



January 14, 2011  
Draft for Public Comment

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# 2010 Housing & Community Development Consolidated Annual Action Plan

*Substantial Amendment*

Neighborhood Stabilization Program – Round 3

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Lake County, Illinois

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Appendix E: SF 424

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## 1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Burch, Jonathan
Email Address	<a href="mailto:jburch@lakecountyil.gov">jburch@lakecountyil.gov</a>
Phone Number	847-377-2152
Mailing Address	500 West Winchester Road, Unit 101 Libertyville, IL 60048

## 2. Areas of Greatest Need

### Map Submission

Lake County's areas of greatest need maps, created using HUD's NSP3 Mapping Tool, are included in Appendix B of this Plan along with the NSP 3 data sheets for these areas.

### Data Sources Used to Determine Areas of Greatest Need

#### Describe the data sources used to determine the areas of greatest need.

The primary data sources used to determine the areas of greatest need are:

- The NSP 3 Need Scores for Lake County;
- County-wide foreclosure data for 2009 and 2010 as provided by the Lake County Recorder of Deeds and the Lake County Sheriff's Office;
- The sources and uses of funds under NSP 1;
- The amount of funds available for use under NSP 3;
- Local input from municipalities containing likely areas of greatest needs on recommended target areas; and
- NSP 3 Impact Scores for likely areas of greatest need.

### Determination of Areas of Greatest Need and Applicable Tiers

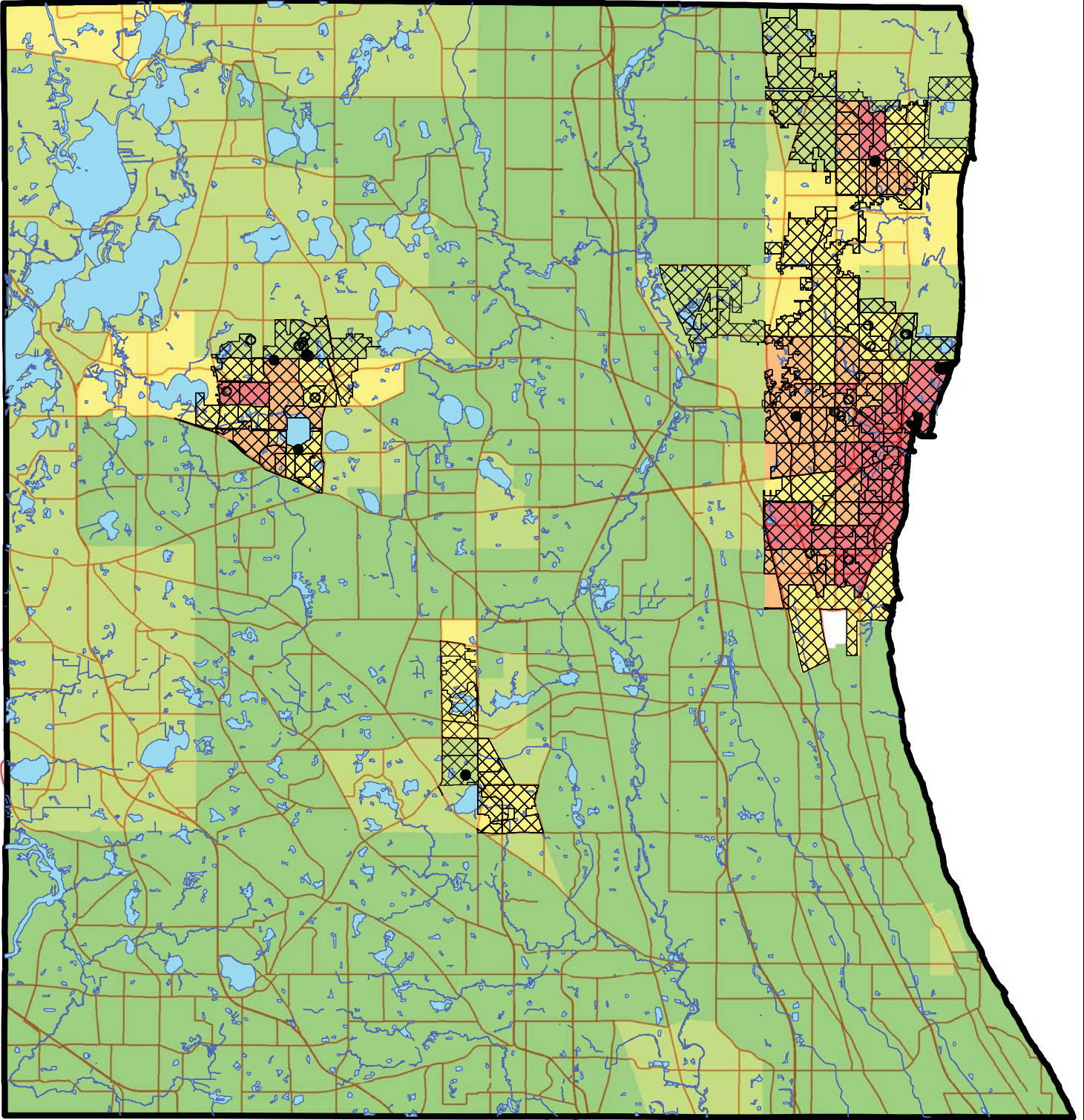
#### Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.

Generally, Lake County determined its areas of greatest need using a three step process.

The first step in the planning process was to analyze how the NSP 1 target areas compared with the NSP 3 Need Scores and the County's current foreclosure data. The Lake County NSP 1 Plan called for the funding of eligible activities within the hatched areas shown on the NSP 1 Target Areas and Sites Map. These areas included substantial portions of five municipalities: Mundelein, North Chicago, Round Lake Beach, Waukegan and Zion.

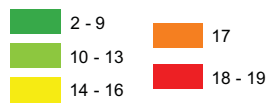
HUD provides estimates of foreclosure need at the census tract level through "need scores." The scores range from 1 to 20, with a score of 20 indicating census tracts with the HUD-estimated greatest need for assistance. Seventy eight (78) of the three hundred and seventy eight (378) Census Tracts within Lake County contain need scores of 17 or higher, with most of these need scores located in the Waukegan, North Chicago, Zion and Round Lake areas (see NSP 3 Need Score Map). The NSP 3 Need Scores clearly overlap with the municipalities targeted through NSP 1.

With the help of the Lake County Planning Division, foreclosures between 1/1/2009 and 10/29/2010 and Sheriff's auctions between 12/1/2009 and 11/11/2010 were mapped. This data provided additional



**Legend**

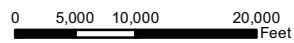
**NSP 3 Need Score**



 Target Areas

 NSP 1 Sites

***NSP 1 Target Areas and Sites***



local information on the locations of foreclosures occurring in the past year. Based on this local data, the following tables list the five municipalities with the highest percentage of foreclosures and auctions in Lake County over approximately the past year.

<b>Sheriff's Auctions 12/1/2009- 11/11/2010</b>	
<i>Municipality</i>	<i>Percentage</i>
Waukegan	16.88%
Round Lake Beach	7.57%
Zion	7.14%
Round Lake	7.09%
Mundelein	5.35%

<b>Foreclosures 1/1/2009- 10/29/2010</b>	
<i>Municipality</i>	<i>Percentage</i>
Waukegan	13.88%
Round Lake Beach	7.44%
Round Lake	6.04%
Zion	5.67%
Mundelein	5.51%

Once, again the local data overlaps significantly with the NSP 1 target areas.

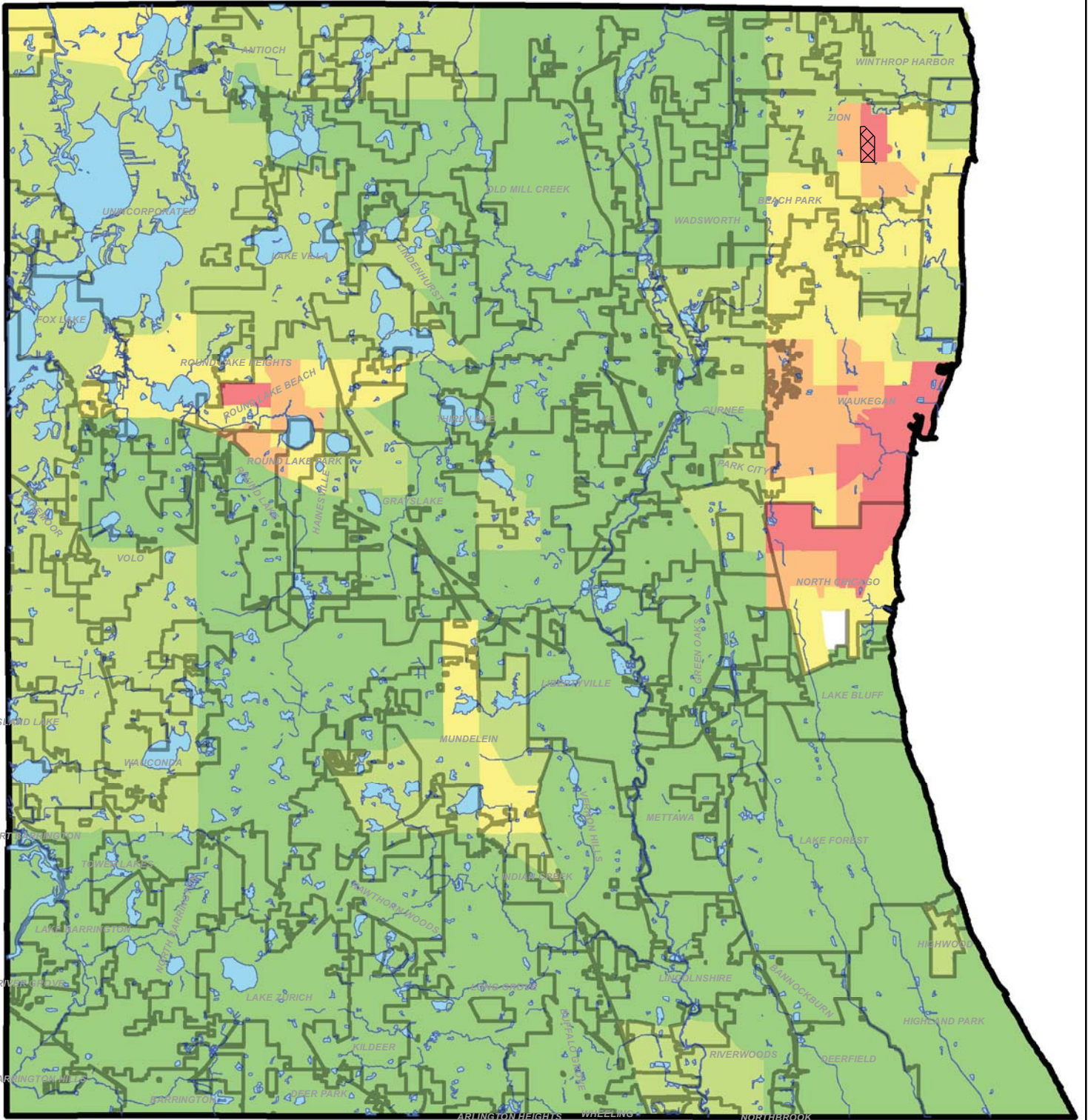
Based on the overlap between the NSP 1 target areas, the NSP 3 Need Scores and local foreclosure data, it was decided that the NSP 3 Plan should focus on the five primary municipalities identified in the NSP 1 Plan (Mundelein, North Chicago, Round Lake Beach, Waukegan and Zion).

The HUD focus on impact strengthens the decision to continue to focus on the five primary municipalities identified in the NSP 1 Plan. To measure impact, the HUD Need Score dataset also includes an estimate of the properties which the program will need to purchase in a given area to ensure that the NSP Program has a measurable impact. By ensuring that NSP 1 and NSP 3 target areas overlap, both rounds of NSP funding (the NSP 3 grant and the NSP 1 program income) can be brought to bear on each target area in succession to meet the impact goals. With only \$1.37 million in NSP 3 funding, it is important to augment these funds to ensure that the program can address as many areas as possible.

The second step in the planning process was to reach out to each of the five municipalities to determine the locally recommended boundaries for areas of greatest need within each community. Lake County Community Development staff met with representatives of each of the five municipalities to discuss the boundaries, providing local stakeholders with maps detailing NSP 3 Need Scores, locations of NSP 1 properties within the municipality and County foreclosure data. Based on these discussions, specific target areas within each municipality were determined along with recommended activities to occur within each area. Lake County staff also drove each area of greatest need to review the housing stock and ensure that the intended eligible uses could successfully be undertaken given HUD guidance on program design.

The final step in the planning process was the compilation of the recommended areas of greatest need for each municipality and the determination of how to organize these areas as part of a holistic plan. The NSP 1 program informs the tiered approach proposed in this Plan. Four organizations are responsible for implementing the County's NSP 1 Plan. The cities of North Chicago and Waukegan administer NSP 1 within the boundaries of each city. The Affordable Housing Corporation of Lake County (AHC) is responsible for implementing the County's program in the remainder of Lake County. The County's fourth partner, Lake County Residential Development Corporation (LCRDC), was selected through an RFP process to rehabilitate an 18 unit apartment complex in Zion that will address the 25%





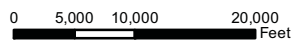
**Legend**

**NSP 3 Need Score**

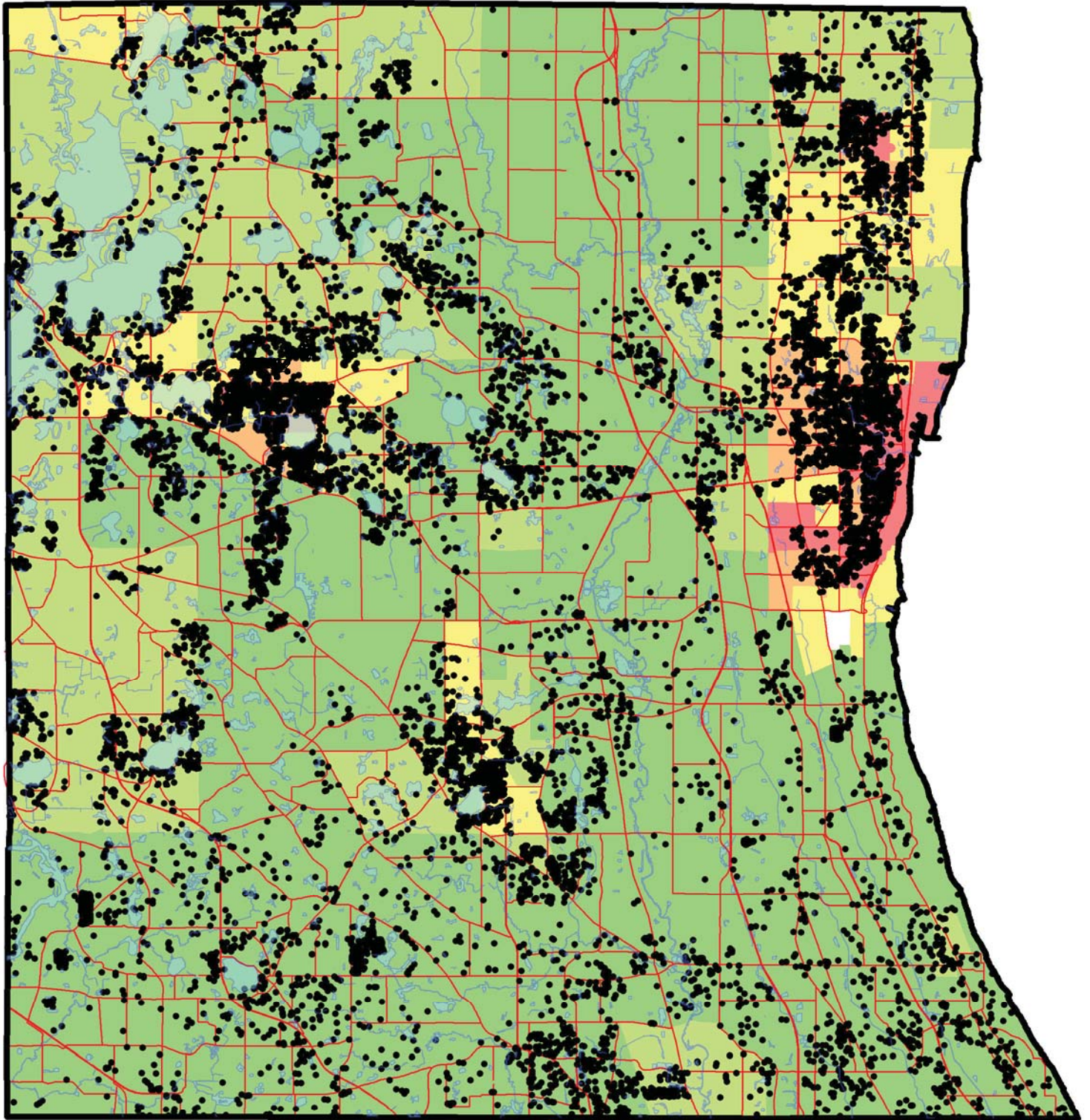
- 2 - 9
- 10 - 13
- 14 - 16
- 17
- 18 - 19

Municipal Boundary

**NSP 3 Need Scores**













**Legend**

**NSP 3 Need Score**

- |   |   |
|---|---|
|  2 - 9   |  17      |
|  10 - 13 |  18 - 19 |
|  14 - 16 |   |

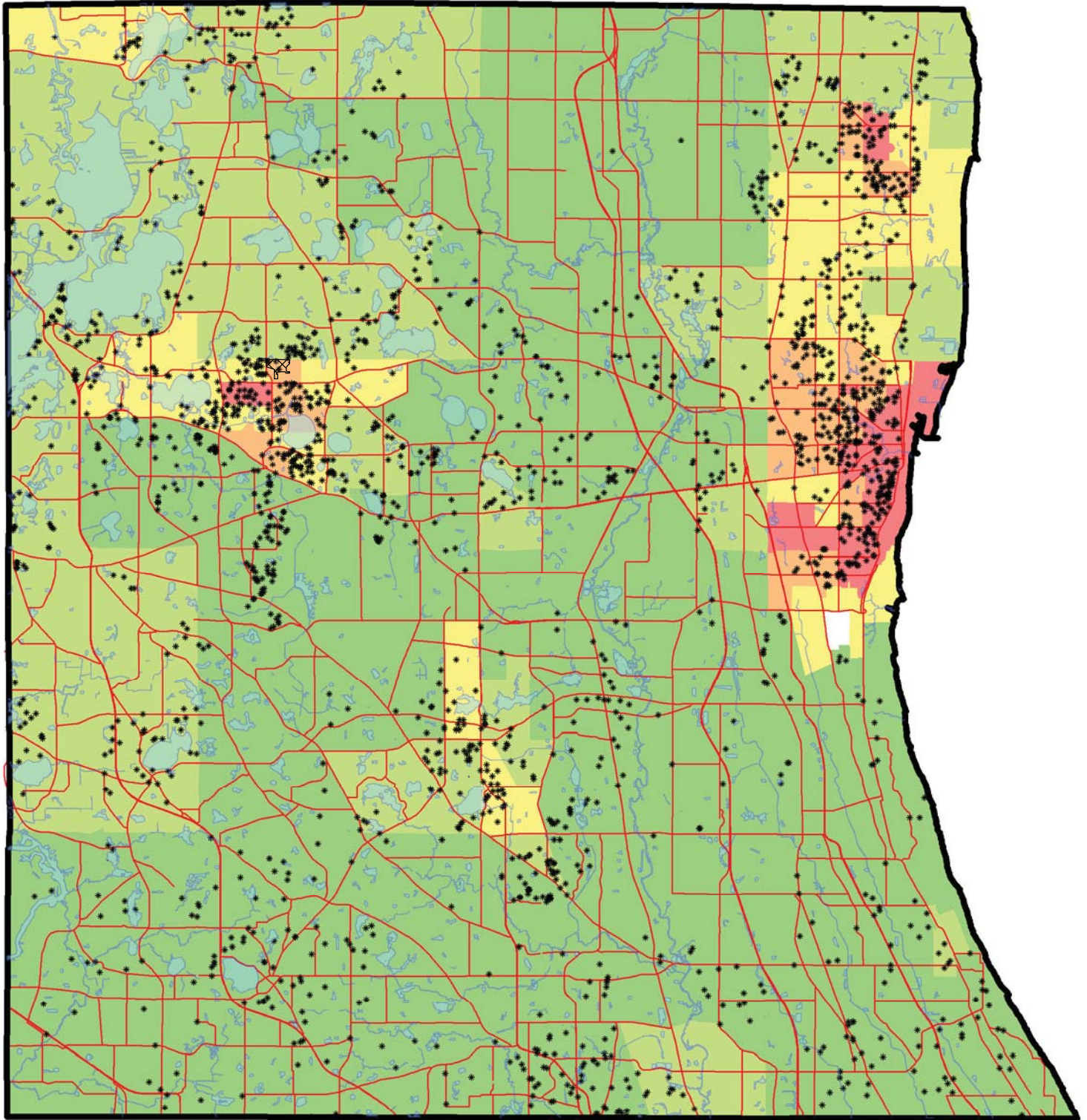
 Foreclosure Notices & Lis Pendens

***Lis Pendens & Foreclosure Notices Recorded  
1/12/2009 - 10/29/2010***

0 5,000 10,000 20,000 Feet

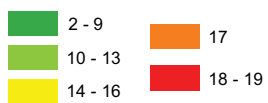






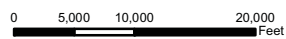
**Legend**

**NSP 3 Need Score**



\* Auction

**Sheriff's Auctions  
12/1/2009 through 11/11/2010**





low income requirement.

The NSP 3 Plan mirrors this structure and results in a tiered approach. As discussed further in Section 7, the Plan includes five separate activities:

- Administration;
- Activities in Waukegan (2 areas of greatest need);
- Activities in North Chicago (2 areas of greatest need);
- Activities in Lake County (3 areas of greatest need); and
- Activities meeting the 25% Very Low Income Requirement.

The NSP 3 program will concurrently operate in Waukegan, North Chicago and Lake County. Within each of these activities, the program will address one target area at a time, moving on once the impact targets are met (e.g. NSP activities will not occur in Waukegan Area 2 until Waukegan Area 1 has been addressed). The order of implementation for each area of greatest need is based on local feedback on the preferred target areas. Activities meeting the 25% low income requirement can address any “active” area of greatest need.

### 3. Definitions and Descriptions

#### Definitions

Term	Definition
Blighted Structure	A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. The objectively determinable signs of deterioration shall be the same as that found in the local ordinances which govern the area of greatest need in which the activity is occurring.
Affordable Rents	Per the NSP requirements, Lake County must define “affordable rents” and the continued affordability standards and enforcement mechanisms that it will apply for each/all of its NSP activities. Lake County adopts the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254.

#### Descriptions

Term	Definition						
Long-Term Affordability	<p>The long-term affordability requirements will be the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254. Additionally, the Resale and Recapture provisions outlined in the Lake County Consortium’s Annual Action Plan apply to NSP assisted foreclosed and rehabilitated properties.</p> <p>NSP-assisted rental units must remain affordable for the following terms (based on the average HOME subsidy per unit). Enforcement of the affordability period will be through mortgage and deed restrictions.</p> <table style="margin-left: 40px;"> <tr> <td>Rehabilitation of less than \$15,000</td> <td>5 years</td> </tr> <tr> <td>Rehabilitation of \$15,000 - \$40,000</td> <td>10 years</td> </tr> <tr> <td>Rehabilitation of \$40,000 +</td> <td>15 years</td> </tr> </table>	Rehabilitation of less than \$15,000	5 years	Rehabilitation of \$15,000 - \$40,000	10 years	Rehabilitation of \$40,000 +	15 years
Rehabilitation of less than \$15,000	5 years						
Rehabilitation of \$15,000 - \$40,000	10 years						
Rehabilitation of \$40,000 +	15 years						

	<p>If NSP funds assist a property that was previously assisted with HOME funds, but on which the affordability restrictions were terminated through foreclosures or transfer in lieu of foreclosure, the NSP recipient must revive the HOME affordability restrictions for the greater of the remaining period of HOME affordability or the continuing affordability requirements of the NSP program.</p>
<p>Housing Rehabilitation Standards</p>	<p>Per the NSP requirements, any rehabilitation of an abandoned or foreclosed home or residential property shall be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability, in order to sell, rent or redevelop such homes and properties. More specific requirements include:</p> <ul style="list-style-type: none"> <li>○ All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.</li> <li>○ All gut rehabilitation or new construction of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).</li> <li>○ Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.</li> <li>○ Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.</li> <li>○ Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).</li> </ul> <p>As identified within the <i>2010-2014 Housing and Community Development Consolidated Plan</i>, “substandard conditions” is defined as “the quality of housing not in compliance with local housing code or Federal Housing Quality Standards (HQS), whichever is stricter.” Substandard condition but suitable for rehabilitation is defined as “the quality of housing with deficiencies economically feasible to correct.” Housing, in substandard condition but suitable for rehabilitation, can be repaired according to local building codes and HQS and then be returned to the housing stock as safe, decent and sanitary.</p> <p>As stated within the Consolidated Plan - Needs Section for Lake County’s</p>



	<p>Housing Rehabilitation Goal:</p> <p>“Although the majority of Lake County’s housing stock is in generally good condition, pockets of substandard housing exist throughout the County, especially in low-income areas. Rehabilitation of both rental and ownership units are needed to improve these units to decent, safe and sanitary condition. In addition, the acquisition and rehabilitation of existing residential properties creates opportunities to increase the supply of affordable rental and ownership units.”</p> <p>Use of NSP-funding for the acquisition and rehabilitation of vacant and foreclosed properties for (future) income eligible occupants will assist in this effort.</p>
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#### 4. Low-Income Targeting

##### Low-Income Set-Aside Amount

**Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.**

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$342,606

##### Meeting Low-Income Target

**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

Lake County will address its low-income requirement by setting up a separate NSP activity in the amount of \$342,606. These funds will be allocated specifically to address the low income targeting requirement. Once established, either the County’s subgrantees or developers may apply on a rolling basis to the fund to undertake housing, both rental and for-sale, for low income households. The fund will operate until its balance has been depleted. Funds may be used in any “active” area of greatest need. Applications providing for rental housing will be preferred.

#### 5. Acquisition and Relocation

##### Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	Yes
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If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	4
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably	Waukegan: 1 North Chicago: 2

expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	Lake County:3 Total: 6
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	A minimum of 2

Lake County will not allow NSP 3 funds to be used for relocation expenses.

## 6. Public Comment

### Citizen Participation Plan

<p><b>Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.</b></p> <p>The NSP application for funds consists of a <b><u>substantial amendment</u></b> to Lake County’s 2010 Annual Action Plan which was approved by HUD on June 30, 2010. The customary HUD-required Citizen Participation process has been waived by HUD, such that the amended Action Plan must be published through the County’s usual methods and be available on the County’s website for at least 15 calendar days for public comment as NSP materials are developed, published, and submitted to HUD (<a href="http://www.lakecountyil.gov/nsp">www.lakecountyil.gov/nsp</a>). A copy of this Plan, including all maps and appendices is on the County website. Any additional versions of this Plan which result from the comments generated by the public or other interested parties will be posted at the above website.</p> <p>A “Citizen Participation Notice” was published on XXXXX in the News-Sun regarding the <u>2010 Housing &amp; Community Development Consolidated Annual Action Plan Substantial Amendment Neighborhood Stabilization Program – Round 3</u> (See Appendix C). Copies of the proposed <u>Substantial Amendment</u> were made available at five libraries in different areas of the County, and were distributed to groups and individuals on request. The proposed <u>Substantial Amendment</u> was available for citizen comment for at least a 15 day calendar comment period prior to approval by the Lake County Board.</p> <p>Submission of the Substantial Amendment is due to HUD on or before March 1, 2011. However, should HUD require revision and resubmission, according to NSP statutory program requirements, any such resubmission must be received by HUD within 45 days of the date of the first disapproval.</p>
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### Summary of Public Comments Received.

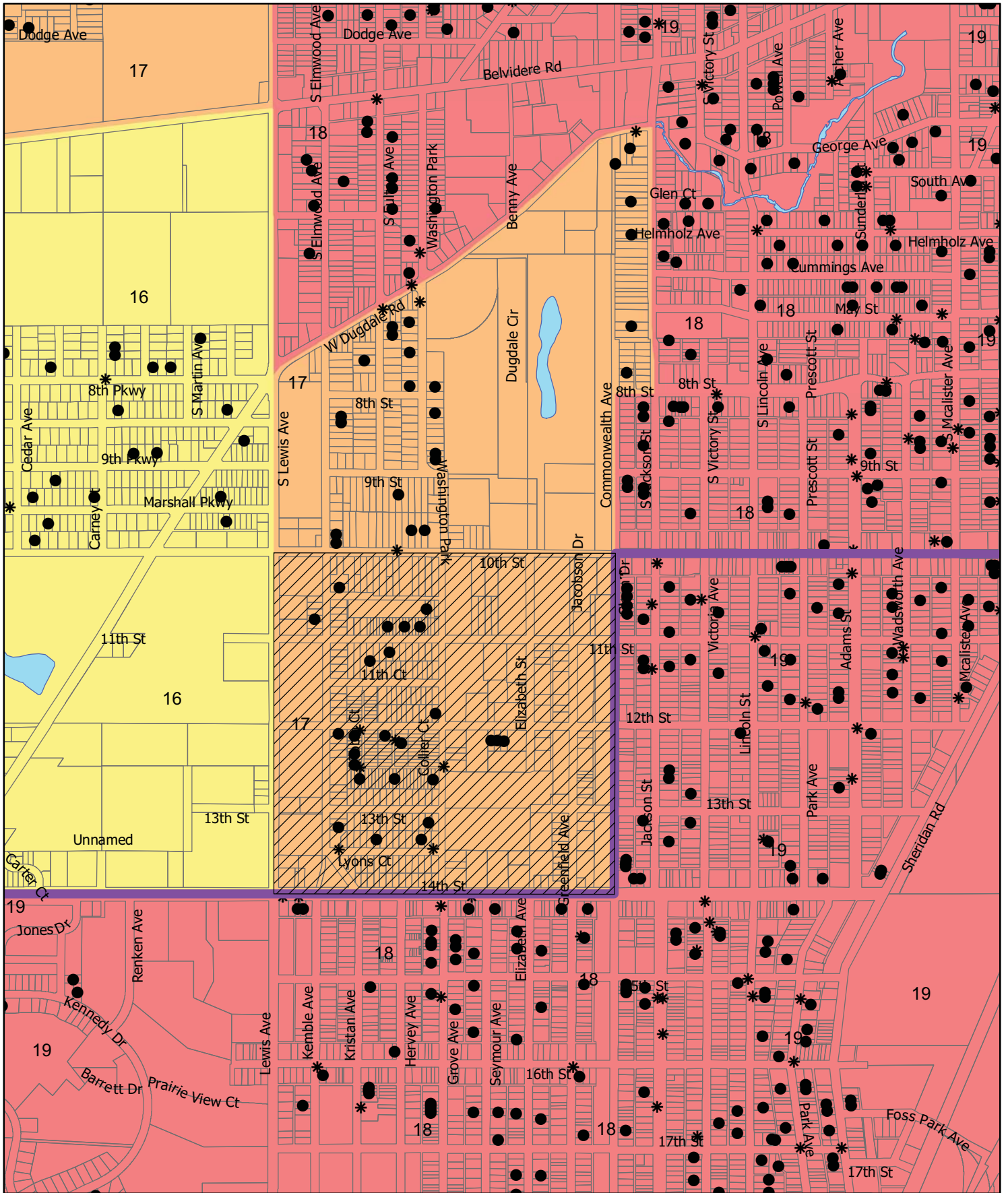
The summary of public comments received along with responses are included in Appendix D.

## 7. NSP Information by Activity

Activity Number 1	
Activity Name	Waukegan NSP 3
Uses	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input checked="" type="checkbox"/> Eligible Use D: Demolition
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment	



<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition 24 CFR 570.201(b) Disposition 24 CFR 570.201(d) Clearance for Blighted Structures 24 CFR 570.201(e) Public Services for Housing Counseling 24 CFR 570.201(n) Direct Homeownership Assistance 24 CFR 570.202 Rehabilitation 24 CFR 570.206 Activity Project Delivery Costs
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p><i>General Description:</i> The activities undertaken in the identified areas of greatest need within the City of Waukegan will be a continuation of the NSP 1 purchase/rehabilitation/resale program combined with the selected demolition of units which meet the definition of blighted under this Plan to ensure the viability of the purchase/rehabilitation/resale model. It should be noted that if homes are unable to be resold, homes purchased and rehabilitated may also be made rental units. The demolition of units will occur through the emergency demolition of selected properties based on an evaluation by the City of Waukegan in accordance with the blight definition found within this Plan. Once a structure is demolished, a lien will be placed on the property containing the required affordability restriction. Before development of the property can take place, the lien must be repaid. Any demolition activities in Waukegan would most likely occur in Area 2.</p> <p><i>Relationship to Local Housing Market:</i> While both areas 1 and 2 present many challenges, including the presence of high unemployment, the program will ensure positive impacts on current and future residents through a multi-faceted program. Understanding that even with the resale of NSP 1 funded homes, the total funds available to address areas 1 or 2 are limited, the areas chosen by Waukegan are designed to leverage previous and planned development activities within the areas.</p> <p>Area 1 will be the first target area due to the City’s past and future efforts to stabilize the area outside of the NSP program. Habitat for Humanity Lake County has constructed 33 new homes within the area since 2007. In the next two years, Waukegan will be undertaking new streetscape projects within Area 1 to improve the water, sewer, road and sidewalk network in the area. Area 2 is a residential neighborhood for which a few key properties are currently negatively impacting the neighborhood. Therefore, the strategy for Area 2 anticipates that selected demolition may be necessary.</p> <p>Beyond these targeted activities, once the NSP program is kicked off within an area, the City will also complement the program with additional efforts. The City will target its local housing rehabilitation funds to existing and new income eligible owner occupants in the “active” area. This targeting will occur through direct outreach to homeowners and marketing of the program to the area of greatest need. The Waukegan Reinvestment program (HOME funded downpayment assistance) specifically targets homebuyers who will be purchasing a foreclosure within the City and this program will be targeted to increase sales of foreclosed homes within the target areas. Waukegan also</p>



**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- NSP 1 Boundary
- NSP 1 Sites

**NSP 3 Need Score**

2 - 9	17
10 - 13	18 - 19
14 - 16	
Area of Greatest Need 1	

**Waukegan**  
**Area of Greatest Need 1**

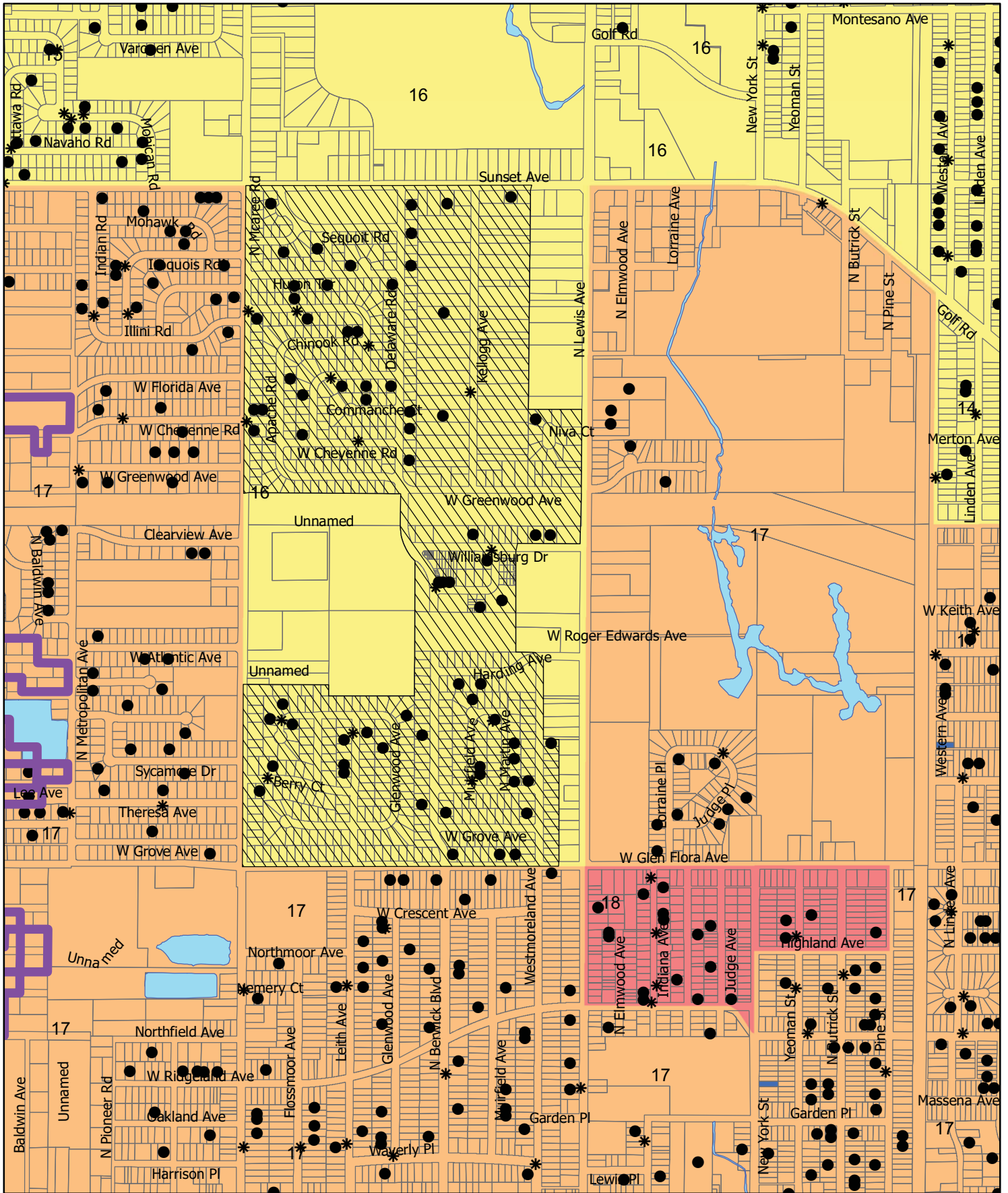
0 300 600 1,200 Feet

N





	<p>proposes to focus on the “active” area with its code enforcement staff to improve the appearance of structures not assisted with HOME, CDBG or NSP funds.</p> <p><i>Duration or Term of Assistance:</i> The required period of affordability shall meet those found in the HOME Final Rule.</p> <p><i>Tenure of Beneficiaries:</i> Homeowners and/or Renters</p> <p><i>Expected Benefit to Income Qualified Persons or Households or Areas:</i> Affordability/ Decent, Sanitary and Safe Housing</p> <p><i>Assurance of Continued Affordability:</i> As discussed in the definitions and descriptions, there are components which will ensure continued affordability of units.</p> <p>From a regulatory standpoint, units will be restricted in accordance with HOME program regulations on the required period of affordability. Resale and Recapture provisions outlined in the Lake County Consortium’s Annual Action Plan apply to NSP assisted foreclosed and rehabilitated properties.</p> <p>From a rehabilitation standpoint, units will be rehabilitated via the standards outlined in this Plan, including the required energy efficiency requirements, to ensure that long-term affordability for NSP homeowners is not threatened due to either unaddressed code issues, the failure of key systems which should have been addressed or higher energy costs which eat away at the ability of a homeowner to maintain homeownership.</p> <p><i>NSP3 Heightened Section 3:</i> The City of Waukegan, the proposed operator of this program, currently operates a housing rehabilitation program which utilizes local contractors who draw workers from the City of Waukegan. Preference for contractors who have or will employ workers from within the areas of greatest need will be fostered by the inclusion of such targeted employment as a criterion of the bidding process.</p> <p><i>Rental Housing Preference:</i> The Lake County NSP 3 Plan addresses the rental preference requirement through Activity 4.</p>	
<b>Location Description</b>	Area 1 followed by Area 2 provided successful operation of the program.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$222,693
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	<b>\$222,693</b>	
<b>Performance Measures</b>	Housing Units/ HUD Impact Score for Area of Greatest Need Area 1 Impact Score- 2 Area 2 Impact Score- 3	
<b>Projected Start Date</b>	The date of execution of a grant agreement with HUD.	
<b>Projected End Date</b>	December 31, 2014	
<b>Responsible</b>	<b>Name</b>	City of Waukegan



**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- NSP 1 Boundry
- NSP 1 Sites

**NSP 3 Need Score**

	2 - 9		17
	10 - 13		18 - 19
	14 - 16		

Area of Greatest Need 2

**Waukegan**  
**Area of Greatest Need 2**

0    300    600    1,200  
Feet

N

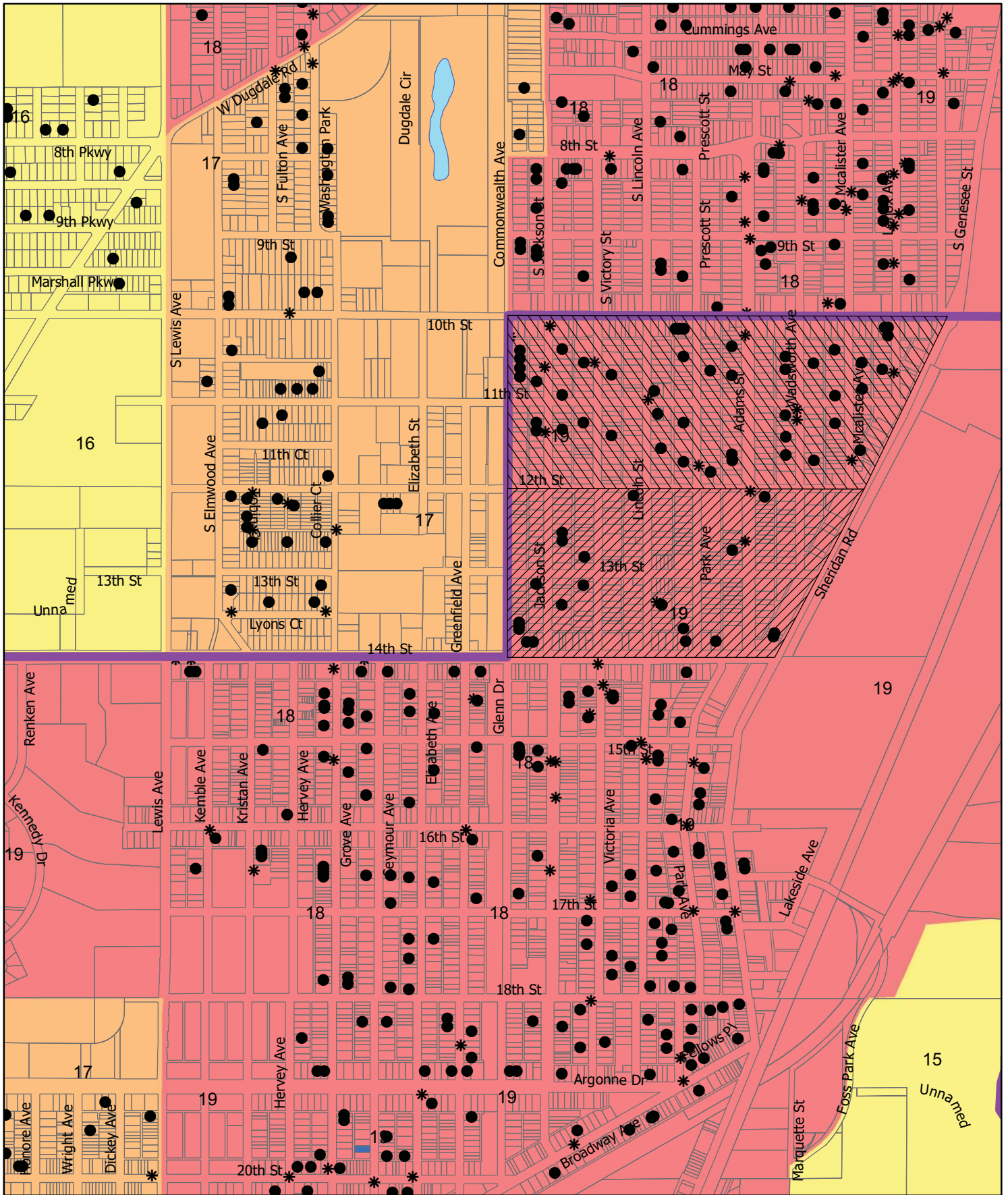


<b>Organization</b>		Ezell Robins
	<b>Location</b>	100 N. Martin Luther King Jr. Avenue, Waukegan, IL
	<b>Administrator Contact Info</b>	<a href="mailto:ezell.robins@ci.waukegan.il.us">ezell.robins@ci.waukegan.il.us</a> ; (847) 599-2532

<b>Activity Number 2</b>	
<b>Activity Name</b>	North Chicago NSP 3
<b>Use</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input checked="" type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition 24 CFR 570.201(b) Disposition 24 CFR 570.201(d) Clearance for Blighted Structures 24 CFR 570.201(e) Public Services for Housing Counseling 24 CFR 570.201(n) Direct Homeownership Assistance 24 CFR 570.202 Rehabilitation 24 CFR 570.206 Activity Project Delivery Costs
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p><i>General Description:</i> The activities undertaken in the identified areas of greatest need within the City of North Chicago will be a continuation of the NSP 1 purchase/rehabilitation/resale program combined with the selected demolition of units which meet the definition of blighted under this Plan to ensure the viability of the purchase/rehabilitation/resale model. The demolition of units will occur through the emergency demolition of selected properties based on an evaluation by the City of North Chicago in accordance with the blight definition found within this Plan. Once a structure is demolished, a lien will be placed on the property containing the required affordability restriction. Before development of the property can take place, the lien must be repaid.</p> <p><i>Relationship to Local Housing Market:</i> While both areas of greatest need are ones of high unemployment, it is the standing policy of North Chicago to encourage homeownership as the City is majority renter (57.6% of occupied housing units per the 2005-2009 American Community Survey). Previous HOME funded activities have highlighted the need to address neighborhoods holistically through a targeted focus on increasing homeownership while also addressing properties which exert a blighting influence on the neighborhood through selected demolition.</p> <p>Even with the resale of NSP 1 funded homes, the total funds available to address areas 1 or 2 are limited. Therefore, this Plan recommends and anticipates that local housing rehabilitation funds for existing or new income</p>



	<p>eligible owner occupants will be targeted to the “active” area of greatest need. This targeting will occur through direct outreach to homeowners and marketing of the program to the area of greatest need. It is also recommended that any first-time homebuyer funds or downpayment assistance funds be targeted towards the eligible areas to increase the pot of available funds for purchasers of NSP homes.</p> <p><i>Duration or Term of Assistance:</i> The required period of affordability shall meet those found in the HOME Final Rule.</p> <p><i>Tenure of Beneficiaries:</i> Homeowners</p> <p><i>Expected Benefit to Income Qualified Persons or Households or Areas:</i> Affordability/ Decent, Sanitary and Safe Housing</p> <p><i>Assurance of Continued Affordability:</i> As discussed in the definitions and descriptions, there are components which will ensure continued affordability of units.</p> <p>From a regulatory standpoint, units will be restricted in accordance with HOME program regulations on the required period of affordability. Resale and Recapture provisions outlined in the Lake County Consortium’s Annual Action Plan apply to NSP assisted foreclosed and rehabilitated properties.</p> <p>From a rehabilitation standpoint, units will be rehabilitated via the standards outlined in this Plan, including the required energy efficiency requirements, to ensure that long-term affordability for NSP homeowners is not threatened due to either unaddressed code issues, the failure of key systems which should have been addressed at the time of rehabilitation (e.g. roof or hot water heater) or higher energy costs which eat away at the ability of a homeowner to afford homeownership.</p> <p><i>NSP3 Heightened Section 3:</i> The City of North Chicago, the proposed operator of this program, currently operates a housing rehabilitation program which utilizes local contractors who draw workers from the City of North Chicago. Preference for contractors who have or will employ workers from within the areas of greatest need will be fostered by the inclusion of such targeted employment as an aspect of the bidding process.</p> <p><i>Rental Housing Preference:</i> The Lake County NSP 3 Plan addresses the rental preference issue through Activity 4.</p>	
<b>Location Description</b>	Area 1 followed by Area 2 provided successful operation of the program.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$178,155
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$178,155	
<b>Performance Measures</b>	Housing Units/ HUD Impact Score for Area of Greatest Need Area 1 Impact Score- 3	



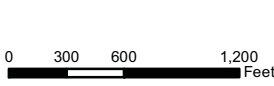
**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- NSP 1 Boundary
- NSP 1 Sites

**NSP 3 Need Score**

<span style="display: inline-block; width: 15px; height: 15px; background-color: #008000; border: 1px solid black;"></span> 2 - 9	<span style="display: inline-block; width: 15px; height: 15px; background-color: #FF8C00; border: 1px solid black;"></span> 17
<span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black;"></span> 10 - 13	<span style="display: inline-block; width: 15px; height: 15px; background-color: #FF0000; border: 1px solid black;"></span> 18 - 19
<span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black;"></span> 14 - 16	
<span style="display: inline-block; width: 15px; height: 15px; border: 1px solid black; border-style: dashed;"></span> Area of Greatest Need 1	
<span style="display: inline-block; width: 15px; height: 15px; border: 1px solid black; border-style: dotted;"></span> Area of Greatest Need 2	

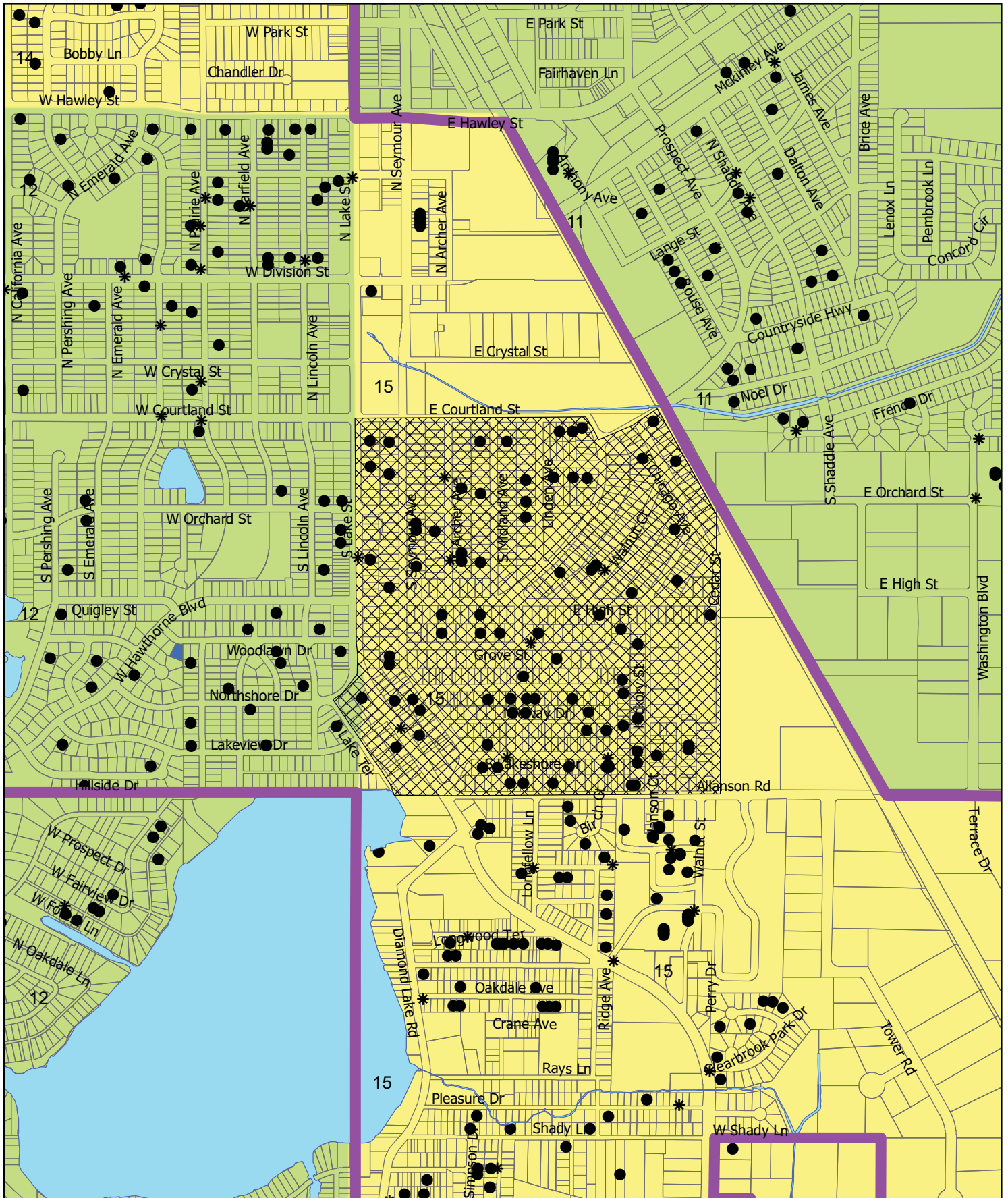
**North Chicago  
Areas of Greatest Need**



	Area 2 Impact Score- 4	
<b>Projected Start Date</b>	The date of execution of a grant agreement with HUD.	
<b>Projected End Date</b>	December 31,2014	
<b>Responsible Organization</b>	<b>Name</b>	City of North Chicago Pam Jeffries
	<b>Location</b>	1850 Lewis Avenue, North Chicago, IL
	<b>Administrator Contact Info</b>	<a href="mailto:pamjef@northchicago.org">pamjef@northchicago.org</a> (847) 596-8672

<b>Activity Number 3</b>	
<b>Activity Name</b>	Lake County NSP 3
<b>Use</b>	Select all that apply:
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input checked="" type="checkbox"/> Eligible Use D: Demolition
<input checked="" type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition 24 CFR 570.201(b) Disposition 24 CFR 570.201(d) Clearance for Blighted Structures 24 CFR 570.201(e) Public Services for Housing Counseling 24 CFR 570.201(n) Direct Homeownership Assistance 24 CFR 570.202 Rehabilitation 24 CFR 570.206 Activity Project Delivery Costs
<b>National Objective</b>	Low Moderate Middle Income Housing (LMMH)
<b>Activity Description</b>	<p><i>General Description:</i> The activities undertaken in the identified areas of greatest need within the remainder of Lake County will be a continuation of the NSP 1 purchase/rehabilitation/resale program combined with the selected demolition of units which meet the definition of blighted under this Plan to ensure the viability of the purchase/rehabilitation/resale model. It should be noted that if homes are unable to be resold, homes purchased and rehabilitated may also be made rental units. The demolition of units will occur through the emergency demolition of selected properties based on an evaluation by AHC in consultation with local code enforcement staff in accordance with the blight definition found within this Plan. Once a structure is demolished, a lien will be placed on the property containing the required affordability restriction. Before development of the property can take place, the lien must be repaid. Any demolition activities in Lake County would most likely occur in Zion 2.</p> <p><i>Relationship to Local Housing Market:</i> Due to the size and diversity of Lake County, the three identified areas of greatest need have NSP 3 Need Scores which range from 14.98 in Mundelein to 19 in Zion. Therefore the program proposed for Lake County is largely the same in all three areas, but will feature differences in operation which reflect the differences between target areas. Both Mundelein 1 and Round Lake Beach 1 will feature a</p>





**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- NSP 1 Boundary
- NSP 1 Sites
- Area of Greatest Need

**NSP 3 Need Score**

2 - 9	17
10 - 13	18 - 19
14 - 16	

**Mundelein Area of Greatest Need**

0 300 600 1,200 Feet

N



purchase/rehabilitation/resale program designed to maintain strong neighborhoods through an improved housing stock and continued affordable homeownership opportunities within each area.

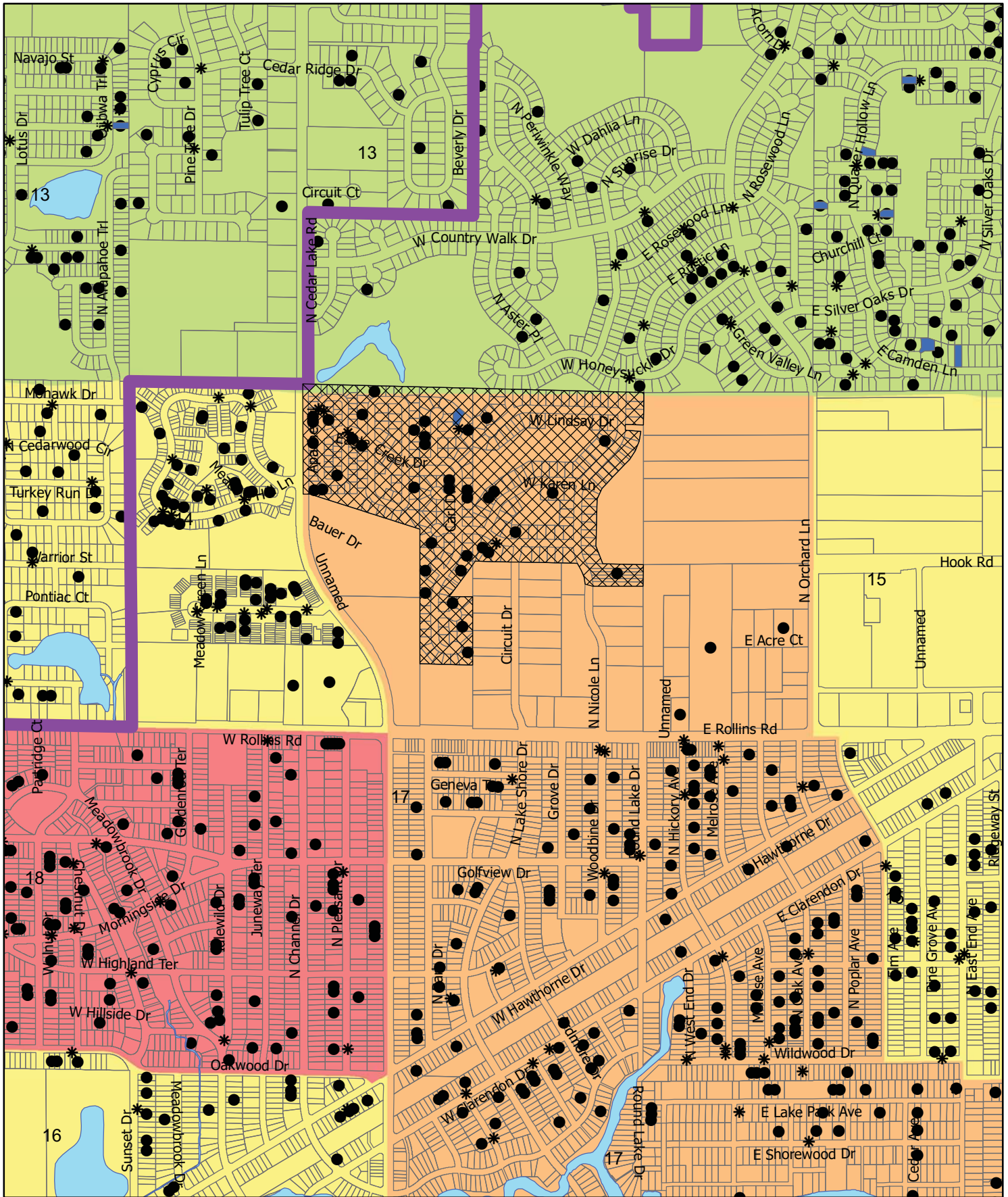
The Mundelein area is an outgrowth of the Village's current and future planning efforts. The Village's future planning efforts will focus on developing a thriving downtown and redevelopment of the Diamond Lake area. The area of greatest need occupies a central location within the Village, a lynchpin connecting a stable residential area to the west, downtown Mundelein to the north and the Diamond Lake area to the south.

The Round Lake Beach area is an outgrowth of recent efforts by both the Village and neighborhood groups to improve the attractiveness and desirability of the residential areas east and west of Cedar Lake Road, including Meadow Green and Countryside Lane. The efforts in Meadow Green resulted in a 2006 Governor's Hometown Award for the establishment of TIF district with the Homeowners Association to help support renovations of the units and repair the failing infrastructure system to provide a safer and cleaner neighborhood and higher property values. The NSP 3 area to the west of these subdivisions will allow the continued improvement of the housing stock within this area of the Village.

The Zion 2 target area will focus on increasing homeownership opportunities through the overall stabilization of the neighborhood (rehabilitation of existing owner occupied units, demolition of units exhibiting a blighting influence and the provision of first-time homebuyer assistance to ensure that low income households can purchase homes). With the presence of numerous key local institutions within the Zion 2 target area, including the public library, police headquarters and Central Junior High School combined with the NSP 1 rental rehabilitation project occurring at a key gateway for the neighborhood, it is believed that the neighborhood can be made an attractive one for ownership.

In all three cases, this Plan recognizes the need to leverage NSP dollars with other funding sources and programs. Therefore, once the NSP program is kicked off within a target area, the AHC in concert with the partner municipality will also complement the program with additional activities. AHC will target its local housing rehabilitation funds to existing and new income eligible owner occupants in the "active" target area. This targeting will occur through direct outreach to homeowners and marketing of the program to the area of greatest need. AHC will also target its first-time homebuyer program to increase sales of homes within the target areas. All three municipalities have agreed to commence targeted code enforcement work within the "Active" area of greatest need to reduce signs of neglect in properties which cannot be addressed through other programs.

*Duration or Term of Assistance:* The required period of affordability shall meet those found in the HOME Final Rule.



**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- NSP 1 Boundry
- NSP 1 Sites
- ▨ Area of Greatest Need

**NSP 3 Need Score**

	2 - 9		17
	10 - 13		18 - 19
	14 - 16		

**Round Lake Beach  
Area of Greatest Need**

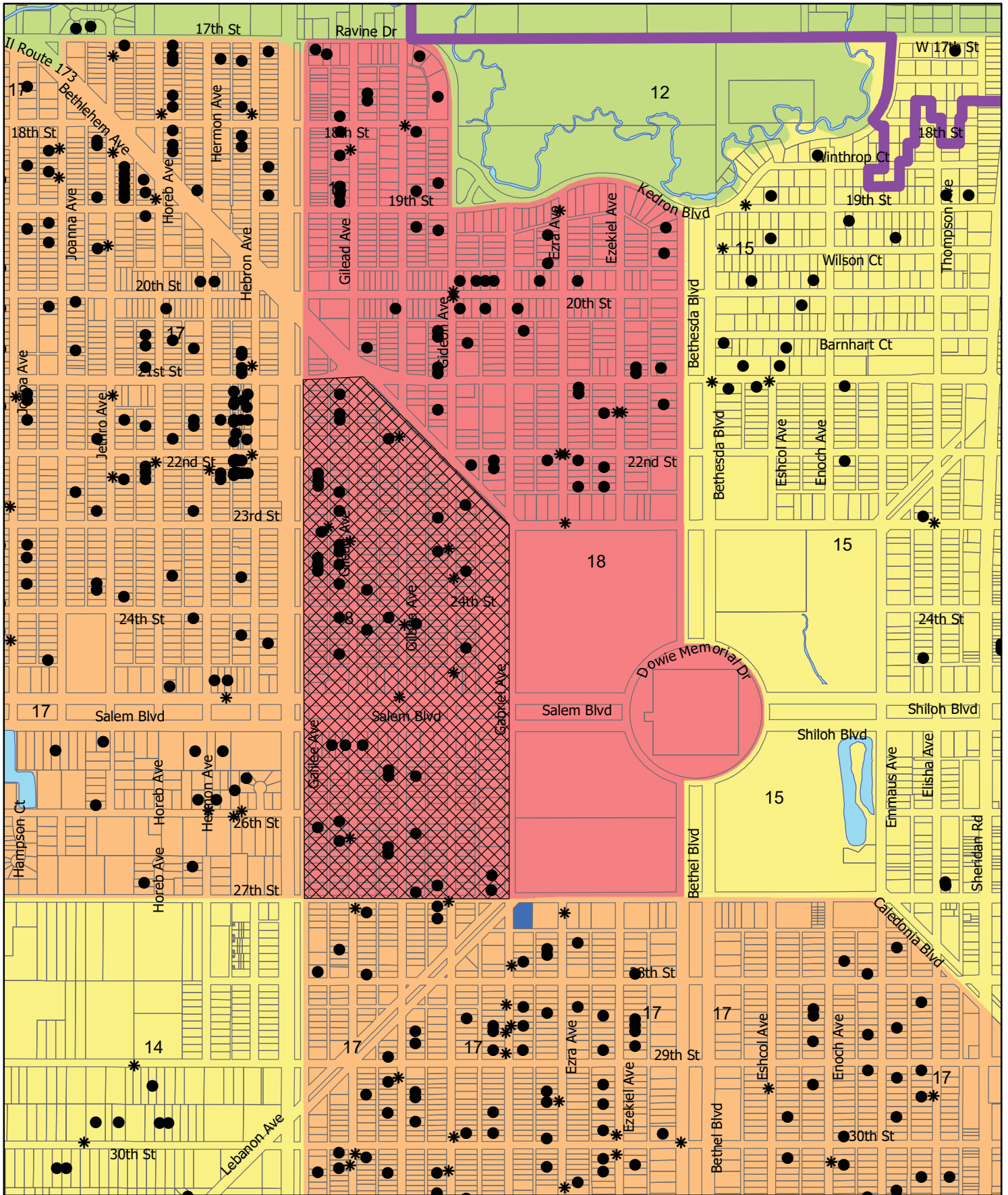
0    300    600    1,200  
Feet

N





	<p><i>Tenure of Beneficiaries:</i> Homeowners and/or Renters</p> <p><i>Expected Benefit to Income Qualified Persons or Households or Areas:</i> Affordability/ Decent, Sanitary and Safe Housing</p> <p><i>Assurance of Continued Affordability:</i> As discussed in the definitions and descriptions, there are components which will ensure continued affordability of units.</p> <p>From a regulatory standpoint, units will be restricted in accordance with HOME program regulations on the required period of affordability. Resale and Recapture provisions outlined in the Lake County Consortium’s Annual Action Plan apply to NSP assisted foreclosed and rehabilitated properties.</p> <p>From a rehabilitation standpoint, units will be rehabilitated via the standards outlined in this Plan, including the required energy efficiency requirements, to ensure that long-term affordability for NSP homeowners is not threatened due to either unaddressed code issues, the failure of key systems which should have been addressed at the time of rehabilitation (e.g. roof or hot water heater) or higher energy costs which eat away at the ability of a homeowner to maintain homeownership.</p> <p><i>NSP3 Heightened Section 3:</i> AHC, the proposed operator of this program, currently operates a housing rehabilitation program which utilizes local contractors who draw workers from throughout Lake County. Preference for contractors who employ workers from within the area of greatest need will be fostered by the inclusion of such targeted employment as a criterion in the bidding process.</p> <p><i>Rental Housing Preference:</i> The Lake County NSP 3 Plan addresses the rental preference requirement through Activity 4.</p>	
<b>Location Description</b>	Mundelein 1 followed by Round Lake Beach 1 followed by Zion 2 provided successful operation of the program.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$489,925
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$489,925	
<b>Performance Measures</b>	Housing Units/ HUD Impact Score for Area of Greatest Need Mundelein 1 Impact Score-5 Round Lake Beach 1 Impact Score-5 Zion 2 Impact Score-4	
<b>Projected Start Date</b>	The date of execution of a grant agreement with HUD.	
<b>Projected End Date</b>	December 31,2014	
<b>Responsible Organization</b>	<b>Name</b>	Affordable Housing Corporation of Lake County Lisa Pugliese
	<b>Location</b>	1590 S. Milwaukee Avenue, Suite 312,



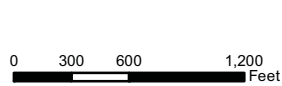
**Legend**

- \* Auction
- Foreclosure Notices & Lis Pendens
- ▭ NSP 1 Boundary
- ▭ NSP 1 Sites
- ▨ Area of Greatest Need

**NSP 3 Need Score**

	2 - 9		17
	10 - 13		18 - 19
	14 - 16		

*Zion Area of Greatest Need*



	Libertyville IL
<b>Administrator Contact Info</b>	<a href="mailto:lpugliese@ahclc.org">lpugliese@ahclc.org</a> (847) 263-7478

<b>Activity Number 4</b>	
<b>Activity Name</b>	NSP 3 25%
<b>Use</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.201(a) Acquisition 24 CFR 570.201(b) Disposition 24 CFR 570.201(e) Public Services for Housing Counseling 24 CFR 570.201(n) Direct Homeownership Assistance 24 CFR 570.202 Rehabilitation 24 CFR 570.206 Activity Project Delivery Costs
<b>National Objective</b>	Low-Income Housing to Meet 25% Set-Aside (LH25)
<b>Activity Description</b>	<p><i>General Description:</i> All actions undertaken as part of this activity shall address the 25% low-income requirement. Funds shall be available for application by existing subgrantees or by non-profit developers on a rolling basis to develop for-sale or rental projects which will meet the 25% low-income requirements within any "active" area of greatest need.</p> <p><i>Relationship to Local Housing Market:</i> This activity responds specifically to the dual requirements for targeting to low-income households and for the preference for the development of rental units. The relationship between the use of these funds and their impact on a target area will be addressed through the application process for the funds. This process will require that applicants explain how the inclusion of low income housing, whether rental or for-sale, fits in as part of the overall NSP plan for a given area of greatest need.</p> <p><i>Duration or Term of Assistance:</i> The required period of affordability shall meet those found in the HOME Final Rule.</p> <p><i>Tenure of Beneficiaries:</i> Homeowners or Renters, with a preference for renters.</p> <p><i>Expected Benefit to Income Qualified Persons or Households or Areas:</i> Affordability/ Decent, Sanitary and Safe Housing</p> <p><i>Assurance of Continued Affordability:</i> As discussed in the definitions and descriptions, there are components which will ensure continued affordability of units.</p>



	<p>From a regulatory standpoint, units will be restricted in accordance with HOME program regulations on the required period of affordability. Resale and Recapture provisions outlined in the Lake County Consortium’s Annual Action Plan apply to NSP assisted foreclosed and rehabilitated properties.</p> <p>From a rehabilitation standpoint, units will be rehabilitated via the standards outlined in this Plan, including the required energy efficiency requirements, to ensure that long-term affordability for NSP homeowners and renters is not threatened due to either unaddressed code issues, the failure of key systems which should have been addressed at the time of rehabilitation (e.g. roof or hot water heater) or higher energy costs which eat away at the ability to maintain occupancy.</p> <p><i>NSP3 Heightened Section 3:</i> Through the low-income component of its NSP 1 program, Lake County’s partners have complied with existing Section 3 requirements, including soliciting Zion-based contractors as part of bid packages for project work. Similarly, Lake County will require that any user of these funds identify and solicit local contractors employing individuals within the targeted area and will provide a preference for contractors who address the heightened Section 3 requirement.</p> <p><i>Rental Housing Preference:</i> As part of the application process, a preference shall be made for rental housing developments provided that the proposed rental housing fits within the overall plan to stabilize a given target area.</p>	
<b>Location Description</b>	Within any “active” areas of greatest need.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$342,606
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$342,606	
<b>Performance Measures</b>	Housing Units/ HUD Impact Score for Area of Greatest Need	
<b>Projected Start Date</b>	The date of execution of a grant agreement with HUD.	
<b>Projected End Date</b>	December 31,2014	
<b>Responsible Organization</b>	<b>Name</b>	The agency(s) will be determined through a competitive rolling applications process for either subgrantees identified in Activities 1 through 3 or non-profit affordable housing developers.
	<b>Location</b>	
	<b>Administrator Contact Info</b>	

<b>Activity Number 5</b>	
<b>Activity Name</b>	Lake County NSP 3 Administration
<b>Use</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms

	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
<b>CDBG Activity or Activities</b>	24 CFR 570.205 24CFR 570.206	
<b>National Objective</b>	NA	
<b>Activity Description</b>	<p>These funds will be used primarily for the general management, oversight and coordination of the Community Development Block Grant funded Neighborhood Stabilization Program. A portion of these funds will also be used for planning costs in connection with the development and certification of this Plan, the development of various performance report documents, and the development of continued application procedures in addition to general NSP project and program management activities. In addition, some of these funds may be used for special planning studies (if needed or requested). These funds will also be used to provide technical assistance for prospective CDBG funded NSP eligible local governments and/or non-profit agencies, NSP related training/workshops, and review of NSP funded project performance. Included as project administration activities is the County-wide standardization of NSP-related costs for:</p> <ul style="list-style-type: none"> <li>○ Contracted title services to identify/confirm post-foreclosure ownership (1 per house estimated at \$100 each);</li> <li>○ Appraisal services for post-foreclosure Fair Market Value determinations and post-rehabilitation housing purchase valuations (2 per house estimated at \$300 each);</li> <li>○ Legal representation to ensure NSP-required program and legal compliance during the acquisition of foreclosed properties for upfront legal costs (estimated at \$1,000 per house) and at each post-rehabilitation closing (1 per house estimated at \$350 each); and</li> <li>○ Contracted title services to identify/confirm post-closing NSP-required low and moderate income ownership, including NSP household eligibility and NSP period of affordability restrictions (1 per house estimated at \$100 each).</li> </ul>	
<b>Location Description</b>	NA	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$137,042
	(Other funding source)	\$
	(Other funding source)	\$
<b>Total Budget for Activity</b>	\$137,042	
<b>Performance Measures</b>	NA	
<b>Projected Start Date</b>	The date of execution of a grant agreement with HUD.	
<b>Projected End Date</b>	December 31,2014	
<b>Responsible Organization</b>	<b>Name</b>	Lake County, IL Joel Williams
	<b>Location</b>	500 West Winchester Road, Unit 101 Libertyville, IL

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	<b>Administrator Contact Info</b>	<a href="mailto:jwilliams@lakecountyil.gov">jwilliams@lakecountyil.gov</a> 847.377.2139
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## 8. Certifications

### Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## Appendix A: NSP3 Action Plan Contents Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

### 1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	<input type="checkbox"/>

### 2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	<input type="checkbox"/>
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	<input type="checkbox"/>
• With the highest percentage of homes financed by subprime mortgage related loan?; and	<input type="checkbox"/>
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	<input type="checkbox"/>
Did you create the area of greatest needs map at <a href="http://www.huduser.org/NSP/NSP3.html">http://www.huduser.org/NSP/NSP3.html</a> ?	<input type="checkbox"/>
Did you include the map as an attachment to your Action Plan?	<input type="checkbox"/>
<i>ONLY Applicable for States:</i> Did you include the needs of all entitlement communities in the State?	<input type="checkbox"/>

### 3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?:	/
• Blighted structure in context of state or local law,	<input type="checkbox"/>



<ul style="list-style-type: none"> <li>• Affordable rents,</li> <li>• Ensuring long term affordability for all NSP funded housing projects,</li> <li>• Applicable housing rehabilitation standards for NSP funded projects</li> </ul>	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>

#### 4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	<input type="checkbox"/>
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	<input type="checkbox"/>

#### 5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
<ul style="list-style-type: none"> <li>• The planned activity,</li> </ul>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>• The number of units that will result in displacement,</li> </ul>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>• The manner in which the grantee will comply with URA for those residents?</li> </ul>	<input type="checkbox"/>

#### 6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	<input type="checkbox"/>
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	<input type="checkbox"/>

#### 7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	<input type="checkbox"/>
For each eligible NSP3 activity you plan to implement did you include:	

• Eligible use or uses?	<input type="checkbox"/>
• Correlated eligible CDBG activity or activities?	<input type="checkbox"/>
• Associated national objective?	<input type="checkbox"/>
• How the activity will address local market conditions?	<input type="checkbox"/>
• Range of interest rates (if any)?	<input type="checkbox"/>
• Duration or term of assistance?	<input type="checkbox"/>
• Tenure of beneficiaries (e.g. rental or homeowner)?	<input type="checkbox"/>
• If the activity produces housing, how the design of the activity will ensure continued affordability?	<input type="checkbox"/>
• How you will, to the maximum extent possible, provide for vicinity hiring?	<input type="checkbox"/>
• Procedures used to create affordable rental housing preferences?	<input type="checkbox"/>
• Areas of greatest need addressed by the activity or activities?	<input type="checkbox"/>
• Amount of funds budgeted for the activity?	<input type="checkbox"/>
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	<input type="checkbox"/>
• Expected start and end dates of the activity?	<input type="checkbox"/>
• Name and location of the entity that will carry out the activity?	<input type="checkbox"/>

## 8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	<input type="checkbox"/>

## 9. Additional Documentation

	Yes
Did you include a signed SF-424?	<input type="checkbox"/>

---

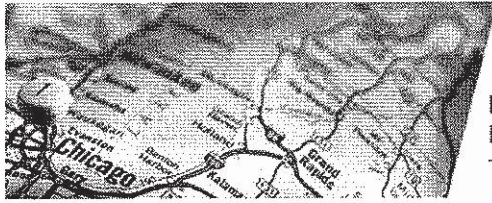
## **Appendix B: HUD-based Areas of Greatest Need Maps**

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### Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state   Select a State  Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%):  Tract Outline

[Click here for an Overview](#)

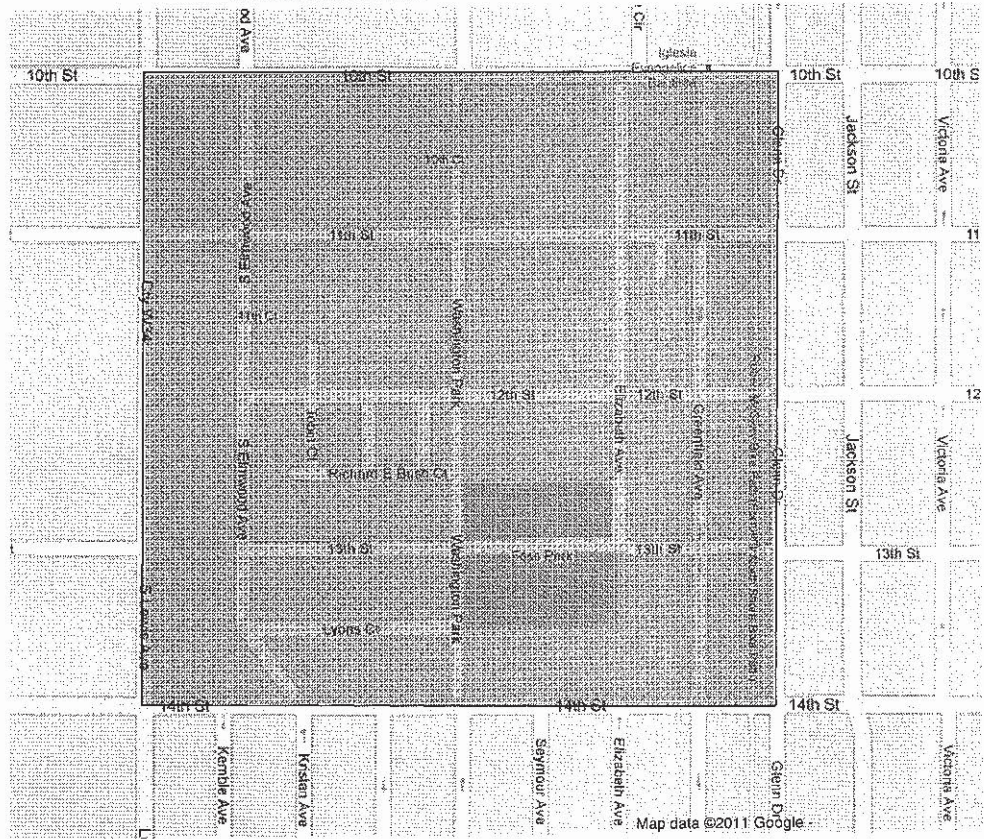
**NSP3 Options**

16 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



NSP3					
Project Name : Waukegan 1					
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA
170977930679293862502U2	329	329	17	17	252 106
Total Neighborhood Housing Units: 329 Neighborhood NSP3 Score: 17.00 State Minimum Threshold NSP3 Score: 17					



Neighborhood ID: 6030639

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: Waukegan 1

Date:2010-12-22 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 17

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 329

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 74.3

Percent Persons Less than 80% AMI: 57

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 252

Residential Addresses Vacant 90 or more days (USPS, March 2010): 18

Residential Addresses NoStat (USPS, March 2010): 6

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 106

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 39.3

Percent of Housing Units 90 or more days delinquent or in foreclosure: 14.4

Number of Foreclosure Starts in past year: 9

Number of Housing Units Real Estate Owned July 2009 to June 2010: 5

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 2

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 5.7

Place (if place over 20,000) or county unemployment rate June 2010<sup>2</sup>: 12.3

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
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5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-87.855949 42.334153 -87.855906 42.341417 -87.846079 42.341370 -87.846165 42.334089

Blocks Comprising Target Neighborhood

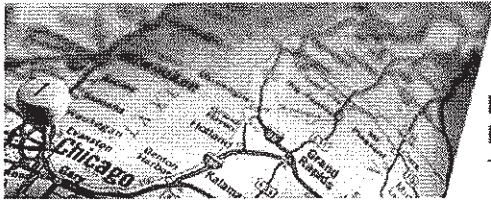
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170978625022001,

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### Neighborhood Stabilization Program Grants

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Enter an Address, city or state

Select a State  Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%):  Tract Outline

[Click here for an Overview](#)

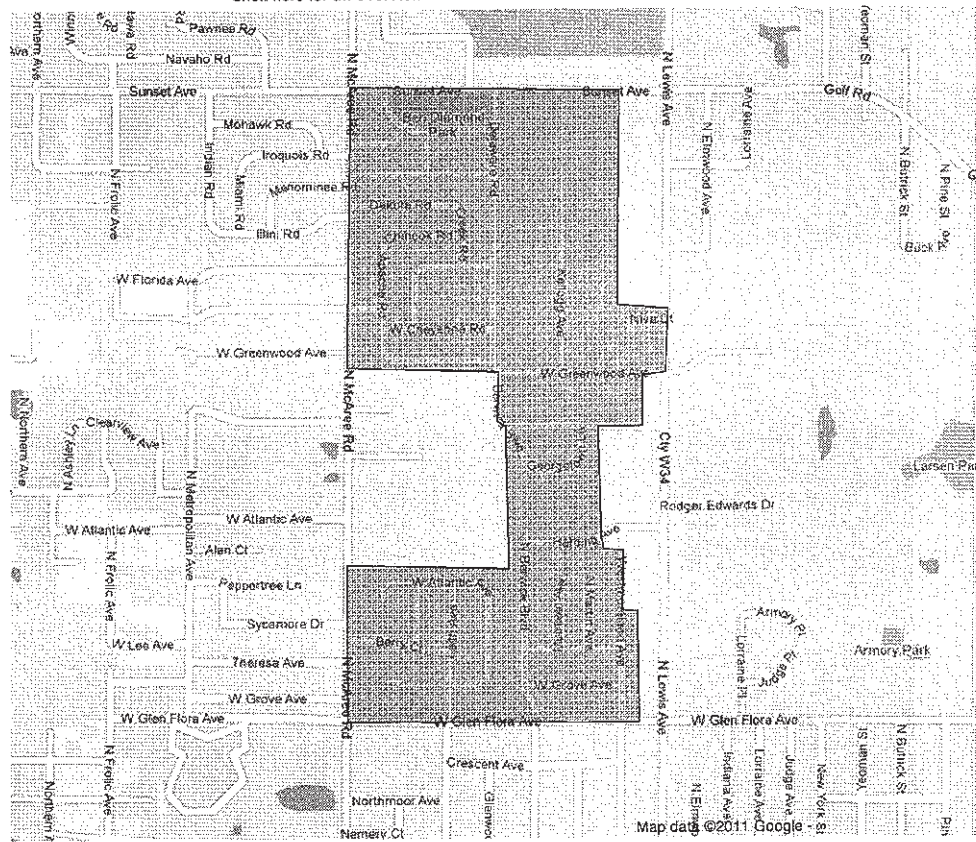
**NSP3 Options**

15 Current Zoom Level

Show Tracts Outline (Zoom 11+)

[METHODOLOGY](#) [INSTRUCTIONS](#)

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NSP3						
Project Name : Waukegan 2						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170977930679293861804U1	713	1240	16	17	1445	422
Total Neighborhood Housing Units: 713 Neighborhood NSP3 Score: 16.00 State Minimum Threshold NSP3 Score: 17						



Neighborhood ID: 9677825

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: Waukegan 2

Date:2011-01-10 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 16

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 713

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 83.7

Percent Persons Less than 80% AMI: 66.2

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 831

Residential Addresses Vacant 90 or more days (USPS, March 2010): 94

Residential Addresses NoStat (USPS, March 2010): 2

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 243

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 28

Percent of Housing Units 90 or more days delinquent or in foreclosure: 12.6

Number of Foreclosure Starts in past year: 18

Number of Housing Units Real Estate Owned July 2009 to June 2010: 10

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 3

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 5.7

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 12.3

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
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5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-87.865133 42.392086 -87.856808 42.391991 -87.856894 42.387078 -87.855306 42.386983 -87.855392  
42.385525 -87.856121 42.385477 -87.856100 42.384289 -87.857494 42.384273 -87.857409 42.381753  
-87.857344 42.381452 -87.856743 42.381420 -87.856786 42.380057 -87.856314 42.380041 -87.856250  
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-87.860606 42.384400 -87.860627 42.384701 -87.860584 42.385541 -87.865241 42.385636

Blocks Comprising Target Neighborhood

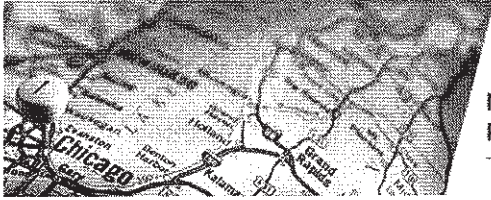
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170978618041001,

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Enter an Address, city or state

Select a State  Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%):  Tract Outline

**NSP3 Options**

16 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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NSP3						
Project Name : North Chicago 1						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170977930653559862901U3	437	437	19	17	370	119
Total Neighborhood Housing Units: 437						
Neighborhood NSP3 Score: 19.00						
State Minimum Threshold NSP3 Score: 17						



Neighborhood ID: 7471221

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: [jburch@lakecountyil.gov](mailto:jburch@lakecountyil.gov)

Neighborhood Name: North Chicago 1

Date:2011-01-10 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 19

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 437

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 90.4

Percent Persons Less than 80% AMI: 74.3

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

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In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 370

Residential Addresses Vacant 90 or more days (USPS, March 2010): 35

Residential Addresses NoStat (USPS, March 2010): 10

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 119

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 48

Percent of Housing Units 90 or more days delinquent or in foreclosure: 18.1

Number of Foreclosure Starts in past year: 13

Number of Housing Units Real Estate Owned July 2009 to June 2010: 7

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Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 3

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 8.7

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 16.8

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

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### Latitude and Longitude of corner points

-87.846165 42.337706 -87.846165 42.334121 -87.838569 42.334057 -87.835994 42.337595

Blocks Comprising Target Neighborhood

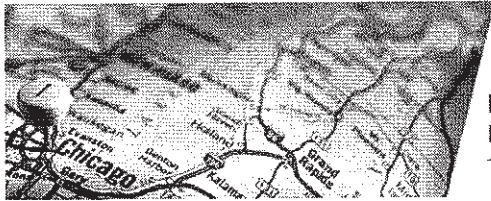
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Enter an Address, city or state

Select a State  Select a County

Map Options : [Clear](#) | [Reset](#)

Click Mode: [Zoom](#) | [Info](#)

NSP3 Legend (%):  Tract Outline

[Click here for an Overview](#)

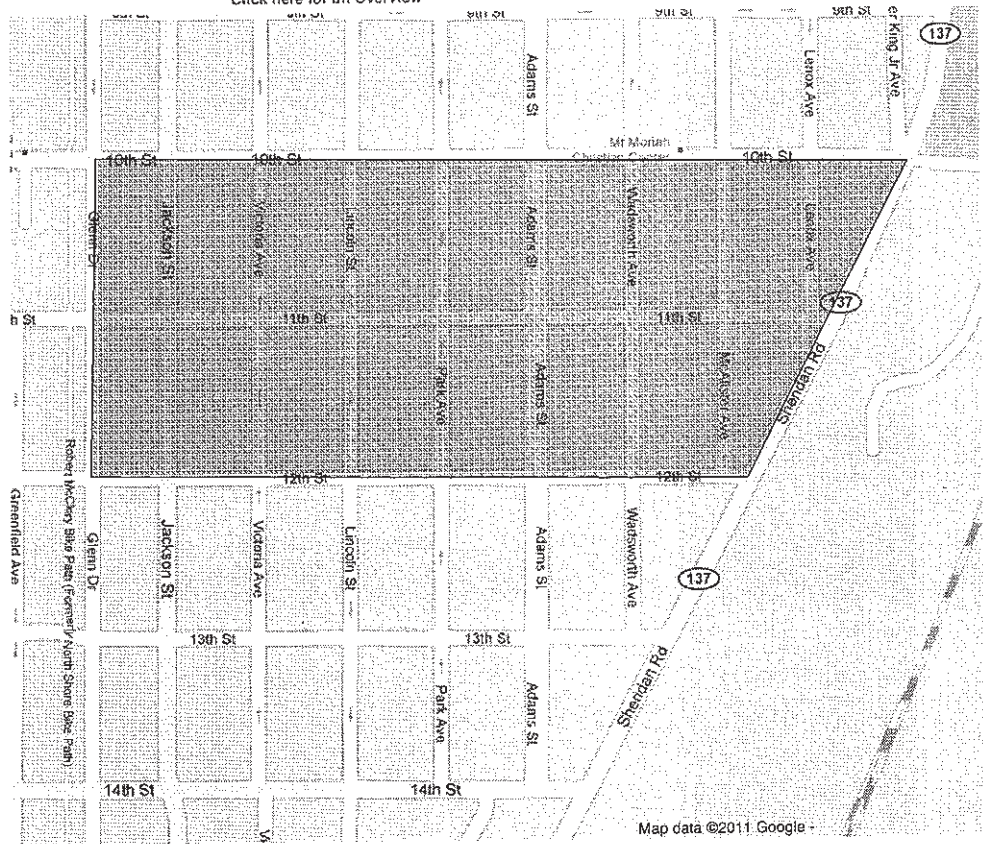
**NSP3 Options**

16 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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Map data ©2011 Google

NSP3						
Project Name : North Chicago 2						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170977930653559862901U1	87	139	19	17	118	38
170977930653559862901U4	516	516	19	17	437	140
Total Neighborhood Housing Units: 603 Neighborhood NSP3 Score: 19.00 State Minimum Threshold NSP3 Score: 17						



Neighborhood ID: 4953155

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: North Chicago 2

Date:2011-01-10 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 19

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 603

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 84.43

Percent Persons Less than 80% AMI: 64.93

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 511

Residential Addresses Vacant 90 or more days (USPS, March 2010): 49

Residential Addresses NoStat (USPS, March 2010): 14

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 164

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 48

Percent of Housing Units 90 or more days delinquent or in foreclosure: 18.1

Number of Foreclosure Starts in past year: 18

Number of Housing Units Real Estate Owned July 2009 to June 2010: 9

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 4

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 8.7

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 16.8

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-87.846057 42.341338 -87.846143 42.337690 -87.835994 42.337611 -87.833505 42.341227

Blocks Comprising Target Neighborhood

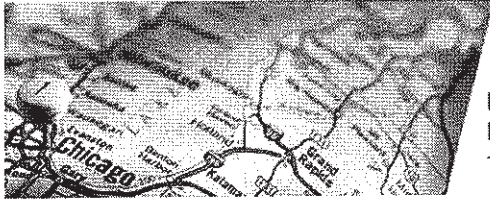
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170978629014008, 170978629014007,

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### Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Select a State  Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%):  Tract Outline

[Click here for an Overview](#)

**NSP3 Options**

16 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



NSP3						
Project Name : Mundelein 1						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170972792351349864108U2	5	814	12	17	1067	416
170974326351349864002U1	281	335	15	17	375	163
170974326351349864002U3	471	567	15	17	634	276
170974326351349864002U4	35	447	15	17	500	218
<b>Total Neighborhood Housing Units: 792</b>						
<b>Neighborhood NSP3 Score: 14.98</b>						
<b>State Minimum Threshold NSP3 Score: 17</b>						



Neighborhood ID: 7531372

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: Mundelein 1

Date:2011-01-06 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 14.98

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 792

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 67.64

Percent Persons Less than 80% AMI: 42.24

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 887

Residential Addresses Vacant 90 or more days (USPS, March 2010): 33

Residential Addresses NoStat (USPS, March 2010): 53

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 386

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 25.56

Percent of Housing Units 90 or more days delinquent or in foreclosure: 11.49

Number of Foreclosure Starts in past year: 26

Number of Housing Units Real Estate Owned July 2009 to June 2010: 14

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 5

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 3.8

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 9.1

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-88.004029 42.263209 -87.997184 42.263161 -87.996004 42.263066 -87.995231 42.263431 -87.992013  
42.258953 -87.993407 42.258953 -87.993279 42.255189 -88.001390 42.255221 -88.002055 42.255777  
-88.003128 42.255411 -88.004673 42.257222 -88.004415 42.257365 -88.004222 42.257508 -88.003943  
42.257698 -88.003793 42.257794 -88.003986 42.258349

Blocks Comprising Target Neighborhood

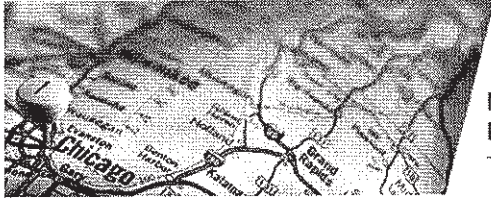
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170978640023004, 170978640024003, 170978640024006,

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### Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Select a State  Select a County

Map Options : [Clear](#) | [Reset](#)

Click Mode: [Zoom](#) | [Info](#)

NSP3 Legend (%):  Tract Outline

[Click here for an Overview](#)

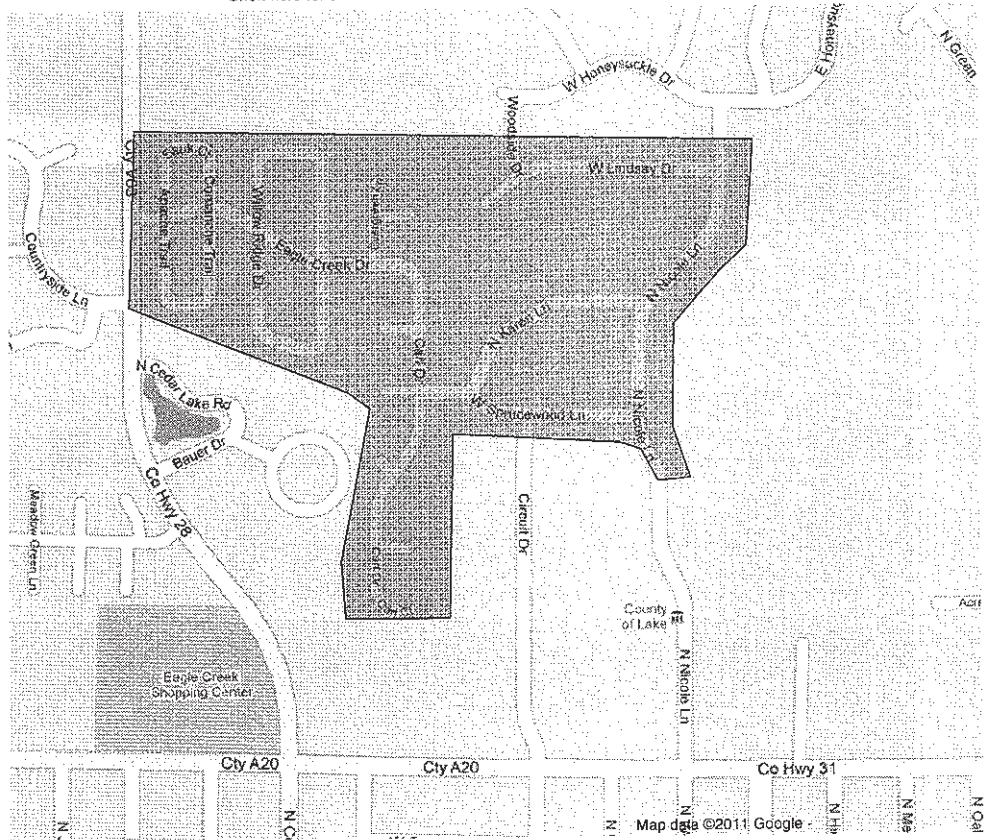
**NSP3 Options**

16 Current Zoom Level

Show Tracts Outline (Zoom 11+)

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NSP3						
Project Name : Round Lake Beach 1						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170970322066040861201U1	484	1773	17	17	1794	1097
Total Neighborhood Housing Units: 484						
Neighborhood NSP3 Score: 17.00						
State Minimum Threshold NSP3 Score: 17						



Neighborhood ID: 1759704

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: Round Lake Beach 1

Date:2011-01-11 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 17

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 484

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 69.3

Percent Persons Less than 80% AMI: 40.5

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 490

Residential Addresses Vacant 90 or more days (USPS, March 2010): 14

Residential Addresses NoStat (USPS, March 2010): 4

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 299

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 35.2

Percent of Housing Units 90 or more days delinquent or in foreclosure: 14.4

Number of Foreclosure Starts in past year: 26

Number of Housing Units Real Estate Owned July 2009 to June 2010: 14

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 5

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 4.9

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 11.2

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
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-88.092177 42.384178 -88.088808 42.383195 -88.088465 42.383005 -88.088915 42.381246 -88.088851  
42.380596 -88.087242 42.380596 -88.087177 42.382704 -88.084581 42.382593 -88.084259 42.382514  
-88.084002 42.382149 -88.083487 42.382181 -88.083766 42.382767 -88.083744 42.383956 -88.083014  
42.384558 -88.082607 42.384844 -88.082500 42.386048 -88.092091 42.386207

Blocks Comprising Target Neighborhood

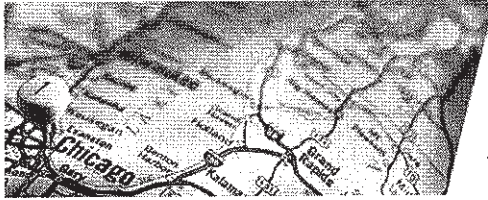
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### Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state

Select a State  Select a County

Map Options : Clear | Reset

Click Mode: Zoom | Info

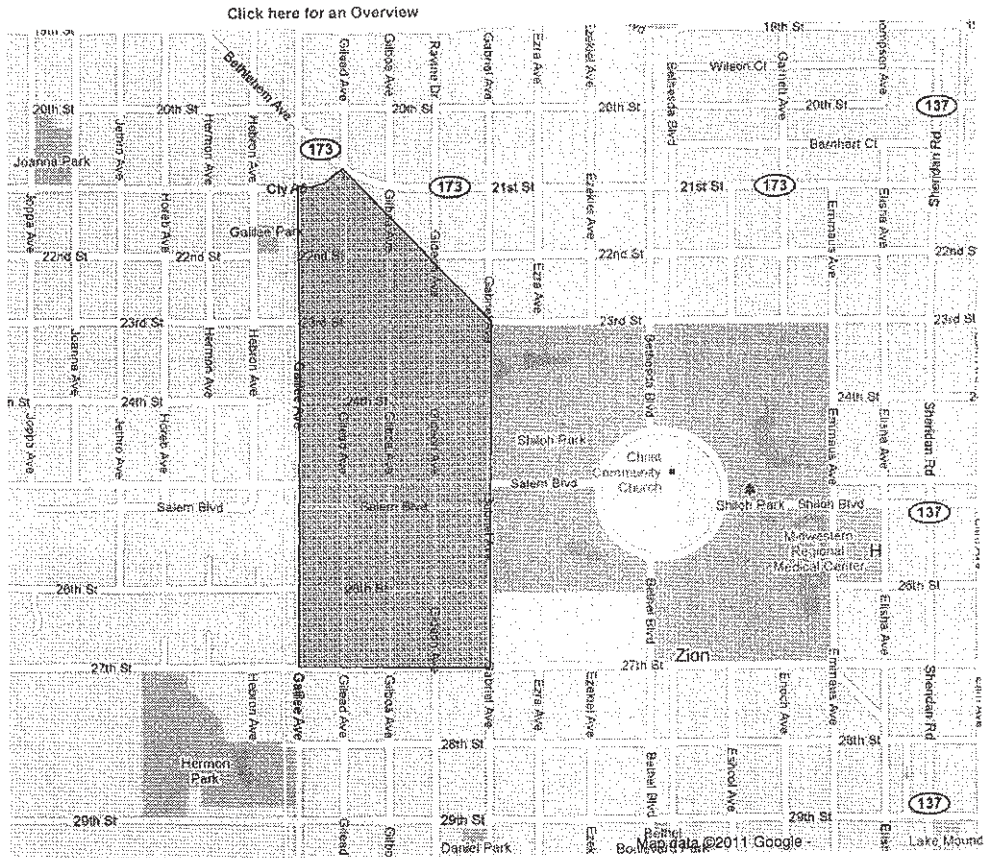
NSP3 Legend (%):  Tract Outline

**NSP3 Options**

15 Current Zoom Level

Show Tracts Outline (Zoom 11+)

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollars available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



NSP3						
Project Name : Zion 2						
Block Group	Neighborhood Housing Units	Block Group Housing Units	Block Group Score	State Min	USPS HMDA	
170978423384220860302U1	77	322	18	17	319	132
170978423384220860302U2	472	540	18	17	536	221
Total Neighborhood Housing Units: 549						
Neighborhood NSP3 Score: 18.00						
State Minimum Threshold NSP3 Score: 17						



Neighborhood ID: 6668670

### **NSP3 Planning Data**

Grantee ID: 1709700C

Grantee State: IL

Grantee Name: LAKE COUNTY

Grantee Address:

Grantee Email: jburch@lakecountyil.gov

Neighborhood Name: Zion 2

Date:2011-01-10 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 18

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 549

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 85.18

Percent Persons Less than 80% AMI: 65.91

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

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In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 545

Residential Addresses Vacant 90 or more days (USPS, March 2010): 83

Residential Addresses NoStat (USPS, March 2010): 5

### *Foreclosure Estimates*

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 225

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 43.1

Percent of Housing Units 90 or more days delinquent or in foreclosure: 15.2

Number of Foreclosure Starts in past year: 20

Number of Housing Units Real Estate Owned July 2009 to June 2010: 11

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 4

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -15

Place (if place over 20,000) or county unemployment rate June 2005<sup>1</sup>: 6.6

Place (if place over 20,000) or county unemployment rate June 2010<sup>1</sup>: 13

<sup>1</sup>Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-87.839148 42.446135 -87.845027 42.446198 -87.844920 42.453671 -87.844942 42.457202 -87.844534  
42.457170 -87.844105 42.457281 -87.843761 42.457487 -87.843547 42.457582 -87.839019 42.454083

Blocks Comprising Target Neighborhood

170978603021015, 170978603021016, 170978603021017, 170978603022002, 170978603022003,  
170978603022004, 170978603022005, 170978603022006, 170978603022007, 170978603022008,  
170978603022009, 170978603022010, 170978603022011, 170978603022012, 170978603022013,  
170978603022014, 170978603022015, 170978603022016, 170978603022017, 170978603022018,  
170978603022019, 170978603022020, 170978603022021, 170978603022022, 170978603022023,  
170978603022024,

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## **Appendix C: Published Public Notice**



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## **Appendix D: Summary of Public Comments and Responses**

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## Appendix E: SF 424