



Community Development Block Grant (CDBG) Funding

APPLICATIONS

COMMUNITY ACTION PARTNERSHIP OF LAKE COUNTY

August 10, 2016

Submitted By
Mary Lockhart White
Executive Director/CEO

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Community Development Block Grant (CDBG) Funding

APPLICATION I

**COMMUNITY ACTION PARTNERSHIP
OF LAKE COUNTY**

August 10, 2016

Submitted By

Mary Lockhart White

Executive Director/CEO

APPLICATION SUMMARY

Program/Project

Name: Veterans Housing @Hervey

Address: 1505-1509 Hervey Ave. North Chicago, IL 60064

Sponsor/Developer

Name: Community Action Partnership of Lake County

Sponsor/Developer

Address: 2424 Washington Waukegan, IL 60085
P.O. Box 9059 Waukegan, IL 60079-9059

Contact Name: Mary Lockhart White

Phone: 847/249-4330 Email: malccap@aol.com

DUNS #: 08-906-5593

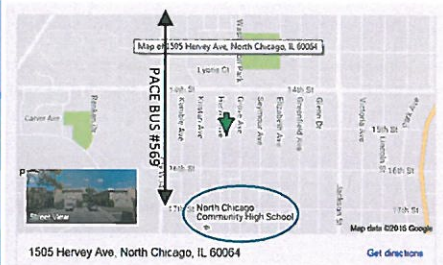
Project Type:

1. **Housing Rehabilitation**
 - b. Preservation of existing affordable rental properties

1. Describe in detail the activity for which you are requesting funds. Please include detailed location information, where available, and photos and maps were applicable.

The purpose of this funding request is to rehabilitate townhouse units which CAPOLC owns that are not currently approved by the City of North Chicago to be inhabited. This project will make additional affordable 3-bedroom townhouses available upon completion. This section of Hervey Village leases to homeless and near homeless residents. 40% of this section of the complex is reserved for veterans.

Priority addresses for this grant funding are units identified by City of North Chicago inspections as needing mandatory rehab work prior to move-in at 1505 Hervey Ave. and 1509 Hervey Ave.



2. Why is this project needed today?

Veterans in Lake County, IL suffer homelessness at a higher rate than the general population. While veterans make up 17% of Lake County's homeless population, they make up only 7% of Lake County's total population. 93% of homeless veterans counted at the last Point In Time (PIT) Count were male, and 7% were female. 53% were Black, 44% were White, and 3% were Hispanic.¹

Many of the Veterans entering the homeless population today have dependent children with them. The rate of homelessness among Veterans with families has been increasing by more than 5% every year for the past four years.

Traditionally, housing for homeless Veterans is group housing and available only for men. Veterans Housing @Hervey addresses the need for housing for Homeless and Near Homeless Veterans with children.

As Stated in the Lake County 5-year ConPlan: "A top priority for homeless veterans is secure, safe, clean housing that offers a supportive environment free of drugs and alcohol."

¹ Lake County Consortium. 2015-2019 Lake County Consolidated Plan. March 2015

¹ Lake County Consortium. 2015-2019 Lake County Consolidated Plan. March 2015

3. Who will be served by this project?

Veterans Housing @Hervey provides housing and support services for US Military Veterans and their children. There is a special emphasis on Women Veterans with children. Most applicants are high functioning and are seeking permanent employment and permanent housing.

4. Why are CDBG funds needed for this project? What other funding sources have been solicited?

The housing stock at Hervey Village was built between 1960^s and 1970^s. For the past 20+ years, these units have been for low-income residents at below market rents. Public/Private fundraising is necessary to rehab the properties in order to preserve the units as affordable rental properties.

Since CAPOLC began converting the units to veterans housing in the fall of 2014, we have received private funding from: AbbVie Foundation, ALTRIA Companies Employees Contribution Fund, BMO Harris, The Home Depot Foundation and PNC Bank. We have also received funding from the IL Dept. of Veterans Affairs Cash Grant Program and in-kind donations and/or employee volunteers from College of Lake County, Six-Flags Great America and AbbVie, Corp.

5. Any construction contract over \$2000 will be subject to federal Davis Bacon Prevailing Wage and Section 3 requirements. How do you plan to meet these requirements?

Community Action Partnership of Lake County is experienced with Davis Bacon Act (DBA) Requirements which were incorporated into our State of IL Department of Energy Weatherization grant.

We have successfully worked within DBA Requirements that require Payrolls and Basic Records. Where applicable, we as the Developer and our Contractors will submit weekly for each week in which any Contract work is performed with a copy of all payrolls to our fiscal department. The subcontractors, where applicable, will submit weekly for each week in which any sub-award or contract work is performed with all copies of all payrolls to Community Action Partnership of Lake County.

5. Please indicate how this project will be completed by April 30, 2018, including a proposed schedule for this project.

CAPOLC uses a combination of professional tradespersons, local handymen and volunteers on housing projects. At the beginning of major projects, CAPOLC meets with the Trades Team to establish which will be the point person on each phase of the project. CAPOLC housing team is "hands-on" with all major projects to ensure strong communication and that the project remains on-time and on-budget.

Task Name	Start	End	Duration (days)
Start date	10/3/2016	2/9/2017	129
Call for Contractor Bids/Quotes	10/3/2016	10/14/2016	11
Gutters & downspouts(weather permitting)	10/24/2016	10/26/2016	2
Plumbing	10/24/2016	11/18/2016	25
Electrical/HVAC	11/14/2016	11/28/2016	14
City Inspection	11/29/2016	12/2/2016	3
Drywall	12/5/2016	12/16/2016	11
Interior painting	12/17/2016	12/29/2016	12
Flooring	1/4/2017	1/13/2017	9
Appliances	1/17/2017	1/17/2017	0
Touch ups	1/18/2017	1/27/2017	9
Schedule Buffer	1/30/2017	2/3/2017	4
Furniture move-in	2/6/2017	2/9/2017	3

7. Please attach proposed budget (sources & uses) for this project. Leverage is helpful but not required.

See attachments

8. Attachments:

- ☒ Sources & Uses I
- ☒ Sources & Uses II
- ☒ Agency Audit
- ☒ Copy of IRS non-profit status letter
- ☒ Articles of Incorporation

- ☒ Copy/summary of non-discrimination policy covering recruitment/placement of staff, volunteers and clients.
- ☒ Organization Chart, limited to program impacted by this project.
- ☒ Proof of registration at www.sams.gov

9. Please explain the extent to which your proposed activity will serve residents at or below the CDBG Eligible income level (based on household size):

The majority of housing referrals that CAPOLC receives are from VA case workers and our non-profit partners that serve homeless and near homeless veterans. Each tenant is assigned a CAPOLC case worker who will help develop sufficiency plans for residents at Veterans Housing @Hervey. During the formal needs assessment, the housing applicant must confirm through documentation all sources of income.

Community Development Block Grant (CDBG) Funding

APPLICATION II

**COMMUNITY ACTION PARTNERSHIP
OF LAKE COUNTY**

August 10, 2016

Submitted By

Mary Lockhart White

Executive Director/CEO

APPLICATION SUMMARY

Program/Project

Name: Veterans Homeownership Project

Address: 1138 Victoria St. North Chicago, IL 60064

Sponsor/Developer

Name: Community Action Partnership of Lake County

Sponsor/Developer

Address: 2424 Washington Waukegan, IL 60085
P.O. Box 9059 Waukegan, IL 60079-9059

Contact Name: Mary Lockhart White

Phone: 847/249-4330 Email: malccap@aol.com

DUNS #: 08-906-5593

Project Type:

1. Housing Rehabilitation
c. Acquisition/rehab/resale

1. Describe in detail the activity for which you are requesting funds.
Please include detailed location information, where available, and photos and maps were applicable.

Veterans Home Ownership Project will help Veterans acquire an economic asset that will enable them to live financially stable with the financial education to sustain their homeownership.

Over a three month period, Community Action Partnership of Lake County (CAPOLC) will recruit and enroll up to 5 Veteran participants interested in asset-building for homeownership. Initially, participants will go through an application process and financial status assessment.

Selected program participants will work with CAPOLC case managers to ensure that, by their closing date, the applicant has successfully completed financial literacy workshops, home budgeting and pre-purchase classes. The potential new homeowners will lease-to-own in CAPOLC owned houses for 18-20 months. Extended leases are available.

Mandatory Workshops:

Financial Literacy topics:

- How to Develop and Maintain a Monthly Budget
- How to Determine Your Net Worth
- Understanding Your Credit Report and Credit Score
- How to Repair and Improve Your Credit Scores

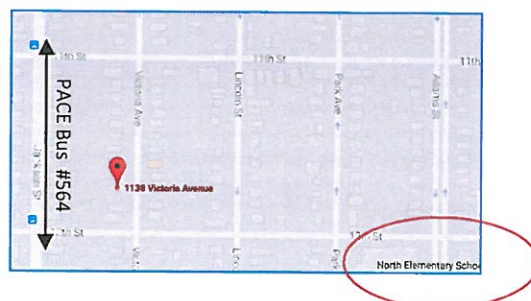
- Eliminating Debt
- How to Save Money and Getting Organized

Home Ownership topics:

- The Best Mortgage Structure for You
- Understanding Tax Credits and IRS filings
- Home Maintenance

The rehabilitation project for which CAPOLC seeks funding is for a single-family 924 sq. ft. house on a 7,291 sq. ft lot in North Chicago, IL. The property was inspected by the City of North Chicago Department of Economic & Community Development October 16, 2015. The inspection report outlines all repairs/rehab necessary to return the house to occupancy.

The house will be completely gutted followed by a redesign with an open-concept living/dining and kitchen space that will allow for a 3rd main floor bedroom. All mechanicals will be replaced with a new furnace and hot water heater. The house will be plumbed and rewired to code.



2. Why is this project needed today?

Affordability Is the Largest Housing Problem in Lake County, IL

According to the 2015-2019 Lake County Consolidated Plan, “affordability is by far the largest housing problem in Lake County.” Estimated cost burden in Lake County shows 51% of renters and 37% of homeowners as paying more than 30% of their income on housing cost.

From 2000 to 2011 Lake County’s median home value increased 42%, from \$198,200 to \$280,900 and the median rent increased 33%, from \$742 to \$988.¹

Homeownership may be more affordable than renting. Fair Market Rent (FMR) for a 2-bedroom apartment in Lake County is \$988 per month. A typical mortgage payment on a \$100,000 house is only \$634 per month.

Per the Notice of Available CDBG Project Funding, “preference will be given for permanent supportive housing located in close proximity to public transit ...and providing housing for larger families.”

Note: This rehab lease-to-own project is 1 block from PACE bus route 564. This project’s rehab design expands a 2-bedroom house into a 3-bedroom house which will provide housing for a larger family.

¹ Lake County Consortium. 2015-2019 Lake County Consolidated Plan. March 2015

3. Who will be served by this project?

Veteran Homeownership Project is intended to help honorably discharged Lake County IL military Veterans with limited access to affordable housing be able to purchase a home. Target population: Independently functioning veterans with income equal to or less than 80% of the County’s Area Median Income and who are willing to commit to participating in financial education workshops.

4. Why are CDBG funds needed for this project? What other funding sources have been solicited?

CDBG funds are needed to remove 1138 Victoria from a vacant property on a residential block into a resident owned and occupied property. The budget needed to repair/rehab this property exceeds its current value. Lake County understands that grant funding is an investment that will begin paying dividends immediately to the community, City of North Chicago and Lake County.

CAPOLC has partnership agreements pending with PNC Bank and YouthBuild Lake County.

5. Any construction contract over \$2000 will be subject to federal Davis Bacon prevailing wage and Section 3 requirements. How do you plan to meet these requirements?

Community Action Partnership of Lake County is experienced with Davis Bacon Act (DBA) Requirements which were incorporated into our State of IL DOE Weatherization grant during the American Recovery and Reinvestment Act (ARRA) of 2009.

We have successfully worked within DBA Requirements that require Payrolls and Basic Records. Where applicable we, as the Developer and our Contractors, will submit weekly for each week in which any Contract work is performed, a copy of all payrolls to our fiscal department. The subcontractors, where applicable, will submit weekly for each week in which any sub-award or contract work is performed with all copies of all payrolls to Community Action Partnership of Lake County.

5. Please indicate how this project will be completed by April 30, 2018, including a proposed schedule for this project.

CAPOLC uses a combination of professional tradespersons, local handymen and volunteers on housing projects. At the beginning of major projects, CAPOLC meets with the Trades Team to establish which will be the point person on each phase of the project. CAPOLC housing team is "hands-on" with all major projects to ensure strong communication and that the project remains on-time and on-budget.

Task Name	Start	End	Duration (days)
Start date	10/3/2016	2/24/2017	144
Survey	10/3/2016	10/10/2016	7
Architect Plan Development	10/10/2016	10/21/2016	11
Call for Contractor Bids/Quotes	10/27/2016	11/11/2016	15
Contractor Meeting	11/16/2016	11/16/2016	0
Demolition	11/17/2016	11/21/2016	4
Open wall inspection	11/23/2016	11/23/2016	0
Electrical	12/5/2016	12/9/2016	4
Plumbing	11/28/2016	12/2/2016	4
HVAC	11/28/2016	12/2/2016	4
City Inspection	12/5/2016	12/8/2016	3
Exterior windows & doors	12/5/2016	12/8/2016	3
Insulation	12/9/2016	12/9/2016	0
Roof, soffit/fascia (weather permitting)	12/9/2016	12/19/2016	10
Gutters & downspouts (weather permitting)	12/10/2016	12/10/2016	0

(cont).	Task Name	Start	End	Duration (days)
	City Inspection	12/12/2016	12/12/2016	0
	Drywall	12/13/2016	12/20/2016	7
	Basement & laundry room flooring	12/13/2016	12/20/2016	7
	Closets	12/20/2016	1/20/2017	31
	Kitchen & bath, laundry cabinets install	12/20/2016	1/20/2017	31
	Millwork	12/20/2016	1/20/2017	31
	Interior doors- hang & hardware	12/20/2016	1/20/2017	31
	Interior painting	1/23/2017	1/27/2017	4
	Flooring – main floor	1/30/2017	2/3/2017	4
	Appliances	2/8/2017	2/8/2017	0
	Touch ups	2/9/2017	2/10/2017	1
	FINAL Inspection	2/13/2017	2/15/2017	2
	Schedule Buffer	2/16/2017	2/23/2017	7

7. Please attach proposed budget (sources & uses) for this project. Leverage is helpful but not required.

See Attachments

8. Attachments:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Sources & Uses Application I | <input checked="" type="checkbox"/> Copy/summary of non-discrimination policy covering recruitment/placement of staff, volunteers and clients. |
| <input checked="" type="checkbox"/> Sources & Uses Application II | |
| <input checked="" type="checkbox"/> Agency Audit | <input checked="" type="checkbox"/> Organization Chart, limited to program impacted by this project. |
| <input checked="" type="checkbox"/> Copy of IRS non-profit status letter | |
| <input checked="" type="checkbox"/> Articles of Incorporation | <input checked="" type="checkbox"/> Proof of registration at www.sams.gov |

9. Please explain the extent to which your proposed activity will serve residents at or below the CDBG Eligible income level (based on household size):

The majority of housing referrals CAPOLC receives are from VA case workers and our non-profit partners that serve homeless and near homeless veterans. Each tenant is assigned a CAPOLC case worker who will help develop sufficiency plans for residents at Veterans Housing @Hervey. During the formal needs assessment, the housing applicant must confirm through documentation all sources of income. Eligible applicants must have household incomes equal to or less than 80% AMI for Lake County, IL.

ATTACHMENTS

Veterans Rental Project 1505-1509 Hervey Ave. North Chicago, IL SOURCES AND USES I					
Revenues		CAPOLC Housing	In-Kind	CDBG	Corporate Donations/Grants
CDBG grant funding				83,645	
Corporate Donations/Grants				26,750	
In-kind Revenue				4,694	
CAPOLC				5,328	
Total Revenues				120,417	-
Expenditures		CAPOLC Housing	In-Kind	CDBG Project Funding	Corporate Donations/Grants
Exterior	34,500			17,250	17,250
Electrical Work	6,480			6,480	
Plumbing	29,872			29,872	
Carpentry	1,400			1,400	
Handyman	12,056		4,694	7362	
Drywall	6,020			6,020	
Permits	6,000				6,000
HVAC	1,200			1,200	
Appliances	5,536			5,536	
Other - Misc	3,500				3,500
subtotal	106,564				
Project Management	5,328	5,328			
Contingency	8,525			8,525	
Total	120,417	5,328	4,694	83,645	26,750

VETERANS HOMEOWNERSHIP PROJECT – 1138 VICTORIA, NORTH CHICAGO, IL

SOURCES & USES

Revenues		CAPOLC Housing	Partners In-kind /YouthBuild of Lake County	CDBG	Corporate Donations/Grants
CDBG grant funding	49,650			49,650	
Corporate Donations/Grants	45,850				45,850
In-kind Revenue	19,300		19,300		
CAPOLC	14,259	14,259			
Total Revenues	129,059				
Expenditures		CAPOLC Housing	Partner In-kind YouthBuild of Lake County	CDBG Project Funding	Corporate Donations/Grants
Lead Pipe Replacement from house to city main drinking water line	6,000			6,000	
Project Management	9,229	9,229			
Foundation repair	3,500			3,500	
Exterior Windows & Doors	4,000				4,000
Exterior concrete flatwork	5,000			5,000	
Roofing	12,000				12,000
Siding	4,000			4,000	
Demolition	5,100		2,500	2,600	
Dumpster & Port-a-Potty rental	3,500				3,500
Insulation	1,500				1,500
Electrical	7,800				7,800
Lighting Fixtures	1,000		1,000		
Heating	9,000			9,000	

(cont.) Expenditures		CAPOLC Housing	Partner In- kind YouthBuild of Lake County	CDBG Project Funding	Corporate Donations/Grants
Plumbing	9,500			9,500	
Plumbing Fixtures	1,200				1,200
Lumber	2,000				2,000
Drywall	3,500		3,500		
Cabinets	3,000		3,000		
Interior Trim - interior doors	3,000				3,000
Painting	3,500		2,000		1,500
Flooring	2,500		2,500		
Labor	21,500		4,800	15,050	1,650
Appliances	4,300				4,300
Permits, Fees	1,550	1,550			
Survey	650				650
Architect Plans	2,750				2,750
Lead Paint testing	1,000			1,000	
Temporary Security System	480	480			
Misc/Contingency	3,000	3,000			
Total	129,059	14,259	19,300	49,650	45,850