

## Lake County Residential Development Corporation

*a 501(c)3 Corporation*

November 13, 2015

Chairman Ray Rose  
Lake County Housing & Community Development Commission  
500 W. Winchester Rd, Unit 101  
Libertyville, IL 60048



Dear Chairman Rose:

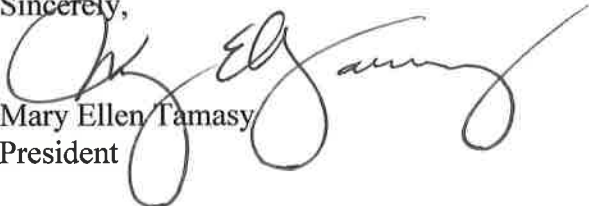
Lake County Residential Development Corporation (LCRDC) is requesting a modification to the allocations of 2013 and 2014 HOME Funds. LCRDC was awarded \$625,048 of HOME funds to complete 20 units of acquisition/rehab and new construction in North Chicago. Eight of the units are to be existing scattered site rental, four are to be new construction rental, and eight are to be new construction homeownership through a lease to purchase program. In addition, LCRDC was chosen by the IL Attorney General to be awarded \$1.5 million through the National Mortgage Settlement Program for this proposed development.

Since the issuance of the contract for these funds in September 2014, LCRDC has been working to identify sites for the scattered site rental units. With the changes in the market there have been very few properties available. LCRDC has entered into a contract with First Midwest to purchase a foreclosed six unit building and will close on it by the end of the year. We plan on identifying 2 additional properties to purchase by the second quarter of 2016. The total HOME funds used for these eight units will be \$250,020.

We recently identified the opportunity to utilize the four rental units of new construction for permanent supportive housing. This was not our original plan for these units, but the need for permanent supportive housing is a high priority in Lake County. The City of North Chicago entered into a donation agreement with LCRDC for five lots located at 1235 Victoria for this development. We are asking if the remaining \$375,028 can be allocated to the construction of these units. Because this is new construction we plan to make the units fully accessible and because of the location in North Chicago near the VA, we will target homeless veterans. We are collaborating with TLS Veterans to provide supportive services for the tenants at the site and have applied for Continuum of Care funds for operational and supportive service funding. If we are approved for the modification of the use of the HOME funds, we will be able to offer rents at \$250 per month for the veterans, many of whom are relying only on SSI for income.

LCRDC will be requesting an additional \$350,000 of 2016 HOME funds for the eight single family homes to be constructed on vacant land to be donated by the City of North Chicago in order to complete the total 20 units as proposed. Thank you for your consideration of this request.

Sincerely,



Mary Ellen Tamasy  
President