

Lake County Illinois

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



Minutes Report - Draft

Wednesday, October 10, 2018

2:30 PM

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

Housing and Community Development Commission
- Executive Committee

1. ROLL CALL

Chairman Pedersen called the meeting of the Housing and Community Development Commission's (HCDC) Executive Committee to order at 2:34 p.m.

Guests: Steve Henley and Michael Meehan of the HCDC

Staff: Jodi Gingiss, Eric Foote, Dominic Strezo, Irene Marsh-Elmer, Marilyn Sommer and Laura Walley

Present 6 - Dan Venturi, Janet Swartz, Carol Calabresa, Steve Carlson, Linda Pedersen and Ray Rose

2. APPROVAL OF MINUTES

2.1 18-1281

Approval of the July 11, 2018 Minutes

Attachments: [7.11.18 Minutes.pdf](#)

A motion was made by Commissioner Carlson, seconded by Commissioner Rose, to approve the July 11, 2018 minutes. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

3. CHAIR'S REMARKS

The Chairman had no remarks.

4. PUBLIC COMMENTS (items not on the agenda)

There were no public comments.

5. OLD BUSINESS

There was no old business.

6. NEW BUSINESS

6.1 18-1286

Discussion: Grant Performance Update (October 2018)

- The Grant Performance Update policy, which was adopted on February 11, 2014, is meant to provide a framework for reporting of certain programs or projects funded with federal dollars.
- The Policy delineates the elevation procedure for troubled projects, the final stage of which is notification of the Housing & Community Development Commission (HCDC).
- Four projects are included in this October 2018 Update. Three projects' federal grant funds must be rescinded due to compliance or feasibility problems. A fourth project requires a substantial budget increase to remain viable.

Attachments: [Grant Performance Update.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator, and Dominic Strezo, Environmental Project Coordinator

6.2 18-1288

Commission action adopting a formal policy for allocating community development and housing grant funds.

- The grant funding administered by Lake County Community Development requires prudent administration and timely spending to meet federal compliance requirements. This proposed Grant Funding Allocation Policy streamlines the way funds are both allocated from new funding sources (e.g. program income) and reallocated from slow-spending grants & troubled/canceled projects on a timely and consistent basis.
- This policy sets the expectation that HCDC be asked to make (re)allocation decisions only three times per year, including the annual application funding round. With the advent of this policy, allocations will continue to occur primarily in the annual application funding process and reallocations will be clustered into replacement projects/programs already approved by Lake County Board (LCB) in order to meet federal spending timeliness requirements.
- Under the current Citizen Participation Plan, this process will take place as efficiently, predictably and transparently as possible.

Attachments: [Grant Funding Allocation Policy.pdf](#)
[Reallocation Tracker.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Swartz, to forward the formal policy for allocating community development and housing grant funds to the HCDC for approval. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

6.3 18-1290

Joint resolution consenting the transfer of affordable housing grant funding commitments by Affordable Housing Corporation (AHC) of Lake County and Community Partners for Affordable Housing to the newly combined entity Community Partners for Affordable Housing (CPAH).

- The Affordable Housing Corporation (AHC), Lake County Residential Development Corporation (LCRDC) and Community Partners for Affordable Housing (CPAH) will be merging effective January 1, 2019.
- This merger is intended to combine three strong housing organizations to achieve greater impact through shared missions and economies of scale.
- Due to the large number of rental properties already associated with LCRDC's corporate entity (Tax ID number #36-3086133), the merged entity will move forward with the Tax ID number of LCRDC and the name Community Partners for Affordable Housing. Moving forward, the Affordable Housing Corporation of Lake County will operate only a general contractor providing construction and building services to the merged entity.
- Commission action is requested to transfer or assign AHC's and CPAH's existing grants to the new entity [CPAH Tax ID #36-3086133] effective January 1, 2019.

Attachments: [AHC Letter to Lake County 10-2-18.pdf](#)
[CPAH Letter to Lake County 10-5-18.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Calabresa, to forward the request to transfer AHC & LCRDC grant funding to CPAH (merged entity) to the HCDC for approval. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

6.4 18-1289

Commission action to allocate CDBG funds for purchase of site for affordable housing by non-profit housing developer

- The Lake County Board (LCB), based on recommendation by the Housing & Community Development Commission (HCDC), has approved \$397,390 of Community Development Block Grant (CDBG) funds to Lake County Residential Development Corporation (LCRDC) for site preparation work for an affordable housing development at the intersection of Sunset & Delaney in the City of Waukegan.
- Due to the removal of CDBG-funded demolition projects from the 2018 Action Plan, it is necessary to find a LCB-approved project that can quickly spend CDBG in an impactful way. Staff proposes funding the full acquisition of land by LCRDC (in the form of a new merged entity titled "Community Partners for Affordable Housing" (CPAH)) to increase CDBG spending rates while moving the project forward. Acquisition of the land by LCRDC will improve the scoring in the application to the State of IL for low income housing tax credits.
- The actual acquisition cost of the land at Sunset & Delaney for the LakePointe housing project is \$775,000. A deed restriction will be place on the property ensuring the development of affordable housing units.

Attachments: [Lakeview Pointe HCDC Request Letter.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator, and Dominic Strezo, Environmental Project Coordinator

A motion was made by Commissioner Carlson, seconded by Vice-Chairman Venturi, to forward the request to allocate CDBG funds for the purchase of a site for affordable housing by a non-profit housing developer to the HCDC for approval. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

6.5 18-1292

Joint resolution approving First Amendment to the 2018 United States Housing and Urban Development (HUD) Action Plan.

- HUD requires the submission of an Annual Action Plan and associated amendments to govern the expenditure of federal funding.
- The Lake County Citizen Participation plan requires the execution and approval of an Action Plan Amendment for any new project or major change in scope of project.
- The First Amendment to the 2018 Annual Action Plan allocates \$143,139 in new 2018

- program income and reallocates \$1,019,909 from canceled projects.
- Such re-allocations require this proposed amendment to the Annual Action Plan be accompanied by a 30-day public comment period and public hearing.
- The Affordable Housing Advisory and Recommendation Committee (ARC) of the Housing and Community Development Commission (HCDC) recommended the replacement projects and programs for funding.
- The HCDC, recommended the approval of this amendment to the Annual Action Plan for 2018 at its meeting on October 10, 2018.

Attachments: [2018 AAP First Amendment Redline.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator, and Dominic Strezo, Environmental Project Coordinator

A motion was made by Commissioner Swartz, seconded by Commissioner Calabresa, to forward the joint resolution approving the First Amendment to the 2018 Annual Action Plan to the HCDC for approval. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

6.6 18-1293

Joint resolution approving an update to the Neighborhood Stabilization Program (NSP) Round 1 Substantial Amendment.

- The NSP Round 1 Substantial Amendment was last revised in March 2017 to fund planned new construction by Lake County Residential Development Corporation (LCRDC) of four units of veterans' housing at 1235 Victoria in North Chicago.
- At that time, the Housing and Community Development Commission (HCDC) and the Lake County Board approved cessation of acquisition/rehab/resale programs funded by NSP in order to meet United States Housing and Urban Development (HUD) NSP closeout requirements.
- This proposed 2018 revision to the NSP1 Substantial Amendment reallocates \$153,444.79 of unspent acquisition/rehab/resale programs plus other unallocated funds to the development of affordable rental units for families at or below 50 percent of area median income to meet the low-income 25 percent investment threshold required by NSP.
- In addition to the veterans' housing, LCRDC will rehabilitate four foreclosed townhomes on Georgetown Lane in Waukegan with NSP1 investment of \$427,555.12.
- In a concerted effort to improve the appearance of its single-family residential neighborhoods, the City of North Chicago has enforced several building code requirements that increased the 1235 Victoria veterans housing project budget by \$165,018.80, resulting in an NSP1 investment totaling \$340,048. This investment cost is reasonable for four new units.
- After January 1, 2019, both LCRDC affordable rental housing projects will move forward under the CPAH name per the merger plans of AHC, CPAH and LCRDC.

Attachments: [2018 NSP 1 Action Plan Amendment.pdf](#)

Presented by Jodi Gingiss, Community Development Administrator

A motion was made by Commissioner Swartz, seconded by Commissioner Calabresa, to forward the joint resolution approving an update to the Neighborhood

Stabilization Program Round 1 Substantial Amendment to the HCDC for approval.

The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose

7. STAFF REPORTS

Jodi Gingiss, Community Development Administrator, asked for feedback on the Grant Reallocation Policy process. Commissioner Venturi stated that the policy presentation went well and offered a suggestion that could improve the process for future funding rounds.

8. ADJOURNMENT

A motion was made by Vice-Chairman Venturi, seconded by Commissioner Carlson, to adjourn the meeting at 3:17 p.m. The motion carried by the following vote:

Aye 6 - Vice-Chairman Venturi, Commissioner Swartz, Commissioner Calabresa, Ex-Officio Member Carlson, Chairman Pedersen and Commissioner Rose