

## **Glenkirk Request for CDBG Funding from Lake County**

Please submit your request for CDBG project funding no later than 5PM on August 10, 2016 via email to [communitydevelopment@lakecountyil.gov](mailto:communitydevelopment@lakecountyil.gov). There is no standardized application form. In your request for funds, please answer and/or provide the following:

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

Glenkirk is seeking funding from this special application process to purchase a Community Integrated Living Arrangement (CILA) in which six unrelated adults will live. Specifically Glenkirk is requesting \$150,000 in CDBG funding from Lake County and it will, in turn, use a minimum of \$200,000 from its reserves and operating budget to purchase a four-bedroom, ranch home that is valued at no less than \$350,000. Additional funds from Glenkirk will be used to purchase new furniture, appliances, make accessibility modifications in the home, and install a sprinkler system and fire alarm.

CILAs, as a housing option for individuals with intellectual disabilities, came into national prominence beginning in the 1970s. The Ligas Consent Decree<sup>1</sup> has accelerated the move in Illinois into CILAs for adults with intellectual disabilities. Since 2010, Illinois has seen a 27% (as of March 2016) increase of individuals in CILAs; even looking at the last two fiscal years, Illinois has seen an 8.6% increase in individuals in CILAs.<sup>2</sup> This demand for CILA housing will likely not slow down for the near future and additional CILA housing must be built to accommodate the individuals who want to live in CILAs.

While Lake County often gives preference in funding to projects in underserved areas, Glenkirk is constrained by local zoning ordinances as to where it can have a CILA that houses more than five unrelated individuals. Reimbursement rates for individuals who are eligible for CILA funding are already among the lowest in the country, and having fewer than six individuals in a home, make the home too costly to be financially viable. Based on experience, we will be looking for an appropriate property in Buffalo Grove or Mundelein because these communities do not require special use permits for a CILA with six unrelated adult residents, though we will consider any community in Lake County that does not require a special use permit for a CILA in which six unrelated adults reside.

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<sup>1</sup> Retrieved from <http://www.dhs.state.il.us/OneNetLibrary/4/documents/Ligas/LigasConsentDecree061511.pdf> August 5, 2016.

<sup>2</sup> Illinois Department of Human Services – Developmental Disabilities Reports. Retrieved from <http://www.dhs.state.il.us/page.aspx?item=31193> August 3, 2016.

## **2. Why is this project needed today?**

In 2011, Glenkirk undertook a thorough audit of its residential properties. These audit reports, Facilities Audit Reports I and II, dated February 17, 2011 and May 19, 2011, respectively, detail the conditions of Glenkirk's facilities and the renovation and rehab work each property needed. These Audit Reports and the rehab and renovation work that has already been completed over the last five years represent a critical step in strengthening the sustainability of Glenkirk's mission and providing needed and necessary repairs to Glenkirk's properties. Since then, one of our properties has moved from being in moderate need of repairs/renovations to being in high need. We have analyzed one of our CILAs (hereinafter "Chicago") and believe that continued ownership of Chicago does not fit with our long-term goals and plans. Most importantly, Chicago is a multi-story residence and Glenkirk has slowly been moving away from multi-story dwellings because of the challenges stairs present to its aging residents. This less-than-perfect fit with Glenkirk's long-term goals coupled with the high cost to rehab/renovate the home have tipped the scales against rehab. Thus Glenkirk plans to sell Chicago and finding a more suitable one-story residence for the individuals who presently live there.

Glenkirk is seeking support from Lake County for this purchase. Proceeds from the sale of Chicago will be used by Glenkirk to offset costs of the newly purchased CILA.

## **3. Who will be served by this project?**

This project will serve six adult individuals with intellectual and developmental disabilities who are already receiving residential services from Glenkirk.

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

CDBG funds are vital for this project to go forward. Glenkirk hopes to leverage money from this special grant cycle to purchase a 4-bedroom home. To understand why CDBG funds from Lake County are needed, it is important to first understand our operating budget. Glenkirk proposed budget for FY 2017<sup>3</sup> can be broken down as follows:

IL DHS & DHFS	75.22%
SSA/SSI	9.18%
Townships	1.01%
Sales of Services/OSDD & Fulfillment	6.17%
Lake County & Arlington Heights HOME & CDBG Grants	0.67%
Special Events	1.68%
Grants	4.19%
Contributions	0.55%
Other	<u>1.33%</u>
<b>Total</b>	<b>100.00%</b>

One must keep in mind that neither the money received from the State nor SSA/SSI from the federal government can be spent on capital projects. It is also important to note that Illinois remains near the bottom of the list for money that it pays to reimburse agencies for services provided to individuals with intellectual disabilities. In short, state reimbursements do not even cover the full cost of care, which means that any agency providing housing and other services for individuals with intellectual disabilities must raise funds from other sources simply to cover the cost of services that are provided. Therefore any improvements to properties and/or purchases must be made from money that is not already earmarked from the State and or Federal governments. This additional money must be raised through other sources and which is why the support received from Lake County is vital to the success of this project.

**5. Any construction contract over \$2,000 will be subject to federal Davis Bacon prevailing wage and Section 3 requirements. How do you plan to meet these requirements?**

Glenkirk has significant experience with the prevailing wage requirements, most recently from an Arlington Heights CDBG grant as well as from previous Lake County HOMES grants. Estimates for the project budget below (see question 7) were made using the work recently performed under the prevailing wage requirement.

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

1. Within 90 days after having received a grant from Lake County, Glenkirk will identify several possible properties, have an inspection and environmental

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<sup>3</sup> Glenkirk's FY 2017 budget will not be finalized at the Board of Director's August meeting.

- review, and close on the property.
2. Within two weeks of closing, an architect will perform a scope of work for any necessary modifications for the kitchen and/or bathroom, including installing a fire alarm and a sprinkler system, for example.
  3. Within 12 weeks of closing, a sprinkler system and fire alarm will be installed and hooked up, the entire interior of the house will be repainted, and all remodeling will be completed.
  4. Within two weeks of the installation of the fire alarm, the State Fire Marshal will confirm that the house is safe, which is a prerequisite for DHS licensing the CILA.
  5. Within two weeks of the Fire Marshall's confirmation of safety, DHS will license the CILA.
  6. Glenkirk will simultaneously be seeking approval from the village in which the CILA is located that we meet the village's requirements for a CILA.
  7. Individuals will move into the CILA within two weeks of receiving DHS approval.

The above timetable is realistic though any number of unforeseen issues/problems may arise. Thus we anticipate, based on the very conservative numbers used, that within 7 ½ months of receiving a grant from Lake County, we will have purchased and six individuals will be living in this newly purchased, renovated, and furnished home in Lake County.

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

**Revenues**

Lake County CDBG grant	\$150,000
Glenkirk General Operating Budget	\$300,200
IL DHS - reimbursement for installing a sprinkler	<u>\$15,000</u>
<b>Total</b>	<b>\$465,200</b>

**Expenses**

Purchase price for home in Lake County	\$350,000
Environmental review	\$1,000
Inspection	\$500
Architect - scope of work	\$2,000
Paint entire interior of home	\$4,700
Rehab one bathroom to make it handicap accessible	\$15,000
Rehab kitchen, adding universally designed features	\$30,000
Install sprinkler system	\$15,000
Install alarm system	\$12,000
Purchase new furniture, home supplies and appliances	<u>\$35,000</u>
	<b>\$465,200</b>

**8. If you are a developer or a non-profit agency, please attach:**

- Agency Audit (most recently completed).
- Certification of non-profit status (copy of IRS letter) – if applicable.
- Articles of Incorporation or LLC documentation.
- Copy/summary of non-discrimination policy covering recruitment/placement of staff, volunteers and clients. If the organization does practice discrimination in any of the above, please explain.
- Organization Chart, limited to program impacted by this project.
- Proof of registration at [www.sams.gov](http://www.sams.gov)

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

Income Limits								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80% of Median	\$43,050	\$49,200	\$55,350	\$61,500	\$66,450	\$71,350	\$76,300	\$81,200

One-hundred percent of Glenkirk individuals earn income at only 30% of the minimum limit as published by HUD. This income level includes all Social Security benefits as well as earned income by the individuals. In short, all six individuals who will live in this house fall well below the HUD guides show above.

Please contact Eric Foote (at [efoote@lakecountyil.gov](mailto:efoote@lakecountyil.gov) or 847-377-7732) if you have any questions.