshold rejection or denial of your application.

It is important for applicants to note that proposals may be accepted only in part by the City. The City reserves the right to approve an application for a lesser grant amount than requested. The City will also work with successful applicants to adjust proposed projects in order to achieve full compliance with project design, implementation strategy, eligible activities, best practices, etc. Successful applicants must adjust the scale and approach to project implementation at the time contracts are executed. In addition, applicants requesting funds for multiple projects may receive funds for both if the projects are eligible and the applicant can demonstrate agency capacity.

NOTICES TO APPLICANTS

Application Rating Criteria/Thresholds
The City wants to ensure that the limited pool of funding received is used in the most effective way possible to help organizations provide services to homeless individuals and families in Aurora. To achieve this, funds awarded will be determined based on points awarded from the various scoring criteria. Individual projects will be assessed for completeness of the grant application, past performance, and other criteria. Further details are provided in this document. In addition, there are certain conditions, which may result in an application being rejected without being scored. These threshold requirements are also detailed later in these guidelines.

HMIS/Comparable Database for Domestic Violence Providers for New Subrecipients
All applicants that receive ESG funding will be required to be in full compliance with the Homeless Management Information System (HMIS), the equivalent provider for domestic violence programs when applicable, and implementation guidelines and Written Standards before any funds can be drawn down under the program agreement.
The City may conduct a site inspection during the review process. ESG funds are not intended for start-up due to the recent notice from the Department of Housing and Urban Development (HUD) that funding will not be received in 2019 and 2020, and the City wishes to avoid duplicative efforts. Generally, applicants are expected to have homeless projects established prior to participating in the ESG application process and applicants should have at least one year of experience in implementing housing related activities or, if only seeking support service funding, support services for which funding is sought.

Written Standards
All subrecipients must demonstrate basic standards of care across all projects. The City’s ESG Written Standards are not meant to replace standards and guidelines required by licensing agencies. Rather, through the implementation of these basic standards, the hope is that there will be a reduction in the amount of time participants experience homelessness and an increase in each participant’s housing stability as they move toward self-sustainability.

Housing Support Services
Housing Support services focus on increasing a client’s housing stability and self-sufficiency. Services should include: assessment, housing stability plan development; with an emphasis on acting as a liaison to secure and maintain housing; employment; a connection to mainstream resources and services; coordination with other providers; monitoring of progress; and advocating on behalf of the client. Services should also focus on building a set of supports that can help prevent the recurrence of a housing crisis.

Housing First
The City recognizes the Housing First approach as a best practice in homeless services. The Housing First approach prioritizes low barriers to project participation, a focus on permanent housing placement as quickly as possible, and providing voluntary services as needed to maintain housing stability. Emphasis is placed on client choice in both housing selection and service participation. Projects demonstrating a commitment to the Housing First approach will be prioritized.

Immigration and Security
Illinois law requires contractors and subcontractors to file affidavits that they have registered and participate in a federal work authorization project intended to ensure that only lawful citizens or lawful immigrants are employed by the contractor or subcontractor. Contractors must also file an affidavit to assure that they have legal status in the U.S.

Victim Service Providers
The City will work to ensure the confidentiality of records pertaining to any individual served by a victim service provider who receives housing or services under any project. The address or location of any family violence facility assisted under this program will, except with written authorization of the person or persons responsible for the operation of such facility and project, not be made public. The term `victim service provider’ means a community-based organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. Such term includes rape crisis centers, battered women’s shelters, domestic violence transitional housing projects, and other projects. Agencies of this type are
expected to provide de-identified data generated from the HMIS comparable database for DV agencies to comply with project requirements.

**HEARTH Act and Relevant Regulations**
All awardees are expected to be in compliance with the HEARTH regulations including the definitions of homelessness, the ESG Interim Rule regulations, and other implementation guidance provided by HUD, including information found on the HUD Exchange website. The City is available as a resource but it is ultimately the responsibility of service providers to implement compliant projects.

**PROGRAM TIMELINE**

**Contract Awards and Start Dates**
Contracts will be awarded as soon as possible after funding approval announcements are made. Generally, if awarded an ESG grant, applicants should be aware that the City does not expect to receive funding for the ESG program until after the contract start dates. This does not mean that agencies should avoid operating projects during that time; only that reimbursement for ESG awarded activities cannot be sought until contracts are fully executed and the City has received Federal funds from HUD. Successful applicants should execute their responsibilities regarding contracts, policies and procedures, staffing, HMIS/DV comparable database, etc. as quickly as possible upon receiving notice of a grant award.

Successful applicants must also demonstrate project readiness and project completion dates that fall on or before the City’s ESG grant expiration deadline. ESG funds have a 2-year expiration date from the date of HUD’s funding approval agreement date with the City; however, depending upon timing, the City’s contract with subrecipients may be less than 24 months. *Projects funded via the City’s 2018 ESG Program Funds must be completed on or before December 17, 2020.*

**DEFINITIONS**

**Emergency Shelter** - Any facility where the primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. Emergency shelters are expected to have low barriers to project entry and participation, and to have a primary focus on moving clients to permanent housing solutions as quickly as possible.

**Chronic Homeless** - An individual with a disabling condition, or a family with a head of household with a disabling condition, who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homeless in the past three (3) years that total a 12 month period of homelessness, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions is at least 7 consecutive nights of not living in a place not meant for human habitation, a safe haven, or in an emergency shelter. To be considered chronically homeless, persons must have been sleeping in a place not meant for human habitation and/or in an emergency shelter during that time.

**Beds** - Beds provided for homeless individuals within a unit of housing. Units of housing may consist of dedicated facilities for emergency shelter, transitional housing, or supportive housing units, etc.
**Unit** - Secure sleeping place containing beds (shelter, room, apartment, house, etc.). If a shelter houses more than one family in one room, you should consult the City for assistance in determining the number of units.

**HMIS** - Homeless Management Information System – A Homeless Management Information System (HMIS) is a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Each Continuum of Care is responsible for selecting an HMIS software solution that complies with HUD’s data collection, management, and reporting standards.

In the Kane County Continuum of Care, the system currently used for HMIS is ServicePoint. All City-funded homeless service providers must use this system and follow all HMIS standards in order to comply with City requirements for reporting and compliance. Domestic violence providers must use the HMIS comparable database designated by the City.

**HMIS Project Name** - The name that your agency assigned to a particular project when setting the project up within the HMIS system (for example, “Emergency Shelter” or “Homeless House”). It would be the project that you enroll your consumers into when you enter them into the HMIS system. All projects should have a project name listed in HMIS.

**Victim Service Provider** - The term ‘victim service provider’ means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. Such term includes rape crisis centers, battered women's shelters, domestic violence transitional housing projects, and other projects.

**SECTION 1: DEADLINE AND SUBMISSION REQUIREMENTS**

**Application Submission Deadline** – July 12, 2019 at 5:00 PM

All ESG applications must be submitted by the deadline. Applicants must submit all organizational information. This includes complete contact information, IRS 501(c)(3) determination, agency Articles of Incorporation, agency Certificate of Incorporation, organization’s board list, organization’s board meeting minutes (most recent three meetings), organization’s staff list, organization’s current IRS filing, organization’s current annual financial statement, and other information that may be required by the City.

Application documents will be available May 22, 2019. Applications submitted after the deadline established by the City will not be considered for funding. Awards are made at the sole discretion of the City and are final and not subject to appeal.
Each applicant must demonstrate to the satisfaction of the City that it is in compliance with all Federal, State and local laws and regulations, and that it is capable of carrying out requested projects.

LATE APPLICATIONS WILL NOT BE CONSIDERED FOR FUNDING.

SECTION 2: PROGRAM PURPOSE AND DESCRIPTION

The HEARTH Act of 2009 and resulting ESG Interim regulation (ESG Interim Rule) renamed and significantly modified the Emergency Solutions Grants (HUD ESG) program. The revised program maintains support for a crisis response system through emergency shelters, but places an emphasis on identifying and preventing homelessness and returning those who experience homelessness back into housing within the community as quickly as possible.

SECTION 3: PROGRAM FUNDING PRIORITIES

City priorities for ESG funds for Fiscal Year 2019 are rapid re-housing (rental assistance and stabilization services), emergency shelter (operations and essential services), Street Outreach, and Homeless Prevention. These activities were prioritized in consultation with the Kane County Continuum of Care.

SECTION 4: ELIGIBLE APPLICANTS - APPLICANT QUALIFICATIONS

Eligible Applicants - Private, secular or faith-based nonprofit organizations are all eligible to apply for funds. Nonprofit organizations must demonstrate collaboration with local mainstream service providers and local homeless provider groups. Applicants are also expected to participate in continuum of care planning for the Kane County CoC.

According to Federal law and regulation, the term "private nonprofit organization" means a secular or religious organization described in section 501(c) of Title 26 that is exempt from taxation under Subtitle A, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance in a manner that is free from religious influences.

Additional Eligibility Criteria - Current or past grantees of HUD funding from the City must be in compliance with all programs and grant agreements to apply for and receive funds under this program.

SECTION 5: NONPROFIT ORGANIZATIONS – CAPACITY CONSIDERATIONS

As part of the application process, the City will perform due diligence around organizational capacity before making awards to nonprofit organizations. Funding decisions for non-profit agencies will be based, in part, on a review of the following:

- The complexity or nature of the request,
- Organizational structure, operating processes and capacity,
- The extent to which the organization operates under the authority of a diversified, involved, volunteer, community-based board of directors,
• Professional management,
• The consistency of the organization’s identity or its mission to the provision of homeless services,
• The extent to which the organization utilizes networks to avoid duplication of housing and services,
• Participation in appropriate provider groups and the local Continuum of Care,
• Sound operating procedures, accounting policy and controls;
• The presence and accuracy of financial management systems, accounts, funds, reports, tax returns, etc.,
• Unrestricted financial resources available to the agency; and
• Organizational and financial policy, controls, stability and capacity.

SECTION 6: ELIGIBLE ACTIVITIES AND BENEFICIARIES

This section is based on the HEARTH Act and is subject to change based upon further refinement of regulations or other rules issued by HUD. Please note that ESG Program rules limit the total funds that can be expended for street outreach and emergency shelter activities to 60% of each fiscal year’s total ESG grant award. For FY18 ESG funds, the maximum total amount available for these two activities based upon the City’s ESG allocation for that program year will be $81,772.

A. HUD ESG Eligible Activities

(1) Street Outreach – ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term “unsheltered homeless people” means individuals and families who qualify as homeless under paragraph (1)(i) of the “homeless” definition under § 576.2. The eligible costs and requirements for essential services consist of:

a. Engagement. The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance projects and/or mainstream social services and housing projects. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to projects targeted to homeless people and mainstream social services and housing projects, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing projects. Eligible costs include the cell phone costs of outreach workers during the performance of these activities.

b. Case management. The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the project participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and
documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating project participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability.

c. **Emergency health services.** (i) Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living. (ii) ESG funds may be used only for these services to the extent that other appropriate health services are inaccessible or unavailable within the area. (iii) Eligible treatment consists of assessing a project participant’s health problems and developing a treatment plan; assisting project participants to understand their health needs; providing directly or assisting project participants to obtain appropriate emergency medical treatment; and providing medication and follow-up services.

d. **Emergency mental health services.** (i) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living. (ii) ESG funds may be used only for these services to the extent that other appropriate mental health services are inaccessible or unavailable within the community. (iii) Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. (iv) Eligible treatment consists of crisis interventions, the prescription of psychotropic medications, explanation about the use and management of medications, and combinations of therapeutic approaches to address multiple problems.

e. **Transportation.** The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers are eligible, provided that this travel takes place during the provision of services eligible under this section. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible. These costs include the following: (i) The cost of a project participant’s travel on public transportation; (ii) If service workers use their own vehicles, mileage allowance for service workers to visit project participants; (iii) The cost of purchasing or leasing a vehicle for the recipient or subrecipient in which staff transports project participants and/or staff serving project participants, and the cost of gas, insurance, taxes and maintenance for the vehicle; and (iv) The travel costs of recipient or subrecipient staff to accompany or assist project participants to use public transportation.

(2) **Emergency Shelter** - ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters, operating emergency shelters and issuing hotel/motel vouchers.

**Services:**

a. **Case management.** The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the project participant is eligible. Component services and activities consist of: (A) Using the centralized or coordinated assessment system as required under § 576.400(d); (B)
Conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; (C) Counseling; (D) Developing, securing, and coordinating services and obtaining Federal, State, and local benefits; (E) Monitoring and evaluating project participant progress; (F) Providing information and referrals to other providers; (G) Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and (H) Developing an individualized housing and service plan, including planning a path to permanent housing stability.

b. **Child care.** The costs of child care for project participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities, are eligible. The children must be under the age of 13, unless they are disabled. Children with disabilities must be under the age of 18. The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.

c. **Education services.** When necessary for the project participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED). Component services or activities are screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.

d. **Employment assistance and job training.** The costs of employment assistance and job training projects are eligible, including classroom, online, and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. Learning skills include those skills that can be used to secure and retain a job. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources.

e. **Outpatient health services.** Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate health services are unavailable within the community. Eligible treatment consists of assessing a project participant’s health problems and developing a treatment plan; assisting project participants to understand their health needs; providing directly or assisting project participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services; providing medication and follow-up services; and providing preventive and non-cosmetic dental care.

f. **Legal services.** (A) Eligible costs are the hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the project participant’s ability to
obtain and retain housing. (B) Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community. (C) Eligible subject matters are child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, and appeal of veterans and public benefit claim denials. (D) Component services or activities may include client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling. (E) Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient’s employees’ salaries and other costs necessary to perform the services. (F) Legal services for immigration and citizenship matters and issues relating to mortgages are ineligible costs. Retainer fee arrangements and contingency fee arrangements are ineligible costs.

g. **Life skills training.** The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the project participant to function independently in the community. Component life skills training are budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.

h. **Mental health services.** (A) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions. (B) ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community. (C) Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management. (D) Eligible treatment consists of crisis interventions; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.

i. **Substance abuse treatment services.** (A) Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals. (B) ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community. (C) Eligible treatment consists of client intake and assessment, and outpatient treatment for up to 30 days. Group and individual counseling and drug testing are eligible costs. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs.

j. **Transportation.** Eligible costs consist of the transportation costs of a project participant’s travel to and from medical care, employment, child care, or other eligible
essential services facilities. These costs include the following: (A) The cost of a project participant’s travel on public transportation; (B) If service workers use their own vehicles, mileage allowance for service workers to visit project participants; (C) The travel costs of recipient or subrecipient staff to accompany or assist project participants to use public transportation.

k. Shelter operations. Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

The age, of a child under age 18 must not be used as a basis for denying any family’s admission to an emergency shelter that uses Emergency Solutions Grant (ESG) funding or services and provides shelter to families with children under age 18.

l. Hotel/Motel Vouchers. For the purposes of providing overflow shelter accommodations when the main site is full and need for emergency shelter has not been met.

(3) Rental Assistance – See 24 CFR 576.104 – 106 for detailed and further guidance. Includes the provision of short-term or medium-term payments for rents or utilities. Assistance may be tenant or project-based. Beneficiaries may include homeless individuals or families (rapid re-housing), or individuals or families at risk of homelessness (homelessness prevention).

(4) Stabilization Services – See 24 CFR 576.104 – 106 for detailed and further guidance. Includes services associated with rental assistance, to include housing search, mediation or outreach to landlords, legal services, credit repair, providing security or utility deposits, utility payments, rental assistance for a final month at a location, assistance with moving costs, or other activities (including hotel/motel vouchers) that are effective at:

(a) stabilizing individuals and families in their current housing (homelessness prevention); or
(b) quickly moving such individuals and families to other permanent housing (rapid re-housing).

Housing stability case management activities include assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability. Among the eligible costs in this area are the following:

- Using the coordinated entry system to conduct the initial client evaluation and re-evaluation;
- Counseling;
- Developing, securing, and coordinating services including Federal, state, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers; and
• Developing an individualized housing and service plan.

(5) **HMIS** – See 24 CFR 576.107 for detailed and further guidance. Includes costs of contributing data to the ServicePoint Homeless Management Information System (HMIS) or DV comparable database in support of the efforts of an emergency shelter, rapid re-housing, prevention project, or centralized assessment hub. These funds are reserved for ESG projects with large implementations; those serving a high volume of clients or projects with particularly demanding HMIS requirements such as prevention. Eligible costs include: software, data entry, limited assistance obtaining HMIS technical assistance and training, and user fees.

**B. Definition of “Homeless” Individual or Family**

**Category 1**

1. A “homeless” individual or family is generally defined as follows:
   a. an individual or family who lacks a fixed, regular, and adequate nighttime residence;
   b. an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
   c. a homeless, as defined above, individual or family immediately thereafter living in a supervised publicly or privately-operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government projects for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);
   d. an individual who resided in a shelter or place not meant for human habitation [see a. and b. above] and who is exiting an institution where he or she ... resided less than 90-days;

**Category 2**

2. an individual or family who—
   a. will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government projects for low-income individuals or by charitable organizations, as evidenced by:
      (i) a court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days;
      (ii) the individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days; or
      (iii) credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause;
   b. has no subsequent residence identified; and
   c. lacks the resources or support networks needed to obtain other permanent housing.
Category 3
(3) unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes who--
   a. have experienced a long-term period without living independently in permanent housing,
   b. have experienced persistent instability as measured by frequent moves over such period, and
   c. can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

Category 4
(4) Notwithstanding any other provision of this section, any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual's or family's current housing situation, including where the health and safety of children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing.

Exclusion
(5) Exclusion – Eligible persons do not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.
(6) Exclusion – Individuals and families who meet Category 3 of the homeless definition can be served with ESG funds under limited circumstances. These households may only qualify for emergency shelter or homelessness prevention as long as all eligibility requirements for the definition of homelessness as defined by other federal statutes are accurately met and documented. Furthermore, eligible participants in ESG emergency shelter and prevention projects who qualify under Category 3 must also meet all eligibility requirements outlined in the ESG regulations and subsequent HUD ESG program guidance. Evidence of compliance with all ESG requirements must be documented.

C. Definition of “At Risk” Individual or Family
An “at risk” individual or family is generally defined as follows:

Category 1
(1) has family income below 30 percent of median income for the geographic area;
(2) has insufficient resources immediately available to attain housing stability; and
(3) meets one or more of the following criteria:
   (i) has moved frequently because of economic reasons;
   (ii) is living in the home of another because of economic hardship;
   (iii) has been notified that their right to occupy their current housing or living situation will be terminated;
   (iv) lives in a hotel or motel;
   (v) lives in severely overcrowded housing;
   (vi) is exiting an institution; or
(vii) otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness (as defined in the Consolidated Plan for the jurisdiction).

**Category 2**

Such term includes all families with children and youth defined as homeless under other Federal statutes. Note that there are limits on expenses within this category in continuums where homelessness (sheltered and unsheltered) is 1/10 or more of 1% of the total population (reference CPD-12-001).

**Category 3**

This category includes children/youth who qualify as homeless under the Education for Children and Youth project (Section 725(2) of the McKinney-Vento Act) and the parents or guardians of that child/youth if living with him/her.

**D. Definition of “Chronically Homeless” Individual or Family**

(1) The term “chronically homeless” means a homeless individual with a disability who:
   - lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
   - has been homeless and living as described in paragraph (1)(i) for at least 12 months OR on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions is at least 7 consecutive nights of not living as described in paragraph (1)(i). Stays in institutional care facilities for fewer than 90 days will not constitute as a break in homelessness, but rather such stays are included in the 12-month total, as long as the individual was living or residing in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering the institutional care facility;

(2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility for fewer than 90 days and met all of the criteria in paragraph (1) before entering that facility;

(3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) or (2) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

**E. Definition of “Homeless Individual with a Disability”**

The term `homeless individual with a disability' means an individual who is “homeless,” as otherwise defined herein, and has a disability that -

(1) meets all four of the following criteria:
   - is expected to be long-continuing or of indefinite duration;
   - substantially impedes the individual's ability to live independently;
   - could be improved by the provision of more suitable housing conditions; and
   - is either
     - a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury;
     - a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002); OR
(C) the disease of acquired immunodeficiency syndrome (AIDS) or any condition arising from the etiologic agency for acquired immunodeficiency syndrome.

For all ESG activities besides Homelessness Prevention, only “homeless persons” are eligible to receive benefits. Organizations receiving funds must maintain City-prescribed documentation to support benefit to homeless persons.

SECTION 7: SERVING FAMILIES WITH CHILDREN

If your facility serves families, provisions must be made for the facility to accommodate all families. Organizations that provide HUD HEARTH funds for emergency shelter to families with children under age 18 shall not deny admission to any family based on the age of any child under age 18. Providing these families with stays in a hotel/motel or other off-site facility does not suffice.

On February 3, 2012, HUD published a final rule in the Federal Register entitled Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity. This rule, published by HUD's Office of Fair Housing and Equal Opportunity (FHEO), became effective on March 5, 2012. The rule creates a new regulatory provision that generally prohibits considering a person’s marital status, sexual orientation, or gender identity (a person’s internal sense of being male or female) in making homeless housing assistance available. The Rule also defines the term ‘family.’

*Family* includes, but is not limited to, regardless of marital status, actual or perceived sexual orientation, or gender identity, any group of persons presenting for assistance together with or without children and irrespective of age, relationship, or whether or not a member of the household has a disability. A child who is temporarily away from the home because of placement in foster care is considered a member of the family.

Any group of people that present together for assistance and identify themselves as a family, regardless of age or relationship or other factors, are considered to be a family and must be served together as such. Further, a recipient or subrecipient receiving funds under the ESG Program cannot discriminate against a group of people presenting as a family based on the composition of the family (e.g., adults and children or just adults), the age of any member’s family, the disability status of any members of the family, marital status, actual or perceived sexual orientation, or gender identity.

While it is acceptable for a shelter or housing program to limit assistance to households with children, it may not limit assistance to only women with children. Such a shelter must also serve the following family types, should they present, in order to be in compliance with the Equal Access rule:

- Single male head of household with minor child(ren); and
- Any household made up of two or more adults, regardless of sexual orientation, marital status, or gender identity, presenting with minor child(ren).

SECTION 8: RAPID RE-HOUSING AND HOMELESSNESS PREVENTION

*Rapid Re-Housing* projects are designed to help those who are homeless quickly transition out of homelessness into permanent housing. The primary goal is to stabilize a project participant in permanent housing as quickly as possible and to provide wrap-around services after the family
or individual obtains housing. Individuals or households receiving this funding must have an income level at or below 50% AMI. Enrollment in a rapid re-housing project should rely heavily on a guided case management plan to ensure long term stability for project participants. First preference for this funding will be given to applicants who demonstrate an effective implementation plan that will increase household incomes for project participants and those who demonstrate low barriers to entry for project participants. Length of stay should be based on the needs of individual households participating in the project.

**Homelessness Prevention** services are most efficiently used when targeted to those at greatest risk of losing housing due to an eviction notice. Households receiving this funding must have an income level below 30% AMI, must demonstrate that they do not have sufficient resources or support networks to prevent them from moving to an emergency shelter or other place defined under Category 1 of the homeless definition. Successful implementation of a prevention project relies heavily on a guided case management plan to ensure long term stability for project participants. First preference for this funding will be given to applicants who demonstrate an ability to negotiate with landlords as the first step in resolving eviction crises. First preference will also be given to applicants who demonstrate an implementation plan to effectively target households at greatest risk of homelessness. Successful applicants will demonstrate a plan to effectively increase household incomes for project participants. Length of stay should be based on the needs of individual households participating in the project.

**SECTION 9: FUNDING LIMITS**

The City will make minimum grant awards of $10,000 for all eligible activities. There will be no maximum grant amounts.

**SECTION 10: RATING CRITERIA**

Funding decisions and amounts will be based upon the following:

1. **Threshold Criteria**
   There are certain considerations that may result in an application being automatically returned or denied for funding without being scored. These threshold requirements include, but are not limited to:

   - The deadline is missed,
   - HMIS or DV comparable database non-participation,
   - Application substantially incomplete,
   - Consistent and/or significant non-compliance (financial, reporting, other),
   - Ineligible applicant – lacks 501(c)3,
   - New organizations should have been in business and fully operational for 2 years and able to produce minimum financial statements and filings with the IRS for that period, financial policies and procedures, project policies and procedures,
   - Serving ineligible populations (not homeless by HUD definition and verification standard),
   - Insufficient or ineligible match amount or source,
   - Use of projected project income or client fees as a match source,
   - Inability to keep families intact for service,
Inability to comply with Equal Access requirements,
Non-compliance with coordinated assessment/intake,

2. Rating Criteria
Individual scores by project will be assessed according to the following criteria --

- Extent to which project serves exclusively (100%) “homeless” persons,
- Completeness of the grant application,
- Housing First project philosophy, including low barriers to project entry and proven track record of serving project participants with high needs, such as chronically homeless, and clients with mental health or substance abuse issues,
- Demonstrated need for project and population serviced,
- Agency participation in:
  - CoC Planning meetings and activities
  - Homeless Count
    - Participation in any City sponsored trainings for current ESG grantees
- Ability to design and successfully manage project under current regulations and priorities for the ESG program,
- Project and agency performance including --
  - monitoring compliance,
  - compliance with HMIS or DV comparable database policies and procedures,
  - ability to meet project requirements and goals successfully,
  - if applicable, the ability to spend past grant awards in timely manner,
  - increases in income and benefits during project enrollment,
  - exits to permanent destinations,
  - returns to homelessness
- Strength of project design and implementation strategy,
- Use of reputable data to describe need (homeless counts), clients served, local coordination, goals, outputs, outcomes, etc.,
- Staffing and match levels promote ability to serve number of participants projected,
- Organizational experience, capacity, and stability,
  - Capacity and oversight of Board of Directors,
  - Budgeting and financial reporting,
- Efficient and effective use of HMIS, adherence to HMIS policy and procedures, and ability to deliver data of high quality,
- Adherence to Written Standards as adopted by the City,
- For supportive services, the degree to which the application demonstrates that mainstream services are not available for the project,
- Ability to procure outside resources for projects in application, including the value and quality of applicant’s contributions (cash and in-kind),
- Ability to demonstrate how match sources benefit specific project participants,
- Standard costs for housing and services in the area,
- Degree of compliance demonstrated during City monitoring visits or in desk audits,
- Relative quality of housing or standards for services to be provided,
- Amount of funds requested compared to service provided,
- Level of service (numbers of persons, hours of service, etc.),
- Demonstrated ability of the agency to provide necessary services to homeless
individuals or through documented MOUs or letters of agreement with other service providers,

- Other relevant factors.

**Lower scoring applications may not be funded.**

### SECTION 11: MATCHING REQUIREMENTS

The City should not be the sole source of funding for any project for which application is made in this competition. In addition, all match sources and amounts reported in applications should reflect resources that directly benefit recipients of the project contained within the application.

Unless otherwise specified, all applicants must provide at least a 100% match consisting of documented non-McKinney Vento resources. The City reserves the right to decrease the required match percentage for applicants providing high priority services in areas with a demonstrated need for such services. Exceptions may be considered by the City on a case by case basis. In addition to cash, match sources may include the value of any lease on a building, the actual value of professional services, any salary paid to staff to carry out the project, and the value of the time and services contributed by volunteers to carry out the project. The value of volunteer hours should equal the cost necessary to provide the services in question if the agency had to pay for these services at market rates.

The regulation states that, “Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient’s or subrecipient’s organization. If the recipient or subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.”

### SECTION 12: OTHER APPLICATION GUIDANCE AND REQUIREMENTS

**A. Shelter and Housing Standards**

The Emergency Solutions Grants (ESG) Program interim rule, at 24 CFR 576.403, establishes minimum standards for safety, sanitation, and privacy in emergency shelters and transitional housing programs funded with ESG funds, and minimum habitability standards for permanent housing funded under the Rapid Re-Housing and Homelessness Prevention components of ESG.

All emergency shelters project must comply with the standards in §576.403(b).

All rapid re-housing and prevention projects must comply with the standards in §576.403(c).

**ESG Program Interim Rule §576.403(b)**

These standards apply to facilities operating as Emergency Shelter project.

All emergency shelter facilities funded by ESG must comply with Section 576.403 of the regulations requiring the following minimum safety, sanitation, and privacy standards:

(b) Minimum standards for emergency shelters.

(1) Structure and materials. The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents. Any renovation
(including major rehabilitation and conversion) carried out with ESG assistance must use Energy Star and WaterSense products and appliances.

(2) Access. The shelter must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35; where applicable.

(3) Space and security. Except where the shelter is intended for day use only, the shelter must provide each project participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.

(4) Interior air quality. Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.

(5) Water supply. The shelter’s water supply must be free of contamination.

(6) Sanitary facilities. Each project participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

(7) Thermal environment. The shelter must have any necessary heating/cooling facilities in proper operating condition.

(8) Illumination and electricity. The shelter must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.

(9) Food preparation. Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(10) Sanitary conditions. The shelter must be maintained in a sanitary condition.

(11) Fire safety. There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

**ESG Program Interim Rule §576.403(c)**

All homelessness prevention and rapid re-housing projects funded by ESG must comply with Section 576.403 of the regulations requiring minimum safety, sanitation and privacy standards. The same requirements must be met for units leased through transitional housing and include standards outlined in the habitability requirements for each unit leased. Recipients should use the ESG Housing Habitability Standards Inspection Checklist for Rapid Re-housing and
Prevention to document compliance with these standards. This form must be completed when specific units are inspected prior to occupancy and maintained in the project file.

B. Homeless Management Information Systems (HMIS) and Comparable Compliance
The City supports agency-level implementation and use of the ServicePoint HMIS. New applicants must be in full compliance prior to grant agreement and drawdown of funds required within the first quarter of the grant year. Substantial failure to address the City’s written HMIS concerns or findings may result in application rejection without scoring. DV providers must provide the City with data from the HUD Annual Performance Report (APR) in the DV comparable database that meets the same standards required of agencies using HMIS.

C. Faith-Based Activities
Faith-based and religious organizations may not discriminate against a project beneficiary or prospective project beneficiary on the basis of religion or religious belief.

Organizations that are religious or faith-based are eligible on the same basis as any other non-profit organization. These organizations may not engage in inherently religious activities, such as worship, religious instruction or proselytization as a part of projects or services funded under the ESG program. If an organization conducts such activities, the activities must be offered separately in time or location from the projects or services funded under the ESG program. Participation in these projects must be voluntary for clients.

Faith-based or religious organizations will retain their independence from Federal, State and local governments, and may carry out their missions, including the definition, practice and expression of religious beliefs, provided that no ESG fund are used to support any inherently religious activities, such as worship, instruction or proselytization. Organizations may use space in their facilities to provide ESG services without removing religious art, icons, scriptures or other religious symbols. Organizations may also retain authority over internal governance, including terms in organization name, selection of board members on a religious basis, and religious references in mission statements and other governing documents.

D. Illinois Open Records Act
All records created as a result of the submission of an Application to participate are subject to disclosure under the Illinois Open Records Act and the applicant expressly consents to such disclosure. The Applicant agrees to hold harmless the City of Aurora against all losses, costs, damages, expenses, and liability of any nature or kind (including but not limited to attorney’s fees, litigation and court costs) directly or indirectly resulting from or arising out of the release of any information pertaining to the Applicant’s submission of an Application and implementation of any activities as a result of funding under this program, pursuant to a request under the Illinois Open Records Act.

E. Persons with Disabilities
ESG grantees are strongly encouraged to document disability at first encounter. This is because HUD places much preference for persons with disabilities in its Continuum of Care projects.

In general, HUD finds a person with disabilities to be an adult who is either (1) on SSI/SSDI, (2) with developmental disability, or (3) based on physician certification, a person with a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration;
substantially impedes his or her ability to live independently; and is of such a nature that ability to live independently could be improved by more suitable housing conditions.

F. Compliance with Fair Housing Laws
All ESG subrecipients are expected to comply with the fair housing requirements including all applicable provisions of the Americans with Disabilities Act (Title 42, United States Code Sections 12101–12213) and implementing regulations at Title 28, CFR, Part 35 (States and local government grantees) and Part 36 (public accommodations and requirements for certain types of short-term housing assistance).

G. Equal Access
All ESG subrecipients are expected to comply with the 2012 Equal Access to Housing Final Rule, and the 2016 Equal Access in Accordance with Gender Identity Final Rule. The 2012 Equal Access to Housing Final Rule generally prohibits considering a person’s marital status, sexual orientation, or gender identity in making eligibility determinations for housing. The 2016 Equal Access in Accordance with Gender Identity Final Rule requires that recipients and subrecipients of CPD funding, as well as owners, operators, and managers of shelters, and other buildings and facilities and providers of services funded in whole or in part by any CPD program to grant equal access to such facilities, and other buildings and facilities, benefits, accommodations and services to individuals in accordance with the individual's gender identity, and in a manner that affords equal access to the individual's family.

H. Affirmative Outreach
Grantees must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the grantee intends to use to make known the availability of the facilities, assistance, and services will to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, grantee must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services.

I. Other State and Federal Requirements
Project requirements include, but are by no means limited to, the following:
To the extent practicable, as determined by the City, grantees must comply with the HUD Emergency Solutions Grant Program Regulations at 24 CFR Part 576, as amended.

1) All grants to non-profit organizations are subject to the administrative requirements and cost principals outlined in 2 CFR, Part 200 (Super Circular).
2) Costs requested for reimbursement via automatic deposit by the City must be “reasonable and justifiable,” and are only eligible to the extent that they are consistent with the project approved by the City.
3) All funds will be reimbursable to grantees based upon actual project expenses with supporting documentation (retained by grantee).
4) Expenses are only eligible to the extent that they benefit “homeless persons” under the ESG program, as defined or referenced herein.
5) All grants are subject to environmental review in accordance with the federal regulations governing ESG projects.
6) All grants are subject to the Federal Requirements of the ESG regulations at 24 CFR 576.407 (a) The requirements in 24 CFR part 5, subpart A are applicable, including the nondiscrimination and equal opportunity requirements at 24 CFR 5.105(a). Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and implementing
regulations at 24 CFR part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with § 576.405(c). (b) Affirmative outreach. The recipient or subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the recipient or subrecipient intends to use to make known the availability of the facilities, assistance, and services will to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the recipient or subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The recipient and its subrecipients must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, recipients and subrecipients are also required to take reasonable steps to ensure meaningful access to projects and activities for limited English proficiency (LEP) persons.