

Lake County Illinois

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



Agenda Report - Final

Wednesday, February 12, 2014

3:30 PM

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

Community Development Commission

1. ROLL CALL

2. APPROVAL OF MINUTES

2.1 14-0128

Approval of January 15, 2014 Minutes

Attachments: [1.15.14.pdf](#)

3. CHAIR'S REMARKS

4. PUBLIC COMMENTS (items not on the agenda)

5. OLD BUSINESS

5.1 14-0021

Presentation on Duty to Affirmatively Further Fair Housing

- Since 2012, the County has contracted with Prairie State Legal Services as its fair housing services provider. Prairie State's scope includes providing fair housing training to government officials and grant-making decision makers such as the CDC.
- As the By-Laws of the CDC state, one of the goals of the CDC is to "Actively compile and disseminate information on trends, issues and best practices impacting community development" and fair housing - as both a federal and state law - is one of those best practices.
- To prepare for the 2014 Analysis of Impediments to Fair Housing, the CDC will hear three short presentations on the County's duty to affirmatively further fair housing at its first three meetings of 2014.

5.2 14-0013

Review of PY2014 Emergency Solutions Grant (ESG) Funding Recommendations from the Homeless Application Review Committee (ARC)

- The Homeless ARC met on December 9, 2013 to review applications for PY2014 ESG funding and anticipated contingency funding from prior years' grants.
- The ARC recommends funding programs in shelter, homelessness prevention, rapid rehousing and homeless management information systems (HMIS) as consistent with the consolidated plan and Lake County's strategic plan.
- Specific program allocations are detailed in the attached memo, which has been updated with a slightly higher contingency funding amount since approved by the CDC Executive Committee on December 16, 2013.

Attachments: [2014 ESG Funding Recommendations Memo Revised](#)

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](#)

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).

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.

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.

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.

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.

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](#)

6.6 14-0135

Public Comments (2012 and 2013 Action Plan Amendments)

6.7 14-0132

Resolution to approve 2012 and 2013 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: [Action Plan Amendments Feb 12 2014 CDC](#)
[MasterAmendMultAPFinal](#)

6.8 [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](#)

7. STAFF REPORTS

8. ADJOURNMENT