



Lake County Illinois

Legislation Text

File #: 17-0978, **Version:** 2

Joint resolution approving a Memorandum of Understanding (MOU) between Lake County and Little City Foundation, an approved sub-recipient of 2017 Community Development Block Grant (CDBG) funds, which authorizes the CDBG sub-recipient to incur costs prior to receipt by Lake County of the 2017 CDBG annual entitlement award from the United States Department of Housing and Urban Development (HUD).

- Federal delays in the issuance of entitlement grants from HUD have become common. This year, Lake County expects to receive its annual CDBG entitlement grant agreement in late October 2017 despite its HUD Program Year having started on May 1, 2017.
- HUD, under 24 CFR 570.200(h), permits Lake County, as a CDBG grantee, to allow its CDBG sub-recipients to begin spending on CDBG projects prior to receipt by Lake County of its CDBG award.
- The Little City Foundation has requested an MOU that authorizes CDBG-eligible spending prior to Lake County's receipt of its HUD grant agreement for program year (PY) 2017. For Little City, the CDBG grant covers bathroom renovations for Lakeside Center, a Waukegan-based Community Work Services Center, serving 180 adults with autism and other Intellectual and Developmental Disabilities (I/DD).
- The proposed MOU puts the Little City Foundation on notice that the risk of incurring pre-award costs is borne by the sub-recipient and that such risks include both reimbursement of these expenses is completely dependent on receipt of grant award from HUD, so there is a potential outcome where no CDBG funds are awarded to it.

RESOLUTION

WHEREAS, Lake County Community Development requests that Lake County enter a MOU with Little City Foundation, a potential sub-recipient of 2017 Community Development Block Grant (CDBG) funds; and

WHEREAS, Lake County and Little City Foundation have previously entered into such MOUs, and

WHEREAS, said understandings authorize Little City Foundation to incur project costs prior to receipt by Lake County of its 2017 CDBG award.

NOW, THEREFORE, BE IT RESOLVED, by this County Board of Lake County, Illinois, that a MOU may be signed with the Little City Foundation allowing it to incur CDBG project costs under the full understanding that all risks are borne by the sub-recipient.

DATED at Waukegan, Illinois, on October 10, 2017.