



June 11, 2013

Summary of 2013 Annual Action Plan Amendments

Lake County, Illinois
North Chicago, Illinois
Waukegan, Illinois

2013 Annual Action Plan Amendments			
Category	Amendment #/type	Document Page #	Purpose and description of amendment
Executive Summary	1	2	Add information on the HOME Program to the Executive Summary
HOME	2	3-4	Add estimate and uses of HOME funding
CDBG	CDBG chart	7	Reduce the estimated grant amount to eliminate unallocated funds
HOME	3	22	Add description of match requirements in the HOME program
Housekeeping	4	23	Add annual goals to Minority Outreach Plan
ESG	ESG Amendments	24-29	Insert ESG Program
Housekeeping	5	31-32	Add Annual Housing Goals and Summary of Housing Completion Goals Chart which summarized goals of housing projects
Housekeeping	6	33	Add description of homeless and special needs goals
Housekeeping	7	33	Add description of goals to further market and affirm fair housing
HOME	8	35	Revise HOME program description
HOME	9	35-42	Insert high-level project descriptions for HOME program project types
Housekeeping	10	48	Add description of Barriers and Strategies to address affordable housing barriers
Housekeeping	11	50	Add description of activities to maintain affordable housing



CDBG Amended Charts

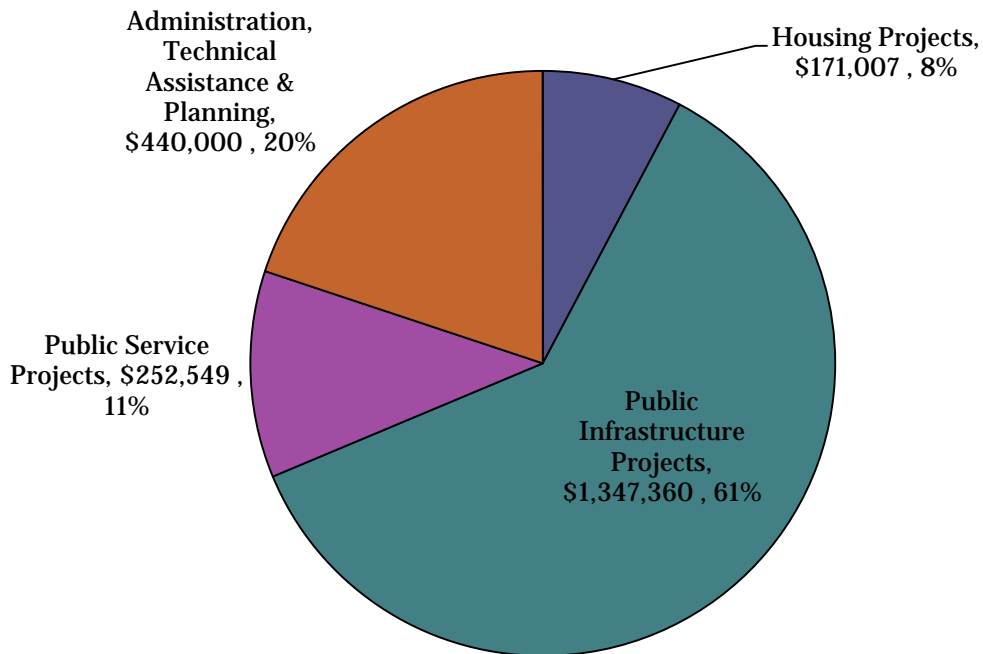


2013 Lake County CDBG Program Funding Recommendations

Available Sources of PY2013 CDBG Funds	
Estimated 2013 CDBG Entitlement Grant	\$2,207,375
CDBG Program Income	\$3,541
Reprogrammed CDBG Funds	\$0
TOTAL	\$2,210,916

Proposed Allocation of Funds	
Housing Projects	\$171,007
Public Infrastructure Projects	\$1,347,360
Public Service Projects	\$252,549
Administration, Technical Assistance & Planning	\$440,000
TOTAL	\$2,207,375

*2013 Lake County
CDBG Program Funding Recommendations*



Public Infrastructure

Organization	Goal	Request	Recommended Award
Avon Township	3.1.4	\$100,000	\$100,000
Fox Lake	3.1.1	\$100,000	\$85,000
Grant Township	3.1.4	\$100,000	\$100,000
Highwood	3.1.1	\$100,000	\$85,000
Island Lake	3.1.4	\$81,600	\$85,000
Lake County Public Works	3.1.2	\$100,000	\$100,000
Lake Villa Township	3.1.3	\$100,000	\$85,000
Lakemoor	3.1.1	\$83,000	\$83,000
Mundelein	3.1.3	\$100,000	\$85,000
Park City	3.1.1	\$100,000	\$85,000
Round Lake	3.1.1	\$100,000	\$100,000
Round Lake Beach	3.1.1	\$100,000	\$85,000
Round Lake Heights	3.1.1	\$100,000	\$85,000
Round Lake Park	3.1.3	\$100,000	\$100,000
Zion	3.1.1	\$100,000	\$100,000
TOTAL			1,347,360

Public Services

Organization	Goal	Request	Recommended Award
CASA Lake County	3.3.3	\$35,000	\$26,250
Countryside Association	3.3.1	\$30,000	\$16,500
CREW	3.3.4	\$26,550	\$14,603
ElderCARE@Christ Church	3.3.2	\$25,000	\$16,250
HealthReach	3.2.2	\$50,000	\$32,500
Lake County Center for Independent Living	3.3.1	\$30,000	\$22,500
Mano a Mano	3.3.3	\$25,000	\$18,750
Nicasa	3.3.4	\$50,000	\$37,500
Northern Illinois Food Bank	3.2.1	\$25,000	\$18,750
NorthPointe Resources	3.3.1	\$28,083	\$15,446
Rosalind Franklin University	3.2.2	\$20,000	\$11,000
Zacharias Sexual Abuse Center	3.3.4	\$30,000	\$22,500
Fair Housing Program	1.1	n/a	\$70,000
TOTAL			\$252,549

*NOTES REGARDING THE LAKE COUNTY CDBG PROGRAM
FUNDING RECOMMENDATION TABLE*

NOTE: Lake County CDBG administration formula calculated as 20% (the maximum allowable Lake County CDBG administration funds that can be used).

NOTE: Lake County CDBG public service formula calculated as 15% (the maximum allowable Lake County CDBG public service funds that can be used).



Amendments Listed By Number



**Amendment to the Submission of the
2013 Housing and Community Development Consolidated Annual Action Plan
of the Lake County Consortium, Lake County, Illinois**

The Lake County Consortium of Lake County, Illinois, comprised of Lake County as the Consortium lead entity, and the City of North Chicago and City of Waukegan, Illinois as Consortium partners is hereby amending the 2013 Annual Action Plan submission as dated March 14, 2013, submitted to the U.S. Department of Housing and Urban Development March 15, 2013 and awaiting final approval.

The following sections of the Annual Action Plan are amended to reflect the estimated total allocation of HOME Investment Partnerships Program (HOME) funding. The previous plan did not include a total estimated allocation or project-type estimated allocation of funds.

Amendment #1 (Action Plan Page 2):

Executive Summary-Paragraph 6 shall be amended to read as follows:

Housing projects proposed under the Lake County HOME/CDBG Housing fund are often developed at various times throughout the year and require multiple funding sources which have different application deadlines and funding dates. Changes to the HOME Program have forced the Consortium to delay its normal application process. The Consortium will release an application process that incorporates current changes to the HOME rule based on the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55) and anticipated requirements of the proposed new HOME Rule. Once final allocation determinations are made, the Action Plan will be substantially amended.

Amendment #2 (Action Plan Pages 3-4):

Executive Summary-Section 2013 Lake County Consortium HOME Program Funding Recommendations shall be amended to read as follows:

Changes to the HOME Program have forced the Consortium to delay its normal application process. As such, the Consortium will release a HOME 2013 application round in anticipation of requirements of the proposed new HOME rule and to include HUD required subsidy layering and underwriting review of all development and direct-assistance related projects as part of the revised process. Upon completion of the application round, the Action Plan will be substantially amended to include the Consortium recommended funding allocations. The estimates provided for specific types of activities in the Table 3C documents of this submission reflect estimated totals based on previous programming and are not a mandate for the final funding allocations. Final allocations will be made based on the outcomes of the application process. All categories in which the County allocates HOME funds have demonstrated need.

Of specific note, Consortium partners including the City of Waukegan and City of North Chicago are entitled, by means of the Consortium agreement to a specific percentage of the final allocation. These totals are reflected in allocation amendments.

Note: The proposed allocation reflects an anticipated grant of \$940,400.00 in HOME funds from the U.S. Department of Housing and Urban Development. There is no inclusion of programming for program income as a funding source at this time. Further, the following categories reflect cap percentages for funds available and Consortium partner distribution per the Consortium agreement. Please note, it is not required that capped items be funded at

capacity, however, such caps may not be exceeded. The Community Housing Development Organization (CHDO) Reserve is allocated at the cumulative annual minimum. The Consortium partner distribution may not be reduced. The Consortium does not anticipate funding of tenant-based rental assistance as of this time. Please reference Table 3C documents for additional details.

Proposed Allocation of HOME Funds	
*Homebuyer assistance	\$70,000.00
*New Construction-Rental or Homeownership	\$162,484.00
*Rehabilitation-Rental or Homeownership	\$162,484.00
Rehabilitation-Owner-Occupied Rehabilitation Consortium Partners	\$263,312.00
CHDO Reserve	\$141,060.00
CHDO Operating	\$47,020.00
Administration, Technical Assistance & Planning	\$94,040.00
TOTAL	\$940,400.00

*Note new construction and rehabilitation reflect the culmination of traditional HOME Program categories of homebuyer activities and rental housing activities. Homebuyer assistance generally includes assistance directly to a homebuyer in the form of downpayment assistance, closing costs, or a discount to sales price and subsidies to development entities in the form of grants and loans. The homebuyer category above reflects an assistance allocation related to past homebuyer programming inclusive of direct assistance to the homebuyer and consistency with the current breakdown of funding types in the Consolidated Plan. Through the vetting of applications in underwriting projects and programs, allocations will be made more appropriately.

Amendment #3 (Action Plan Page 22):

Citizen Participation and Annual Action Plan Approval Process shall be amended to include the subheading: Matching Contribution – HOME Investment Partnerships Program, and shall read as follows:

Matching Contribution – HOME Investment Partnerships Program

The HOME Program requires the contribution of at least twenty-five percent (25%) of matching funds for all HOME activities excluding Administration, Planning, and CHDO Operating activities on the part of the PJ. Lake County requires matching contributions of subrecipients, subgrantees and developers, and pools sources of excess match accordingly. Locally, the County pairs Lake County Affordable Housing Program (AHP) funds with HOME investments or as stand-alone HOME-eligible projects, thereby generating an additional source of match. The County has also begun working with local municipalities and consortium partners in fee-waiver programming to generate match, and local banking institutions regarding match opportunities through REO acquisitions and other financing mechanisms banks can offer local development entities. County funds are regularly leveraged with other State of Illinois and private grants, and in 2013, the County is anticipates funding grants received by local entities from the State of Illinois Department of Commerce and Economic Opportunity, the State of Illinois Attorney General, and other private sources to generate program match. Local developers and program

sponsors applied to these programs and are awaiting allocation decisions. In 2013, the County will begin working with all HOME recipients to more proactively establish a match pool utilizing the resources of larger multi-layered finance projects and sources of volunteer labor and material donations.

Amendment #4 (Action Plan Page 23):

Citizen Participation and Annual Action Plan Approval Process – Minority Outreach Program section shall be amended to include:

Additionally, Lake County requires all contracted entities to adhere to equal opportunity employment requirements per HUD program rules and federal employment practices, and monitors all program participant and project tenancy activities to ensure that they are void of discriminatory practices.

During the 2013 Program Year, Lake County will actively develop a database of MBE/WBE and Section 3 entities including accessing the database of local PJ's including the Counties of Cook, McHenry, and DuPage and the City of Chicago and State of Illinois. Currently, the County will permit the designation of MBE/WBE and Section 3 based on the certification of these entities. In 2013, Lake County will develop a certification program similar to that of local partner counties for the purposes of designation as MBE/WBE or Section 3 in relation to HUD programming, and host workshops for entities interested in such designations, and entities that would use the contracting services of MBE/WBE and Section 3 entities.

Amendment #5 (Action Plan Pages 31–32):

Proposed 2013 Consortium Activities shall be amended to include the subheading: Annual Affordable Housing Goals, and shall read as follows:

Annual Affordable Housing Goals

Lake County continues to be committed to providing for safe, decent, and affordable housing in utilizing HOME, CDBG, ESG, and local Lake County Affordable Housing Program funds (LCAHP). Specifically, HOME and LCAHP funds are used to finance specific affordable housing programs and activities, while CDBG funds are currently used to support the administration of housing activities and some owner-occupied rehabilitation conducted by the Consortium partners, and ESG is used to support homeless activities including shelter, prevention, and coordination. As the County has not yet allocated 2013 program funds to specific housing activities under HOME, the affordable housing goals as presented in the Attached Table 3B that follows are subject to change and amendment based on the final substantial amendment to the Action Plan when specific HOME activities are determined. Currently, while the local market is trending towards increased rental activity, there is an estimate of higher activity under the category of owner housing goals as that is inclusive of owner occupied rehabilitation and regular acquisition, rehab, resale activities. Please note the ownership acquisition total reflects units that may be acquired, rehabilitated and resold so as to not duplicate total units. The Table 3B as presented was constructed based on estimates of activity allocations and previous projects completed during the last two program years. Lake County program funds historically leverage larger funding investments, thus a large capacity in total units of affordable housing. The annual goals reflect specific HOME and CDBG unit targets based on the designation of "County" units from subsidy layering review and underwriting.

TABLE 3B ANNUAL HOUSING COMPLETION GOALS					
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)	Annual Expected Number Completed	Resources used during the period			
		CDBG	HOME	ESG	HOPWA
Acquisition of existing units	10	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	10	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	5	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Rental Goals	25	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)					
Acquisition of existing units	4	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Production of new units	1	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	18	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	15	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Owner Goals	38	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)					
Homeless	233	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-Homeless	63	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Needs	5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Affordable Housing	301	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ANNUAL HOUSING GOALS					
Annual Rental Housing Goal	25	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	38	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Annual Housing Goal	63	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For the purpose of identification of annual goals, an assisted household is one that will receive benefits through the investment of Federal funds, either alone or in conjunction with the investment of other public or private funds.

Amendment #6 (Action Plan Page 33):

Proposed 2013 Consortium Activities shall be amended to include the subheading: Homeless and Special Needs, and shall read as follows:

Lake County continues to be committed to meeting the needs of its homeless and those with special needs. Through coordination with the Continuum of Care and Emergency Solutions Grant funding, Lake County continues to make progress on its goals to reduce and prevent homelessness.

Specific actions to reduce and end homelessness include outreach through Lake County's largest emergency shelter, PADS. PADS staff conducts outreach efforts for persons routinely sleeping on the streets and other places not meant for human habitation. By conducting this outreach, many more people feel comfortable in the shelter system. Our number of unsheltered homeless during point-in-time counts has remained relatively consistent over a number of years, but is always minimal - usually 1-3% of the total population. In order to meet the needs of homeless families with children, Lake County's largest shelter now has a fixed site shelter that only serves households with children. With ESG funds, Lake County supports a domestic violence shelter that specializes in providing bilingual and bicultural support to Latina women and children. Through the creation of affordable housing units, Lake County continues to provide affordable long-term solutions to homelessness.

Homeless Prevention is a crucial activity funded through ESG funds. The ESG-funded Homeless Prevention programs coordinate with other funding sources, such as the State of Illinois' Rental Housing Support Program. Similar to project-based Section 8, it provides rental subsidies to eligible low-income persons. Homeless prevention activities target individuals and families who will be stabilized in their homes through short-term assistance.

Lake County engages many strategies to reduce and end homelessness. The specific annual activities are outlined in the 3Cs.

Amendment #7 (Action Plan Page 33):

Proposed 2013 Consortium Activities shall be amended to include the subheading: Affirmatively Marketing and Furthering Fair Housing, and shall read as follows:

The Lake County Consortium will affirmatively further fair housing practices in Lake County by supporting awareness of fair housing laws and ensuring that persons experiencing housing discrimination will have their complaints successfully mediated or filed with HUD. In addition to the utilization of CDBG funds to provide for fair housing related activities as described in this Action Plan, the County maintains the responsibility of affirmative marketing for all housing projects of five-units or more under the HOME program. As such, the County currently requires the submission of an affirmative marketing plan from all recipients of HOME funds that plan to develop or assist five or more housing units at the time of contracting, and observes affirmative marketing efforts through documentation review and monitoring during the course of the project and long-term. All recipients of HOME funds are or will be encouraged to participate in and are made aware of fair housing workshops, testing, and legal services as contracted with the local fair housing provider, currently Prairie State Legal Services.

The County acknowledges the continued efforts in completing the Analysis of Impediments to Fair Housing Choice. As a result of this Analysis, the County will continue to fund fair housing activities as per this Action Plan, and develop a County affirmative marketing plan resource and

policy. Staff monitors current conditions as related to home-owner and tenant selection policies and procedures, accessibility, evaluation of marketing including marketing activities, marketing materials for print and web-based presentation, fair and equal housing efforts of the entity, and tenant documentation and leases as related to HOME-assisted projects.

Amendment #8 (Action Plan Page 35):

Proposed 2013 Consortium Activities – Other Housing-Related Activities, subheading Strategies To Address Housing Barriers shall be reclassified as a sole heading Barriers and Strategies to Affordable Housing, and shall read as follows:

Affordable Housing Barriers:

Lake County is home to areas of both high affluence and poverty. As such, high property taxes and high land and development costs including permitting and impact fees are regular barriers to affordable housing development. These costs continue to rise, and present a challenge to cash flow in long-term rental projects, both in the scattered site and large-scale multi-family market. Local zoning jurisdiction also contributes to the challenge of housing development, as some municipalities allow for rental and special housing uses by definition or right in residential districts, while others require special or conditional uses that are in some cases too restrictive to ensure that developments can support periods of affordability or long-term uses. Housing costs are also high, thereby increasing the cost of acquisition, rehabilitation, and amounts of assistance necessary in order for homeowners to be successful, especially as the programs are used to integrate affordable housing into other-wise high cost areas. Individual development capacity of entities wishing to conduct affordable housing programs and development also varies amongst local and regional partners.

Strategies:

The County and Consortium partners continue to work with local municipalities to understand the importance and benefits of affordable housing development and programming, and benefits of municipalities working with development partners to reduce fees and even provide for land in the current economy and housing market. Currently, nineteen (19) municipalities in Lake County are designated non-exempt communities under the Illinois Affordable Housing Planning and Appeals Act. All parties work with these communities and others to continue increases in development capacity as it relates to fees and zoning, including assisting developers and program operators in working with staff and elected officials. In addition to the County utilizing general budget funds in the form of the Lake County Affordable Housing Program (LCAHP) to supplement HUD programming and increase leveraging opportunities for affordable housing development, the County also has an active Affordable Housing Commission and Housing Coalition to increase awareness and call attention to beneficial financing opportunities, education, and legislation. In 2013, LCAHP funds will total \$300,000.00, while the Commission and Coalition have been actively working to secure the creation of a Lake County Housing Trust Fund through State legislative opportunities. After completion of the County's Analysis of Impediments (AI), staff and Consortium partners will evaluate other conditions as presented in the Analysis and act on the recommendations of the AI Action Plan as they impact affordable and fair housing conditions, especially as related to zoning. County staff provides direct or HUD-assisted technical assistance to local entities interested in participating in affordable housing programming and development, and in 2013 will work to identify more training opportunities and resources both internally and externally to assist program and developer entities in increasing capacity. Additionally, staff has implemented new underwriting and layering review protocols through a new application process that will assist in determining

the best utilization of HUD and local funds in HOME projects for the purposes of leveraging, gap financing, and cash flow. This includes a more detailed assessment of multi-family and scattered site rental development approaches to net a more varied base or rental income, and increase other cash flow opportunities. Staff is also working to develop a sound model for lease-purchase programming to alleviate some of the barriers in the high-cost homebuyer market in the County.

Amendment #9 (Action Plan Pages 35-42):

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction Name:	Lake County
Priority Need:	High
Project:	CHDO Operating
Activity:	Certified Community Housing Development Organization (CHDO) Operating
Description:	CHDO funds will be provided to support a portion of staff salaries related to the development of decent, safe and sanitary affordable housing in connection with HOME-assisted development projects funded or to be funded by the Lake County Consortium.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
 To be determined pending allocations – throughout Lake County, Illinois

Objective Number	Project ID
DH1	TBD
HUD Matrix Code	CDBG Citation
N/A	24 CFR 570.208(a)(3)
Type of Recipient	National Objective
Nonprofit	LMH
Start Date	Completion Date
5/1/2013	4/30/2014
Performance Indicator	Anticipated Units
N/A	N/A
Local ID	Actual Units
TBD	N/A

Funding Sources:	Awarded	Expended	Balance
<i>CDBG</i>			
<i>ESG</i>			
<i>HOME</i>	\$47,020.00		
<i>Prior Year Funds</i>			
<i>Other CPD Funds</i>			
Total	\$47,020.00		
Financial Narrative:			

The primary purpose of the project is to help:
 the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs
 U.S. Department of Housing and Urban Development OMB Approval No. 2506-0117 (Exp. 4/30/2011)

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction Name:	Lake County
Priority Need:	High
Project:	CHDO Reservation
Activity:	Certified Community Housing Development Organization (CHDO) Development Projects – Rehabilitation or New Construction of Rental or Homeowner Developments
Description:	CHDO Reservation funds will be allocated to certified CHDO organizations for the purposes of affordable development activities as eligible per the HOME Program.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
 To be determined pending allocations – throughout Lake County, Illinois

Objective Number	Project ID
DH1	TBD
HUD Matrix Code	CDBG Citation
N/A	24 CFR 570.208(a)(3)
Type of Recipient	National Objective
Nonprofit	LMH
Start Date	Completion Date
5/1/2013	4/30/2014
Performance Indicator	Anticipated Units
Housing Units	TBD
Local ID	Actual Units
TBD	TBD

Funding Sources:	Awarded	Expended	Balance
<i>CDBG</i>			
<i>ESG</i>			
<i>HOME</i>	\$141,060.00		
<i>Prior Year Funds</i>			
<i>Other CPD Funds</i>			
Total	\$141,060.00		

Financial Narrative:
 [Empty box for financial narrative]

The primary purpose of the project is to help:
 the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

U.S. Department of Housing and Urban Development

OMB Approval No. 2506-0117 (Exp. 4/30/2011)

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction	Lake County
Priority Need:	Medium/High
Project:	Rehabilitation
Activity:	Rehabilitation of rental or homeownership housing
Description:	Rehabilitation of rental or homeownership housing units that may include the acquisition of structures to be rehabilitated for the purpose of housing HOME-eligible households earning at or below 80% of the area median income. These units may be sold or rented.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

To be determined pending allocations – throughout Lake County, Illinois

Objective Number DH1	Project ID TBD
HUD Matrix Code N/A	CDBG Citation 24 CFR 570.208(a)(3)
Type of Recipient Nonprofit/For-profit/Government	National Objective LMH
Start Date 5/1/2013	Completion Date 4/30/2014
Performance Indicator Housing Units	Anticipated Units TBD
Local ID TBD	Actual Units TBD

Funding Sources:	Awarded	Expended	Balance
<i>CDBG</i>			
<i>ESG</i>			
<i>HOME</i>	\$162,484.00		
<i>Prior Year Funds</i>			
<i>Other CPD Funds</i>			
Total	\$162,484.00		

Financial Narrative:

The primary purpose of the project is to help:

- the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

U.S. Department of Housing and Urban Development

OMB Approval No. 2506-0117 (Exp. 4/30/2011)

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction Name: Lake County

Priority Need: High

Project: Rehabilitation

Activity: City of North Chicago – Owner Occupied Rehabilitation

Description: Administered by the Department of Community Development and Planning and the Building and Health Department, the North Chicago program will use HOME funds to rehabilitate owner-occupied homes to ensure decent, safe, sanitary and code compliant housing, and said assistance is structured as a loan. All homes in the program will be occupied by low and very-low income households.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Scattered sites throughout the City of North Chicago

Objective Number DH1	Project ID TBD
HUD Matrix Code 14H	CDBG Citation 24 CFR 570.208(a)(3)
Type of Recipient Government	National Objective LMH
Start Date 5/1/2013	Completion Date 4/30/2014
Performance Indicator Housing Units	Anticipated Units 3
Local ID TBD	Actual Units TBD

Funding Sources:	Awarded	Expended	Balance
<i>CDBG</i>			
<i>ESG</i>			
<i>HOME</i>	\$98,742.00		
<i>Prior Year Funds</i>			
<i>Other CPD Funds</i>			
Total	\$98,742.00		
Financial Narrative:			

The primary purpose of the project is to help:
 the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction	Lake County
Priority Need:	Medium/High
Project:	New Construction
Activity:	New construction of rental or homeownership housing
Description:	New construction of rental or homeownership housing units that may include the acquisition of real property for the purposes of new construction for the purpose of housing HOME-eligible households earning at or below 80% of the area median income. These units may be sold or rented.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

To be determined pending allocations – throughout Lake County, Illinois

Objective Number	Project ID	Funding Sources:	Awarded	Expended	Balance
DH1	TBD	<i>CDBG</i>			
HUD Matrix Code	CDBG Citation	<i>ESG</i>			
N/A	24 CFR 570.208(a)(3)	<i>HOME</i>	\$162,484.00		
Type of Recipient	National Objective	<i>Prior Year Funds</i>			
Nonprofit/For-profit/Government	LMH	<i>Other CPD Funds</i>			
Start Date	Completion Date	Total	\$162,484.00		
5/1/2013	4/30/2014	Financial Narrative:			
Performance Indicator	Anticipated Units				
Housing Units	TBD				
Local ID	Actual Units				
TBD	TBD				

The primary purpose of the project is to help:

- the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction	Lake County
Priority Need:	Medium
Project:	Homebuyer Assistance
Activity:	Homebuyer assistance for downpayment, closing cost, and sales price discount assistance direct to homebuyers
Description:	Provision of homebuyer assistance funds related to the purchase of decent, safe and sanitary affordable ownership housing units by HOME-eligible homebuyers in Lake County earning less than 80% of area median income.

Objective Category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome Category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

To be determined pending allocations – throughout Lake County, Illinois

Objective Number DH2	Project ID TBD	Funding Sources:	Awarded	Expended	Balance
HUD Matrix Code N/A	CDBG Citation 24 CFR 570.208(a)(3)	<i>CDBG</i>			
Type of Recipient Nonprofit/For-profit/Government	National Objective LMH	<i>ESG</i>			
Start Date 5/1/2013	Completion Date 4/30/2014	<i>HOME</i>	\$70,000.00		
Performance Indicator Housing Units	Anticipated Units TBD	<i>Prior Year Funds</i>			
Local ID TBD	Actual Units TBD	<i>Other CPD Funds</i>			
		Total	\$70,000.00		
Financial Narrative:					

The primary purpose of the project is to help:

- the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Amendment #10 (Action Plan Page 48):

Proposed 2013 Consortium Activities – Other Housing-Related Activities, subheading Fostering Decent Housing shall be retitled Fostering and Maintaining Affordable Housing and be amended to include:

In addition to the financing of housing programs and projects and annual needs evaluation processes, Lake County also regularly monitors housing programs and projects to ensure long-term compliance and viability both in the scope of financials and physical assets. In 2013, the County is introducing a capital needs assessment component to the application process, and will also incorporate this evaluation tool as part of long-term monitoring initiatives to compliment physical inspections and to proactively assist developers in understanding the importance of anticipated physical maintenance costs as related to the overall health of rental and homebuyer development projects. Additionally, in 2013 the County will debut an enhanced annual monitoring process for compliance evaluation of rental projects that reviews the cash flow and budgets of portfolio developments to ensure that projects are not only meeting periods of affordability, but also maintained as affordable housing stock on a permanent basis in the County. Further, County staff regularly works with owners of projects in the portfolio to maintain assets in manners such as project refinancing of existing County loans. Finally, the County's new application process affords the opportunity for improved project analysis to ensure program loans or development projects are sufficient to sustain lower rents or required mortgage payments long-term.

Amendment #11 (Action Plan Page 50):

Anti-Poverty Strategy shall be retitled Meeting Housing and Supportive Service Needs of Underserved Populations and Anti-Poverty Strategy and be amended to include:

Housing and Supportive Services Needs of Underserved Populations

Generally, the homeless population, seniors and frail elderly, physically and mentally disabled, persons with HIV/AIDS and youth and victims of domestic violence are identified as special underserved need populations. In Lake County, funding allocations under all programs are analyzed for their impact to these specific targeted needs groups, including the ability for HUD programming to leverage other local, state, and federal resources to make quantifiable impacts on such populations. As identified in the Plan, CDBG is the predominant funding source to assist these populations, while ESG supports homeless activities, and HOME supports the development of actual units to support all populations. Where HOME is too restrictive to meet such needs, Lake County also utilizes the local Lake County Affordable Housing Program funds to finance development for special populations, or to leverage key resources. Table 3Cs outline the specific annual activities which will address these needs. The County also regularly works with other County departments and local agencies serving these populations through a continuum strategy and anti-poverty strategy and in assisting in unit development including overcoming potential or defined housing barriers through objectives as identified in this Plan.



Emergency Solutions Grant (ESG) Additions to the Annual Action Plan



Summary of Consultation Process

Staff from the Lake County Community Development Division is also the facilitator of the Lake County Continuum of Care (CoC). As such, annual consultation occurs at a meeting of the COC called by Lake County Community Development staff. At that meeting, the CoC provides feedback on:

- how to allocate ESG funds, for which there was a consensus to emphasize prevention and HMIS;
- what the requisite policies for use of ESG funds should include; and
- what the performance standards for ESG activities should be.

The results of this consultation are included in the application process.

Written Standards for Provision of ESG Assistance

Eligibility Evaluation Policy

Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

Each individual program is allowed to have general criteria by which they evaluate a potential participant's eligibility in an ESG-funded program. All such criteria must be reviewed and approved by the Homeless Assistance Application Review Committee of the Community Development Commission (CDC), and must contain the following:

- All program participants must have an initial consultation with a case manager or other authorized representative who can determine eligibility and the appropriate type of assistance needed.
- All program participants must have income at or below 30% of the Area Median Income (AMI). Income shall be determined on a prospective basis (not retrospective), and shall be certified using the Part 5 definition.
- A Staff Certification form (to be provided by Lake County) must be completed with each eligibility evaluation.

For persons who are considered "literally homeless," no additional eligibility criteria are necessary. The documentation requirements for such persons are as follows:

- Written observation by the outreach worker; or
- Written referral by another housing or service provider (including HMIS recorded referral); or
- Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in a shelter.
- For individuals exiting an institution – one of the above forms of evidence and:
 - Discharge paperwork or written/oral referral, or
 - Written record of intake worker's due diligence to obtain above evidence and certification by individual that they exited institution

For persons who are considered at "imminent risk of homelessness," the following documentation is required:

- A court order resulting from an eviction action notifying the individual or family that they must leave; or

- For individual and families leaving a hotel or motel – evidence that they lack the financial resources to stay; or
- A documented and verified oral statement; and
 - Certification that no subsequent residence has been identified; and
 - Self-certification or other written documentation that the individual lacks the financial resources or support necessary to obtain permanent housing.

Finally, persons that are fleeing or attempting to flee domestic violence must have the following documentation:

- *For victim service providers:*
 - An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. Statement must be documented by a self-certification or a certification by an intake worker.
- *For non-victim service providers (ie, agencies who do not exclusively serve DV victims):*
 - Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified; and
 - Certification by the individual or head of household that no subsequent residence has been identified; and
 - Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Lake County does not intend to serve many persons considered homeless under other Federal statutes at this time; however, the following documentation is required:

- Certification by the organization that the individual or head of household seeking assistance met the criteria for homelessness under another federal statute; and
- Certification that the individual or head of household had no permanent housing in the last 60 days; and
- Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days; and
- Documentation of special needs or at least two of the following barriers:
 - the lack of a high school degree or General Education Development (GED);
 - illiteracy;
 - low English proficiency;
 - a history of incarceration or detention for criminal activity;
 - a history of unstable employment

“At Risk of Homelessness”

For persons who are considered “at risk of homelessness,” the following criteria apply:

- Program participants must not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in the definition of homeless; and
 - Meets ONE of the following conditions:
 - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - Is living in the home of another because of economic hardship;
 - Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;

- Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals;
- Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau;
- Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
- Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the Lake County Consolidated Plan;

For persons who are considered “at risk of homelessness,” the following documentation is required:

- A documented and verified oral statement from the program participant; and
- Certification that no subsequent residence has been identified; and
- Self-certification or other written documentation that the individual lacks the financial resources or support necessary to obtain permanent housing; and
- Self-certification or other written documentation that the individual meets one of the conditions listed.

Homeless Services Coordination Policy

Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

All ESG-funded programs must participate in the Lake County Homeless Management Information System (HMIS), commonly known as ServicePoint. Only programs that are specifically forbidden by other statutes or regulations (e.g., domestic violence victim service providers) may not participate.

All HMIS-participating agencies must collect and maintain common data fields as determined by the HMIS Administrator and HMIS Committee, considering all relevant regulations. These common practices will be to ensure services are coordinated among organizations – one client, one record.

[RESERVED FOR FUTURE CENTRAL/COORDINATED INTAKE]

Finally, all ESG-funded programs must send a representative to the meetings of the Lake County Coalition for the Homeless. Participation in at least one committee is also required. Failure to attend may result in penalties on future applications.

Prioritization Policies

Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Homelessness Prevention

Any household that may otherwise be eligible for prevention assistance under ESG must also meet the “but for” rule – that is, “Would this individual or family be homeless but for this assistance?”

The “but for” rule can be documented with the following:

- Certification by the individual or head of household that no subsequent residence has been identified; and
- Self-certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Furthermore, any household that qualifies for prevention assistance and meets the “but for” rule must also have the following qualifications:

- Have no more than three months of arrears; and
- Demonstrate an ability to sustain housing; and
- Demonstrate an ability to earn income; and
- Would remain in housing that is decent, safe, sanitary, and affordable.

If the household cannot meet the above qualifications, it is reasonable to infer that the household is in greater need than prevention assistance can provide for, and the household will be referred to a more appropriate program.

Rapid Re-Housing

At this time, Lake County does not anticipate using any of its ESG allocation on Rapid Re-Housing activities. The funding is not sufficient to provide adequate assistance to households in need, and the Continuum of Care has a large number of well-functioning transitional housing programs that can adequately meet the needs of this population.

If Lake County and the CoC do ultimately decide to provide rapid re-housing assistance with ESG funds, prioritization policies will be developed and submitted to HUD.

Rent & Utility Cost Sharing Policy

Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

Each individual program is allowed to have general criteria by which they determine a program participant’s share of rent and/or utilities in an ESG-funded program. All such criteria must be reviewed and approved by the Homeless Assistance Application Review Committee of the Community Development Commission (CDC). However, in no case shall a program participant’s share of rent plus utilities exceed 30% of their income (income is calculated using the Part 5 definition).

Length of Participation Policy - Financial Assistance

Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

ESG funds will be limited to short-term rental assistance (up to three months) and payment of rental arrears (up to three months). Participants may only receive ESG prevention assistance once in 24-month period.

Length of Participation Policy - Housing Stabilization and/or Relocation Services

Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance; or the maximum number of times the program participants may receive assistance.

The amount and type of Housing Stabilization and/or Relocation Services to be provided to a particular program participant will be determined by the organization providing the assistance. However, the duration of such services shall not exceed six months.

Process for Making Sub-awards

The process for making sub-awards is initiated by the County's release of a Notice of Funding Availability (NOFA) to all potential applicants.

Applications will be reviewed by an Application Review Committee (ARC) of the Community Development Commission. The ARC will consider all eligible applicants, and make recommendations to the full Commission based on a set of evaluation criteria. The Commission will approve the recommendations in concert with the Citizen Participation Plan. The County Board will then have final say on all funding awards. Those award recommendations are included in the Annual Action Plan.

Homeless Participation Requirement

The CoC has several formerly homeless persons as members, including on its Board of Directors. Lake County, by consulting the CoC, meets the standards of § 576.405(b).

Performance Standards

The CoC developed some general performance standards which, after evaluation, may be modified and adjusted as appropriate. The preliminary standards include:

- Diversion rate (percentage of persons who seek shelter that receive other assistance)
- Stabilization rate (percentage of persons who remain in permanent housing six months after receipt of assistance)
- Meeting other CoC Standards (as a result of increased HMIS resources)

Certifications

The Emergency Solutions Grants Program Recipient certifies that:

Major rehabilitation/conversion – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided,

without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Matching Funds – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction's consolidated plan.

Discharge Policy – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.