

Lake County Illinois

*Lake County Courthouse and Administrative Complex
18 N. County Street
Waukegan, IL 60085-4351*



Minutes Report - Draft

Wednesday, July 28, 2010

7:00 PM

10th floor Assembly Room

Community Development Commission

1. **Roll Call**

Guests: Megan Harrington of SER-Jobs for Progress; Eusebio Benitez, Juan Curiel, and Marcia Curiel of Hispanic American Community Partners; Patti Frazin of CASA Lake County; Mike Pierce of Independence Center; Bill Holman, of The Salvation Army; and Joanne Kuhstoss of Countryside Association.

Staff: Joel Williams and Laura Walley.

Present 11 - Vice Chair Alexander, Commissioner Calabresa, Commissioner Cunningham, Chair Dietz, Commissioner Ditzig, Commissioner Feldman, Commissioner McCue, Commissioner Molek, Commissioner Rose, Commissioner Wilke and Commissioner Mancino

Excused 3 - Commissioner Pedersen, Commissioner Russell and Commissioner Swanson

2. **Approval of Minutes**

2.1 **10-0701**

Approval of Minutes - May 26, 2010

Attachments: [5-26-10](#)

A motion was made by Commissioner Wilke, seconded by Commissioner Cunningham, that the minutes be approved. The motion carried unanimously.

Aye: 10 - Vice Chair Alexander, Commissioner Calabresa, Commissioner Cunningham, Chair Dietz, Commissioner Ditzig, Commissioner McCue, Commissioner Molek, Commissioner Rose, Commissioner Wilke and Commissioner Mancino

Abstain: 1 - Commissioner Feldman

3. **Chair's Remarks**

Chairman Dietz offered no remarks.

4. **Public Comment (items not on the agenda)**

Chairman Dietz asked if there were any public comment, to which there was no reply.

5. **Old Business**

There was no old business.

6. **New Business**

6.1 **10-0676**

Public Hearing regarding the 2009 CAPER

- The Community Development Division created a Consolidated Annual Performance & Evaluation Report (CAPER) for the period of May 1, 2009 through April 30, 2010
- On June 26, a Public Hearing Notice was distributed soliciting comments on the CAPER
- On July 13, copies of the CAPER were made available on the County's website which began the required 15-day comment period
- Tonight's Public Hearing will be the end of the public comment period, and the approved CAPER will then be sent to HUD
- The complete CAPER is available at:
www.lakecountyil.gov/planning/communitydevelopment/caper.htm

- Public and Commissioner comments are sought and will be included in the final version

Attachments: [Hyperlink](#)

Mr. Joel Williams explained that the 2009 CAPER is the performance report that details the accomplishments of the Community Development Division (CD) over the previous program year, which ran from May 1, 2009 through April 30, 2010. The projects outlined in the 2009 Annual Action Plan form the basis of the CAPER, which CD updates to the current status of each project. Any projects that were not completed prior to the 2008 CAPER are also updated.

Chairman Dietz asked for any comments concerning the 2009 CAPER.

Commissioner Feldman requested information about expenditure deadlines for projects. Mr. Williams said CD staff would develop a report on open projects and when they anticipated spending the funds.

Chairman Dietz asked if there were any further questions, to which there was no reply.
Chairman Dietz opened the Public Hearing at 7:05 p.m.

Chairman Dietz closed the Public Hearing at 7:09 p.m.

6.2 10-0678

Approval of 2009 CAPER

- Approval of the 2009 Consolidated Annual Performance & Evaluation Report (CAPER) is required prior to submission to HUD
- The complete CAPER is available at:
www.lakecountyil.gov/planning/communitydevelopment/caper.htm

A motion was made by Commissioner Cunningham, seconded by Commissioner Feldman, that the 2009 CAPER be approved. The motion carried unanimously.

Aye: 11 - Vice Chair Alexander, Commissioner Calabresa, Commissioner Cunningham, Chair Dietz, Commissioner Ditzig, Commissioner Feldman, Commissioner McCue, Commissioner Molek, Commissioner Rose, Commissioner Wilke and Commissioner Mancino

6.3 10-0679

Public Hearing regarding amendments to the 2010 Annual Action Plan

- On March 16, 2010 the Lake County Board approved the 2010 Annual Action Plan
- Since that time, conditions have changed requiring amendments to the plan which staff will outline
- Lake County's Citizen Participation Plan requires a Public Hearing for these types of amendments
- On June 26, a Public Hearing Notice was distributed soliciting comments on the amendments
- On June 26, copies of the amendments were made available on the County's website which began the required 30-day comment period
- Tonight's Public Hearing will be the end of the public comment period

Attachments: [LCSAO Project Cancellation](#)

[SER-FHCLC AI](#)

Mr. Williams informed the CDC that The Citizen's Participation Plan states that a Public Hearing must occur whenever an entity changes a project that was approved for funding. The Lake County State's Attorney's Office (SAO) decided that the partial funding that was allocated for its project would be insufficient to perform the service that was intended, and would, therefore, decline its CDBG funding.

An additional change to the 2010 Annual Action Plan is the modification of the Fair Housing Center project, to include the performance of an analysis of impediments to fair housing. HUD requires that this study is compiled every five years. The Fair Housing Center will perform the analysis for Lake County, which will allocate \$48,350 for this purpose.

Comments were requested on these two amendments.

Commissioner Feldman asked about the two allocations for the Fair Housing Center. Mr. Williams stated that the \$48,350 was for the work associated with the writing of the Fair Housing Analysis, while the original project funding was to support the operations of the Fair Housing Center.

Chairman Dietz asked if there were any further comments, to which there was no reply.
Chairman Dietz opened the Public Hearing at 7:11 p.m.

Chairman Dietz closed the Public Hearing at 7:13 p.m.

6.4 10-0680

Approval of amendments to 2010 Annual Action Plan

- Commission approval of the proposed amendments to the 2010 Annual Action Plan is required
- The amendments will then be forwarded to HUD

A motion was made by Commissioner Ditzig, seconded by Commissioner Calabresa, that the 2010 Action Plan Amendments be approved. The motion carried unanimously.

Aye: 11 - Vice Chair Alexander, Commissioner Calabresa, Commissioner Cunningham, Chair Dietz, Commissioner Ditzig, Commissioner Feldman, Commissioner McCue, Commissioner Molek, Commissioner Rose, Commissioner Wilke and Commissioner Mancino

6.5 10-0681

Public Hearing regarding Needs for 2011

- The Community Development Commission annually holds a Public Hearing regarding the needs for a program year
- The 2011 Needs Hearing will guide the allocation and expenditure of funds for the coming program year
- Public and Commissioner comments are sought and will guide the development of the

2011 application materials, to be presented next month

Attachments: [2009 CAPER](#); [2010 Action Plan Amendments](#); [2011 Needs Public Hearing](#)

Mr. Williams stated that the Needs Public Hearing is held to allow the public to express the perceived needs of the community for the upcoming project year. The CDC may then advise Staff to tailor the PY2011 applications to help meet the changing needs of Lake County residents.

Chairman Dietz asked that anyone wishing to address the CDC please state their name and the name of their organization.

Mr. Juan Curiel, of Hispanic American Community Partners, said that his organization provides services, including mentoring and drug-abuse counseling, to youth-at-risk throughout Lake County. Mr. Curiel stated that there is continued need for his agency's services and that he has worked with other agencies, such as Buenhacer Latino and Omni Youth Services. In response to a question from the CDC, Mr. Curiel said that the agency's funding is derived from the profits of a newspaper he produces.

Ms. Patti Frazin, of CASA Lake County, thanked the CDC for the agency's funding for 2010. The funds are being used to train additional volunteer court-appointed special advocates for children within the court system. The children who are aided by the advocates are more likely to receive necessary services to help them recover from domestic violence and abuse. An increase in the amount of trained advocates means that more children can be helped to attain a stable environment. Ms. Frazin added that a study determined that children who had a CASA advocate were less likely to have disciplinary problems and were more likely to graduate from high school.

Captain Bill Holman, of the Salvation Army, said that the Waukegan facility is planning a 20,000 square-foot addition, for youth after-school programs geared toward recreation, character building, music and vocal lessons, and spiritual instruction. He looks forward to community support for this endeavor. In response to questions from the CDC, the Captain stated that his facility is located at 850 South Green Bay Road, and that the facility on Sheridan Road works to rehabilitate adults, earning it funds through thrift store sales.

Chairman Dietz asked for any additional comments from the public, to which there was no reply. He then asked the CDC for any comments.

Commissioner Ditzig informed the CDC that a group representing twenty-six social service agencies from Lake County had been formed, committing to meet for three hours each month for a year. They will determine the best method to work together, conserve resources, and better serve the citizens. It has been determined that all members will utilize the same case management database tool, Service Point. This will allow the members to track clients on one system and to efficiently refer clients for needed services.

Commissioner Rose commented on the foreclosure and unemployment issues that affect Lake County, including gang issues and domestic violence. He said that while he understands the necessity of bricks-and-mortar sustainability of affordable housing, there is a need for after-school programs, as the County's youth are part of the heart and soul of the community.

Mr. Curiel agreed with Commissioner Rose, as his program collaborates with area businesses, to provide role models and promote community service to the area's youth. To date, the agency has helped thirty-eight clients to graduate from college. In answer to questions from the CDC, Mr. Curiel stated that the agency continually seeks funding from a variety of sources.

Commissioner Molek asked why attendance at the Needs Public Hearing was so low, in comparison to previous years. Staff responded that notices were sent in the usual manner, including newspaper publication, mass mailing, and web site notification. It was posited that the extensive process recently completed for the writing of the new Five-Year Consolidated Plan might have affected the public's need to express themselves at this meeting. Further, no written comments were received.

Chairman Dietz opened the Public Hearing at 7:15 p.m.

Chairman Dietz closed the Public Hearing at 7:41 p.m.

6.6 10-0682

Short Sale Policy - Non-Owner Occupied Housing

- At the May 26, 2010 Community Development Commission meeting, a short sale policy for owner-occupied housing was approved (attached for reference)
- The CDC requested information about current foreclosures and short sales, for which a staff report will be provided
- Attached is a similar policy regarding short sale policy for non-owner-occupied housing
- Staff seeks approval of the policy

Attachments: [Short Sale Policy - Non-Owner Occupied Housing](#)

[Short Sale Policy - Owner Occupied Housing](#)

Mr. Williams said that, at the CDC's previous meeting, the Short Sale Policy for owner-occupied housing had been approved, requiring a 40% return on the loan amount. He then provided an update on HOME-funded and County-funded first time homebuyers and homeowner rehabilitation foreclosures and short sales. A policy is also needed for non-owner occupied affordable housing, as HOME and County funds are used for the development of rental units. Through lengthy discussions with the State's Attorney's Office and with consideration for the renters impacted by the foreclosure situation, four basic principles were determined. The new property owner must agree to the following:

1. *The property must remain affordable,*
2. *Annual income certification forms must be submitted to the County,*
3. *The buyer must agree to accept Housing Choice vouchers, and*
4. *The buyer must honor all existing leases.*

If these requirements are agreed upon, a short sale will be allowed, with the repayment based on the amount of investment, as follows:

- 1. Less than \$50,000 would require a 40% repayment,*
- 2. \$50,000 to \$200,000 loans would require a 50% repayment, and*
- 3. loans for greater than \$200,000 would require a 60% repayment.*

Along with other legal requirements, the seller may not profit from the short sale. In response to a question, Staff clarified that the property would retain a land use restriction, so that it would remain affordable, even if the new owner sold it for a profit at a later date. Staff replied to a question concerning the repayment percentage required, as compared to what area banks have been receiving on short sales, stating that the County's loan portfolio contains properties in highly desirable areas which would support the repayment amounts. If approved, this policy will be written into the contract for all future non-owner occupied developments.

A motion was made by Commissioner Wilke, seconded by Commissioner Cunningham, that the Short Sale Policy be approved. The motion carried unanimously.

Aye: 11 - Vice Chair Alexander, Commissioner Calabresa, Commissioner Cunningham, Chair Dietz, Commissioner Ditzig, Commissioner Feldman, Commissioner McCue, Commissioner Molek, Commissioner Rose, Commissioner Wilke and Commissioner Mancino

7. Staff Reports

7.1 Community Development Administrator Report

Mr. Williams thanked Commissioner Wilke for providing the donuts for tonight's meeting. He then gave an update on the Neighborhood Stabilization Program (NSP), stating that the Affordable Housing Corporation and the Cities of North Chicago and Waukegan have obligated the majority of their funds to single-family homes for first-time homebuyers. It is expected that Lake County will meet the federal government's September deadline for commitment of funds. It is unknown if Lake County will receive NSP3 funding.

Mr. Williams added that the Continuum of Care received approval of its bonus project, consisting of \$150,000 for permanent housing for homeless persons. Unfortunately, while waiting for the award decision, the identified property could not be purchased, due to lack of funds. Staff will work with HUD to determine how the award may be used.

During the August meeting, applications for PY2011 will be presented for CDC review and approval. Changes to the application review process, due to the Illinois Open Meetings Act, will also be presented during the meeting. These changes will also affect the Citizens Participation Plan and the CDC By-laws. A survey will be sent to members to gather input on each member's vision for the CDC.

Mr. Williams added that mileage reimbursement may be available to CDC members, through the submission of a quarterly form. He then announced that CD is moving to 415

Washington Street, with a permanent move expected in the future. All CDC meetings will continue to be held in the current location.

Commissioner Cunningham expressed her displeasure in CD moving to the temporary location. She was under the impression that the division would be relocated to the new Central Permit Center.

Commissioner Alexander asked why the CDC was not informed of the new address prior to this meeting, as she heard this information from others. Mr. Williams replied that he had planned to make the announcement in person during the meeting and apologized for this delay.

8. Adjournment

Chairman Dietz adjourned the meeting at 8:10 p.m.