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Memorandum

To: CDC Housing Application Review Committee (ARC)
From: Community Development Division Staff
Re: Housing Application Review Committee
PY 2014 HOME Investment Partnerships Program (HOME) and Lake County Affordable
Housing Program (AHP) Application Round

The Lake County Consortium (Lake County, City of North Chicago, City of Waukegan) Participating Jurisdiction (PJ) is responsible for execution of the HOME application round for PY2014 fund. Additionally, the County provides general fund financing of the Lake County Affordable Housing Program (AHP). Collectively, both financing sources comprise the PY2014 Application Round.

Background:

The PY2013 Application Round was conducted in the fall of 2013 and combined HOME and AHP funding for one comprehensive application cycle to the benefit of applicants and staff. The round also included new application documents, scoring, and evaluation processes as a result of new HUD requirements and improved efficiency of the process. In August of 2013, the final new HOME Rule was published by HUD and Lake County began implementation steps in accordance with Rule requirements. To date, this has included the establishment of underwriting parameters, CHDO certification updates, and homebuyer policies, all of which are required to be included as part of the application process.

Application Document, Process and Evaluation

Application document and process revisions:

For PY2014, the application process will continue to include the completion of one master application (HOME/LCHAP Application) similar to the previous application form, and for specific development projects, the completion of the required underwriting and analysis component (Housing Production Application). Staff met with applicants from the PY2013 round to evaluate the document and application process to determine if revisions were necessary. Feedback has resulted in minor changes to tables, and points of clarification for submittal instructions. Further, staff is clarifying questions for programs and projects to include references to new requirements as a result of HOME Rule implementation. Finally, staff is further streamlining the process and collecting required entity submittals such as audits and incorporation documents one time as part of the Letter of Intent submission. This will result in less work for the applicant, allow staff to evaluate the applicant eligibility ahead of the application due date, and afford both the applicants and staff the focus on just completion of the application documents. Staff will continue to offer consultation prior to the

application deadline as most found that effective and helpful last year in garnering quality applications.

Evaluation:

During the PY2013 application round staff completed scoring of the applications based upon criteria and priorities developed in consultation with the Housing ARC. Scoring included different considerations for projects versus programs, and all staff reviews included technical analysis notes. The application review as conducted by the Housing ARC was a new process in PY2013 and allowed for applicants to make brief presentations and provide answers to staff and ARC member questions. Staff does not propose any significant changes to the scoring, application review or round conduct at this time.

Desired Action

Community Development Division staff will present to ARC members the application document and evaluation/scoring templates at the meeting for discussion purposes and review, and briefly train on the eligibility of HOME and AHP projects and programs. Staff requests the Housing ARC advise staff of any recommended changes to the evaluation process including documents compiled by staff for ARC consideration, and the scoring criteria if the ARC finds changes are necessary. Attached for reference are the PY2013 Master Summary document, and a sample review/scoring of a program and project.