



Lake County Illinois

Legislation Text

File #: 18-0573, **Version:** 3

Joint resolution approving a Memorandum of Understanding (MOU) between Lake County and a previously approved sub-recipient of 2018 Community Development Block Grant (CDBG) funds.

- United States Department of Housing and Urban Development (HUD) under 24 CFR 570.200(h) permits CDBG grantees such as Lake County to allow its CDBG sub-recipients to begin spending on CDBG projects prior to receipt by Lake County of its CDBG award. The Lake County Board has approved such MOUs in the past, with sub-recipients traditionally willing to take the additional risk.
- The sub-recipient proposed for a 2018 MOU is the City of North Chicago. The City is looking to maximize the amount of days remaining in the 2018 construction season. The City of North Chicago will improve approximately 4200 linear feet of sanitary sewer in a low/mod income area.
- The proposed MOU will put the City of North Chicago 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 the CDBG 2018 grant award provided by HUD and 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 a potential sub-recipient of 2018 Community Development Block Grant (CDBG) funds; and

WHEREAS, said potential sub-recipient is the City of North Chicago; and

WHEREAS, said understanding authorizes the potential CDBG sub-recipient to incur project costs prior to receipt by Lake County of its 2018 CDBG award; and

BE IT FURTHER RESOLVED, by this County Board of Lake County, Illinois, that a MOU may be signed with the City of North Chicago authorizing the potential sub-recipient to incur CDBG project costs under the full understanding that all risks are borne by the sub-recipient.

DATED at Waukegan, Illinois, June 12, 2018.