

Lake County Illinois

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



Minutes Report - Draft

Wednesday, February 12, 2014

2:30 PM

**2nd floor Conference Room - Central Permit Facility
500 W. Winchester Road, Libertyville, IL 60048**

**Community Development Commission - Executive
Committee**

1. **ROLL CALL**

Staff: Eric Waggoner, Brittany Sloan, Jodi Gingiss, Sarah Ciampi, Janel Gomez, Jordan Bartle, and Laura Walley

Present 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

2. **APPROVAL OF MINUTES**

2.1 **14-0129**

Approval of January 15, 2014 Minutes

Attachments: [1.15.14 Exec Minutes.pdf](#)

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Swartz, to approve the January 15, 2014 minutes. The motion carried by the following vote:

Aye: 5 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa and Commissioner Russell

Not Present: 1 - Commissioner Rose

3. **CHAIR'S REMARKS**

Chairman Pedersen had no comments.

4. **PUBLIC COMMENTS (ITEMS NOT ON THE AGENDA)**

There were no public comments.

5. **OLD BUSINESS**

There was no old business.

6. **NEW BUSINESS**

6.1 **14-0122**

February 12, 2014 Community Development Watch List

- The Feb 12, 2014 watch list contains seven troubled programs and one troubled project.
 1. ESG homelessness prevention by Maristella*
 2. ESG homelessness prevention by Prairie State Legal Services*
 3. HOME down payment assistance program by Affordable Housing Corporation*
 4. Owner-occupied Rehab Loan Program by Affordable Housing Corporation
 5. Commission Administration by Affordable Housing Corporation
 6. HOME construction project funding - canceled project 2127 (2129) Honore Avenue by YBLC (YouthBuild Lake County)*
 7. HOME green construction project funding on lots owned by YBLC*
 8. Community Housing Development Organization (CHDO) operating funding by YBLC*
- The items above marked with an asterisk (*) require additional action (funding reallocation or amendment) as presented in later agenda items. Others may be remedied by staff and agency action.

Attachments: [CD Watch List 021214](#)

Ms. Jodi Gingiss stated that, of the eight items on the Watch List, six would be discussed during the meeting's action items, so she would speak about Items 4 and 5 at this time. The County's partner on both of these items is the Affordable Housing Corporation (Corporation). Staff is working with the Corporation on restructuring the terms of its Homeowner Rehabilitation program (Item 4), as the number of homeowners assisted was very low, due to the restrictive program terms. Staff is working with the Corporation to assess costs for administering the Affordable Housing Commission (Item 5). It was recently noted that funds had been reimbursed for ineligible lobbying costs. Staff will work with the Corporation to credit ineligible lobbying costs against eligible costs.

6.2 14-0123

Vote to reallocate ESG funds to meet two-year expenditure deadlines

- Given the restrictiveness of recent changes to the Emergency Solutions Grant (ESG) program, homelessness prevention programs to which 2011, 2012 and 2013 ESG funds were allocated are unlikely to meet stringent two-year ESG expenditure deadlines.
- In order not to return these ESG funds to HUD, staff recommends the CDC reallocates funds to homelessness prevention programs that have proven track record spending ESG funds in timely and compliant ways.
- 2011 ESG: \$25,496.00 allocated to Maristella, but not contracted due to issues with 2012 ESG contract. Expenditure deadline is September 28, 2014.
- 2012 ESG: \$17,991.08 remaining unspent of \$32,500 contracted with Prairie State Legal Services (\$14,444.70 unspent of \$20,000 contract) and Maristella (\$3,546.38 unspent of \$12,500 contract). Expenditure deadline is June 4, 2014.
- 2013 ESG: \$10,000.00 allocated to Maristella, but not contracted due to issues with 2012 ESG contract. Expenditure deadline is May 1, 2015.
- Total unspent amount of \$53,487.08 would be reallocated to ESG contingency projects recommended by Homeless Assistance ARC at December 9, 2013 meeting and approved by CDC on January 15, 2014 (see Old Business for ESG funding recommendation memo).

Ms. Gingiss informed the EC of the upcoming Emergency Solutions Grant (ESG) deadlines for several contracts, as delineated on the Watch List (Items 1 and 2) on page 16 of the agenda packet. The two agencies involved are Maristella and Prairie State Legal Services, which both encountered difficulties meeting the restrictiveness of the new ESG regulations. In order to prevent the return of these funds to the federal government, the County must reallocate them to agencies that can quickly put the funds to appropriate use. Staff worked with the Homeless Assistance ARC, at its December meeting, to determine contingency projects, which were then approved by the CDC during its January meeting.

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Russell, to recommend the reallocation of ESG funds, as shown in the agenda packet, to the Community Development Commission (CDC) for approval. The motion carried by the following vote:

Aye: 5 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa and Commissioner Russell

Not Present: 1 - Commissioner Rose

6.3 14-0124

Vote to amend terms for Homebuyer Downpayment Assistance Program

- In the existing homebuyer Downpayment Assistance Program funded by both HOME and LCAHP, the Affordable Housing Corporation (“Corporation”) has been charging Lake County a \$2,000 fee per homebuyer assisted. In the same program provided for North Chicago, the Corporation has been charging a \$1,000 fee per homebuyer assisted.
- When the Corporation learned of these fee eligibility problems, it agreed to reduce its fee per Lake County homebuyer assisted to \$1,000 comprised of an industry-standard \$500 counseling fee, a \$400 underwriting fee and a \$100 loan origination fee.

Ms. Gingiss said staff had noticed that the Affordable Housing Corporation (Corporation) had been charging a \$2,000 processing fee on each Homebuyer Downpayment Assistance loan, other than on loans originated for the City of North Chicago, which it charged \$1,000. Upon further investigation, it was determined that a portion of the \$2,000 fee was ineligible under the HOME program. Working with staff, the Corporation agreed to amend its contracts with the County to reduce the fee to \$1,000 per loan, while charging the homebuyer a \$450 fee.

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Russell, to approve the amended terms for the Homebuyer Downpayment Assistance Program. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.41 14-0136

Vote to reallocate PY2011 HOME Investment Partnerships Program agreement with YouthBuild Lake County

- Under the PY2011 Annual Action Plan, HOME funds totaling \$121,000 were allocated and committed via written agreement to YouthBuild Lake County for new construction of a single-family home at 2129(2127) Honore, North Chicago.
- As of January 2014, YouthBuild Lake County has not commenced construction of the home, and the project was subsequently canceled by HUD.
- Community Development staff recommends ending the written agreement with YouthBuild Lake County and reallocating the resulting balance of funds during the PY2014 HOME application round. The written agreement also included references to other HOME agreements related to acquisition and green agreements that are consequently also ended. The acquisition portion was resolved previously; the green portion is a separate agreement to be resolved at a later time.
- Upon approval of this reallocation, staff will submit complete the amendment process for the 2011 Annual Action Plan and amend existing contract documents accordingly.

Ms. Gingiss reminded the EC that YouthBuild Lake County’s PY2011 project for construction of a single-family home at 2129 (2127) Honore in North Chicago had been canceled by HUD, due to inaction. The next step in this process would be for the County

to cancel the contract and reallocate those funds, \$121,000, to the upcoming funding round.

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Russell, to recommend the reallocation of PY2011 YouthBuild HOME funds to the CDC for approval. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.42 14-0130

Vote to authorize reallocation of PY2012 HOME Investment Partnerships Program (HOME) Community Housing Development Organization (CHDO) operating expenses

- Under the PY2012 Annual Action Plan, HOME funds were allocated to four CHDO organizations for operating expenses: Community Partners for Affordable Housing, Habitat for Humanity of Lake County, Lake County Residential Development Corporation, and YouthBuild Lake County; each entity was awarded \$12,439.00.
- As of January 2014, YouthBuild Lake County had not been certified as CHDO, so was not under contract for the reserved 2012 CHDO operating funds. Due to the approach of the HOME 2012 commitment deadline, Community Development staff recommends reallocation of the funds to the three other funded CHDO organizations to use as operating as follows: Community Partners for Affordable Housing (\$4,146.00), Lake County Residential Development Corporation (\$4,146.00), and Habitat for Humanity of Lake County (\$4,147.00).
- Upon approval of this reallocation, staff will submit complete the amendment process for the 2012 Annual Action Plan and amend existing contract documents accordingly.

Ms. Gingiss explained that PY2012 HOME CHDO operating funds had been allocated to four organizations, of which only YouthBuild Lake County had not completed the certification process required to enable it to receive these funds. Due to this, the funds were never placed under contract and need to be reallocated prior to the upcoming HOME commitment deadline. Staff recommended dividing the \$12,439 between the three remaining approved agencies as follows: Community Partners for Affordable Housing and Lake County Residential Development Corporation at \$4,146 each and Habitat for Humanity at \$4,147.

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Russell, to recommend the reallocation of YouthBuild Lake County's PY2012 CHDO operating funds, as shown above, to the CDC for approval. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.43 14-0137

Vote to allocate of Lake County Affordable Housing Program (AHP) funds to YouthBuild Lake County for construction related costs of a failed project

- YouthBuild Lake County was in receipt of a HOME 2011 written agreement for the new construction of a single-family home at 2129 (2127) Honore, North Chicago; a project

subsequently canceled.

- No expenses related to this site were previously vouchered to Lake County for reimbursement per the HOME 2011 agreement, however YouthBuild Lake County incurred \$4,490 in project related expenses and seeks reimbursement for costs that were incurred prior to withdraw of the agreement.
- The County has unallocated AHP funds that can be used to pay for such eligible expenses .

Ms. Gingiss said that, even though YouthBuild's PY2011 HOME project for 2129 (2127) Honore, North Chicago had been canceled, YouthBuild had incurred \$4,490 in project-related expenses during the contract period. The agency requested reimbursement of these expenses, which staff recommends be paid with available Affordable Housing Program (AHP) funds.

A motion was made by Commissioner Swartz, seconded by Commissioner Calabresa, to recommend the allocation of \$4,490 in AHP funds to YouthBuild, for construction-related costs of a canceled project, to the CDC for approval. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.5 14-0131

Vote to broaden scope of AHP 2013 Foreclosure Counseling and Mediation Grant

- Given the success in funding its new Foreclosure Counseling and Mediation Program with the Lake County Courts, the Affordable Housing Corporation of Lake County (AHC) has requested to repurpose this new initiative's recent \$45,000 grant from the Lake County Affordable Housing Program (AHP).
- AHC is requesting, and staff is recommending, that the scope of the AHP 2013 grant to AHC for \$45,000 be expanded for use by the agency for a broader range of needs, such as general operating and homeownership education/counseling for clients who don't buy a home in the near-term. (On such clients, AHC operates at a loss because it doesn't earn the \$500 counseling fee earned when a client buys a home with County assistance.)

Attachments: [Repurposing AHP-1391 Ltr 2-6-14](#)

Ms. Gingiss stated that the Affordable Housing Corporation (Corporation) was recently awarded a \$45,000 grant for its Foreclosure Counseling and Mediation program. Since that time, the Corporation has entered into a \$318,000 contract with the County Court system for this program, as well as receiving a \$2,000,000 grant from the Illinois State Attorney General's office. Therefore, the Corporation requested that the AHP grant be repurposed to help with the uncovered expenses incurred when education and counseling those households that do not buy a home or to help pay other operating expenses.

A motion was made by Commissioner Swartz, seconded by Commissioner Calabresa, to recommend the request to broaden the scope of the Corporation's LCAHP PY2013 Foreclosure Counseling and Mediation grant to the CDC for approval. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.6 14-0132

Joint resolution approving 2012 and 2013 Housing and Urban Development (HUD) Action Plan Amendments.

- At the January 15, 2014 Community Development Commission (CDC) meeting, the CDC approved several items related to funding allocations and project scopes that require Action Plan amendments per HUD regulations.
- Attached is a brief summary of changes to the 2013 and 2012 Annual Action Plans. While amendments were also required of the 1994, 2002, 2005, 2008 and 2011 Annual Action Plan, those amendments are recognized as part of the Program Year 2013 Amendment as the end-use of reallocated funding resulting from such amendments is governed under the Program Year 2013 Plan.
- Both Action Plan Amendments reflect activity and/or policy changes previously approved by the Community Development Commission.
- The attached amendment document contains detailed information.

Attachments: [MasterAmendMultAPFinal HCS F&A](#)

Ms. Gingiss presented the PY2012 and PY2013 Annual Action Plan Amendments to the EC, as detailed in the agenda packet attachments. These amendments contain activity and/or policy changes that have received approval by the CDC.

A motion was made by Commissioner Swartz, seconded by Commissioner Calabresa, to recommend the PY2012 and PY2013 Annual Action Plan Amendments to the CDC for approval. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose

6.7 14-0133

Previous Recommendations from 2004 Analysis of Impediments to Fair Housing

The last completed Analysis of Impediments to Fair Housing was released by Lake County in 2004. At that time, this HUD-required Analysis resulted in the recommended action steps attached. These previous recommendations serve as useful background information as the County prepares its 2014 Analysis of Impediments to Fair Housing, including an updated action plan.

Attachments: [Pages from Final Report - 2004 Excerpt](#)

Ms. Gingiss directed the EC's attention to the excerpts from the 2004 Analysis of Impediments to Fair Housing, as presented in the agenda packet, which include the conclusions and recommendations of that document. She added that, during the CDC meeting to follow, a representative of Prairie State Legal Services would present the second portion of its fair housing training and would also inform the CDC of what can be expected from the 2014 Analysis of Impediments to Fair Housing. Ms. Gingiss hoped that the information from the 2004 Analysis could be connected with the information presented during the training. She then spoke about several of the findings.

7. **STAFF REPORTS**

There was no Community Development Administrator's report.

8. **ADJOURNMENT**

A motion was made by Commissioner Venturi, seconded by Commissioner Russell, to adjourn the meeting at 3:06 p.m. The motion carried by the following vote:

Aye: 6 - Vice-Chairman Venturi, Commissioner Swartz, Chairman Pedersen, Commissioner Calabresa, Commissioner Russell and Commissioner Rose