



Lake County Illinois

Legislation Text

File #: 15-1264, **Version:** 1

Project Change - North Chicago Strategic Revitalization

- Lake County Residential Development Corporation (LCRDC) has requested a budget increase to its North Chicago Strategic Revitalization Plan project. In partnership with the City of North Chicago which has donated several vacant parcels, LCRDC will acquire, rehab and/or construct 15-20 housing units targeted at households earning 80% of area median income or less.
- The total project is currently \$350,000 short of funds to complete all 20 units. The project has three components: 1) Four new construction rental units of permanent supportive housing for veterans are being designed for 1235 Victoria, a former commercial site with environmental contamination that has been cleared and remediated with Lake County's Neighborhood Stabilization Program (NSP) funds; 2) Eight acquisition/rehab rental units; and 3) Eight new construction homebuyer units on vacant land donated by North Chicago.
- The cost of acquiring #2) Eight existing units for rehabilitation and rental has been higher than anticipated. To date, six units have been secured of which several are suitable for families (3 bedrooms or more).
- Unallocated \$209,645.76 in HOME 2009 funds have been identified that must be spent by September 1, 2016 or will be recaptured by the U.S. Department of Housing and Urban Development (HUD). If allocated to this project, LCRDC could invest this \$209,645.76 before the deadline. Since the \$209,645.76 is insufficient to close the \$350,000 budget gap, proposed Action Plan amendments also include the reduction of homebuyer units from eight to five.
- If this project change is approved, the 2013 Action Plan will contain this project's 12 rental units with a budget increase from \$425,048 to \$625,048. The 2014 Action Plan will contain 5 of the 8 homebuyer units planned for this project with a budget increase from \$200,000 to \$209,645.76. The remaining 3 homebuyer units would have a \$140,354.24 budget gap that may be addressed by the City of North Chicago's allocation of HOME 2016 funds.