

Lake County Illinois

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



Agenda Report - Final

Wednesday, May 9, 2018

3:30 PM

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

Housing and Community Development Commission

1. ROLL CALL

2. APPROVAL OF MINUTES

2.1 [18-0559](#)

Approval of the March 14, 2018 Minutes

Attachments: [3.14.18 Minutes.pdf](#)

3. CHAIR'S REMARKS

4. PUBLIC COMMENTS (items not on the agenda)

5. OLD BUSINESS

6. NEW BUSINESS

6.1 [18-0562](#)

Commission action to initiate special application round for Permanent Supportive Housing

- The 2015-2019 Consolidated Plan identifies the community need for increasing availability of permanent supportive housing (PSH) within its broader focus on increasing the supply of affordable housing.
- The first four regular application rounds of the 2015-2019 Consolidated Plan period, however, have not yielded any permanent supportive housing (PSH) applications nor resulting projects. Consequently, PSH represents a significant gap in the continuum of affordable housing options proposed and developed within this Consolidated Plan period.
- The increase in Program Year 2018 funding from the Department of Housing & Urban Development (HUD) has made available \$420,058 (\$73,431 CDBG and \$346,627 HOME). This funding in potential combination with a new round of state funding for PSH creates an opportunity to address this PSH gap in Lake County's continuum of affordable housing options.
- Staff recommends HCDC action to initiate a special application round for creation of Permanent Supportive Housing with priority given to projects that serve either chronically homeless on the Coordinated Entry waiting list for PSH or people with mental illness exiting Jail.

6.2 [18-0570](#)

U.S. Department of Housing & Urban Development (HUD) 2018 Action Plan - Presentation and Discussion

- Four Advisory and Recommendation Committees (ARCs) have reviewed 2018 funding requests and voted to recommend particular projects to the Housing & Community Development Commission (HCDC).
- Projects recommended for funding with HUD program year 2018 funds are presented in the 2018 Action Plan attached. Proposed amounts have been adjusted to match actual 2018 funding amounts: \$1,684,900 HOME; \$2,882,825 CDBG; and \$216,362 ESG for a total of \$4,784,087. The year-over-year 9.7% increase in CDBG and 45.6% increase in HOME translated to a total 15% increase from 2017 to 2018 because ESG in 2017 was nearly twice its size with one-time extra funding.
- Recommendations will be subject to a thirty-day public comment period (February 15 to March 15, 2017) and two public hearings before the recommendations advance to the

Lake County Board for consideration.

6.3 [18-0569](#)

PUBLIC HEARING: 2017 Annual Action Plan Second Amendment and 2018 Annual Action Plan for the U.S. Department of Housing & Urban Development (HUD)

6.4 [18-0571](#)

Joint resolution approving the Second Amendment to the 2017 Housing and Community Development Annual Action.

- HUD requires the submission of an Annual Action Plan (AAP) and associated amendments to govern expenditure of federal housing and community development funding for each year of grant funding.
- Select activities in the 2017 AAP have been recommended for additional 2018 funding. Per HUD guidance these activities should be removed from the 2017 AAP and placed in the 2018 AAP.
- The proposed Action Plan amendment shifts all activities receiving Program Year (PY) 2018 funds from the 2017 AAP into the 2018 AAP.

Attachments: [2nd Amendment Lake County 2017 Action Plan.pdf](#)

6.5 [18-0575](#)

Joint resolution approving the 2018 Housing and Community Development Annual Action Plan, authorizing all necessary correspondence for the implementation of the plan with the United States Department of Housing and Urban Development (HUD).

- Following an initial Public Hearing for the 2018 Annual Action Plan on March 14, 2018, the U.S. Department of Housing & Urban Development (HUD) announced the 2018 funding amounts.
- Lake County's combination of Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) funds totals \$4,783,403, an increase of 19.6 percent from the previous year. While CDBG increased 9.7% to \$2,882,885 and HOME increased 45.5% to \$1,684,216, ESG returned to normal levels (\$216,362) after providing special one-time additional funding last year.
- On March 14, 2018 the HCDC voted on initial funding recommendations totaling only \$4,079,089. In the 2018 draft Annual Action Plan for the second Public Hearing, the increase of \$704,314 was used first to fund administration and CDBG public services up to their respective statutory caps (10% admin HOME/ 20% admin CDBG/ 15% CDBG public services) and then to satisfy municipal agreements (e.g. Lake County HOME Consortium and North Chicago CDBG agreements).
- After increasing approved CDBG public services and ESG activities to requested amounts, Staff recommends the HCDC implement a special application round for the remaining \$420,058 in unallocated funds (\$346,627 HOME and \$73,431 CDBG).

Attachments: [Lake County and Waukegan 2018 Annual Action Plan.pdf](#)

6.6 [18-0573](#)

Joint resolution approving two Memoranda of Understanding (MOU) between Lake County and previously approved sub-recipients of 2018 Community Development Block Grant (CDBG) funds.

- HUD under 24 CFR 570.200(h) permits CDBG grantees such as Lake County to allow

- its CDBG sub-recipients to begin spending on CDBG projects prior to receipt by Lake County of its CDBG award. The Lake County Board has approved such MOUs in the past, with sub-recipients traditionally willing to take the additional risk.
- The two sub-recipients proposed for 2018 MOUs are the Village of Mundelein and the City of North Chicago. Both municipalities are looking to maximize the amount of days remaining in the 2018 construction season. The City of North Chicago will improve approximately 4200 linear feet of sanitary sewer in a low/mod income area. The Village of Mundelein is pursuing the demolition of the structure located at 538 Morris Street to facilitate a future housing development.
 - The proposed MOUs will put the City of North Chicago and the Village of Mundelein on notice that the risk of incurring pre-award costs is borne by the sub-recipient and that such risks include both REIMBURSEMENT OF THESE EXPENSES IS COMPLETELY DEPENDENT ON THE CDBG 2018 GRANT AWARD PROVIDED BY HUD and a potential outcome where no CDBG funds are awarded to it.

Attachments: [MOU Mundelein and LC Comm Dev. CDBG 2018.pdf](#)
[MOU NC and LC Comm Dev. CDBG 2018.pdf](#)

7. STAFF REPORTS
8. ADJOURNMENT