



Housing & Community Development Commission Call For Five-Year Projects & Proven Housing Programs

The Lake County 2020-24 Housing & Community Development Strategic Plan for the U.S. Department of Housing & Urban Development (HUD) is grounded in both local community input and the regional “On To 2050” plan authored by the Chicago Metropolitan Agency for Planning (CMAP). In that plan, CMAP headlines “Prioritized Investment” to “carefully target public resources to maximize regional benefits for mobility, the economic and quality of life for all residents”.

Lake County’s 2020-24 HUD Strategic Plan concentrates on four goals to:

- 1. Improve homeless crisis response system.*
- 2. Assist people with disabilities*
- 3. Maximize affordable housing*
- 4. Prioritize upward economic mobility*

The most pressing Community needs to be addressed in this HUD Strategic Plan are:

- Ending Homelessness*
- Inclusive Growth (as defined by CMAP in ON TO 2050)*
- Housing Accessibility*
- Borderless Transit*

These needs represent some of our community’s most difficult problems to solve. Addressing these problems requires new partners, new agency capacity and new project sites that can come together over the next five years to achieve Lake County’s HUD Strategic Plan goals. As the most impactful community development and affordable housing activities often involve a very lengthy project timeline, the Lake County Housing & Community Development Commission (HCDC) issues this Call to allow early identification in 2020 of larger strategic, multi-staged projects which may span the length of the five-year plan. At the same time, the HCDC offers proven housing programs the convenience of applying just once for the 2020-24 Strategic Plan cycle.

*To identify HUD-eligible new project development (e.g. mixed-income housing) or new service creation/expansion (e.g. mobile homeless outreach), the HCDC seeks to make early, flexible commitments to strategic partners selected through a call for five-year projects in ways that assist in the creation of the new development or service. This approach is common among counties and cities that identify impactful community projects addressing priority needs in the five-year planning process. Early **conditional** grant funding commitments allow implementation partners to plan new projects/service expansion and to raise funds necessary to bring strategic solutions to Lake County. Advance commitments are allowed by HUD when identified in a five-year Consolidated Plan developed with the community and taken through the public process that occurs at HCDC meetings.*

Advance commitments to large HUD Strategic Plan projects may result in uneven timing of expenditures that must be balanced with HUD’s annual grant expenditure timing requirements. This Call is accompanied by three annual funding applications – Affordable Housing, Human Services, and Public Improvements to balance spending. Additionally, Project spending can be balanced by program spending, which is more consistent, as approved by the HCDC in its Grant Funding Allocation Policy.



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Who Can Apply

Housing and community development grant funds are intended for strategic investment in projects that would not be created by the private market. As a result, lead applicants must a:

- **Non-profit agency or developer; OR**
- **Lake County municipality or township; OR**
- **Lake County government agency.**

Eligible Projects / Housing Programs

To be eligible for funding consideration, a project must NOT have started and a program must have a proven track record (can be proven outside of Lake County). The project/program must be:

- **A building or service identified as a community need in the CSH Gaps Analysis of the Homeless Crisis Response System in Lake County.**
- **A building containing rental housing units affordable** to families at or below 80% area median income, preferably in high outcome areas¹ with at least one unit reserved for clients thru Coordinated Entry.²
- **A housing program** designed to provide assistance to income-eligible families where the beneficiaries determine the location of the activities. Examples of programs include homeowner occupied rehabilitation, homebuyer assistance, and tenant-based rental assistance.
- **A community revitalization project, preferably historic preservation or adaptive reuse**, in an area³ at least 55% populated by low-income households.

¹ See Figure A

² Coordinated Entry is the community-wide housing waiting list for people who are homeless. High outcome areas are pictured in training slides.

³ See Figure B.



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Requirements

A project or proven housing program will be considered for the Five-Year Strategic Plan ONLY if meets ALL of the following required criteria:

- **Unlikely to happen without this grant funding:**
Addresses a recognized community need in a way that wouldn't likely happen in "business as usual" circumstances.
- **Strategic:** Addresses one of four goals in Strategic Plan in a unique, discernable way.
- **Uniquely Impactful:** A game-changer for the target population(s).
- **Affirmatively furthering fair housing choice:**
 - a. For housing programs, this means making or keeping high-quality housing affordable.
 - b. For housing projects, this means: Affordable housing in high outcome⁴ areas.
 - c. For non-housing projects, this means: Assists with **inclusive growth** through placemaking, transit enhancement and/or job creation in low/mod income areas. Historic preservation projects are excellent placemaking opportunities.
- **Grant-Eligible:** Project includes land or building acquisition and/or rehab or new construction at required labor wage rates.
- **Environmentally Clearable:** Project is extremely likely to be made clear of potential environmental barriers⁵

⁴ As defined using U.S. census data at www.opportunityatlas.org

⁵ Potential environmental hurdles might include site contamination (e.g. asbestos) or the need for obtaining a No Further Remediation (NFR) Letter from the State EPA. The presence of asbestos may also cause a financial burden on a proposed project. The presence of floodplains and/or wetlands may trigger formal mitigation and potentially add significant time and cost to a project.



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Screening Criteria

Five-Year Applications that meet the requirements above will be scored using the screening criteria listed below, with the requirement of scoring at least 70% of the available points in order to be eligible for placement in the 2020-24 HUD Strategic Plan. *Applications scoring 70% or higher are not guaranteed funding.*

Both Projects and Proven Housing Programs have the following screening criteria:

- **Fit:** Helps address multiple five-year goals and/or priority needs.
- **Champions:** Project has strong leadership with a well-defined process for decision-making.
- **Collaboration:** Best projects involve multiple parties with shared interests.
- **Potential Investors:** Likely to attract other funders and/or private market investment.
- **Employment:** Extent to which jobs increase for local low-income residents and/or people with special needs.
- **Impact:** Extent to which Lake County residents who are low-income and/or special needs receive what is needed.

Additionally, Programs have these screening criteria:

- **Market Demand**
- Agency Operating **Capacity**
- **Reasonable Fees/Program Delivery Costs**

Additionally, Projects have these screening criteria:

- **Drivers:** Although the project may not yet be feasible, applicant can identify potential key project drivers (internal resources, external partners, other funding rounds) and goal development timeline.
- **Good Odds:** High likelihood of being completed during 2020-24 Strategic Plan years.



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- **Critical Timing:** Placement in five-year Strategic Plan may help a project happen that might otherwise not happen.

Projects are not required at this time to have:

- Site control
- Formal board decision
- Funding identified
- Full feasibility

Application Process

1. Consult with CD Staff regarding Project/Program eligibility.
2. Apply by January 10, 2020.
3. Specify whether or not funds would be needed prior to April 30, 2021 (first program year).
4. Applicants will be interviewed at the February 2020 meeting of its assigned HCDC Advisory & Recommendation Committee:
 - a. Goal #1 Projects:
 - i. Facilities: Homeless Assistance ARC [2/14 @ 11AM]⁶
 - ii. Housing: Affordable Housing ARC [2/14 @ 9AM]⁶
 - iii. Services: Public Services ARC [2/28 @ 2PM ---DOT!]
 - b. Goal #2 Projects: Public Improvements ARC [2/21 @ 2PM]⁶
 - c. Goal #3 Projects & Proven Housing Programs: Affordable Housing ARC [2/14 @ 9AM]
 - d. Goal #4 Projects: Public Improvements ARC [2/21 @ 2PM]
5. Project rankings based on above criteria will be public.
6. Scoring appeals, if any, will be heard at March 18th, 2020 meeting of the Executive Committee meeting of the Housing & Community Development Commission.
7. Public Hearings on Five-Year Strategic Plan & 2020 Action Plan will be held at the March 18th and April 15th meetings of the HCDC.
8. Lake County's HUD Strategic Plan to be reviewed by Lake County Board on May 12, 2020.

⁶ Located at Central Permit Facility, 500 W Winchester Rd, Libertyville



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Selected Housing Programs Will Receive

Selected Housing Programs Receive:

- Identification in Lake County's HUD 2020-24 Strategic Plan
- Funding in Lake County's 2020 Action Plan
- PY2020 Grant Agreement
- Potential for future Grant Agreements

Please see Lake County's Grant Allocation Policy for additional information on the program funding allocation process.

Selected Projects Will Receive

Selected Projects Receive:

- Identification in Lake County's HUD 2020-24 Strategic Plan
- Conditional funding commitment dependent on numerous factors: funding availability, project feasibility, funding need, timing of project readiness.
- Staff and/or consultant technical assistance.
- Assistance with other fundraising.
- Prioritization for 2020-24 Funding, in amounts To Be Determined.
- Restrictive land covenants for counsel review.

Selected Project Development Process:

- Selected Projects will be assigned a Community Development (CD) staff contact with whom to meet at least quarterly. CD staff contact will facilitate other resources (e.g. consultant) as needed and guide Project through funding request process if/when project becomes feasible.
- Letters of CONDITIONAL funding commitment will be available, as necessary, to assist Project in raising other funds necessary to become feasible. Conditional funding commitment amounts, where required, will be determined



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by staff based on funding availability during projected spending timeline for each Project. No funding will be committed until Project has completed Funding Process.

- To make grant funding stretch as far as possible, selected Projects may be asked to accommodate additional partners with shared goals and cohesive end uses.

How Selected Projects Get Funding

Selected Project Funding Process:

- Notify CD Staff prior to Jan 10, 2020 if five-year project requires funding prior to April 30, 2021 (first program year).
- If/when project becomes feasible and requires future funding, Selected Projects apply in annual funding applications due December 2020, 2021, 2022 and/or 2023.
- Funding is conditional on grant availability.

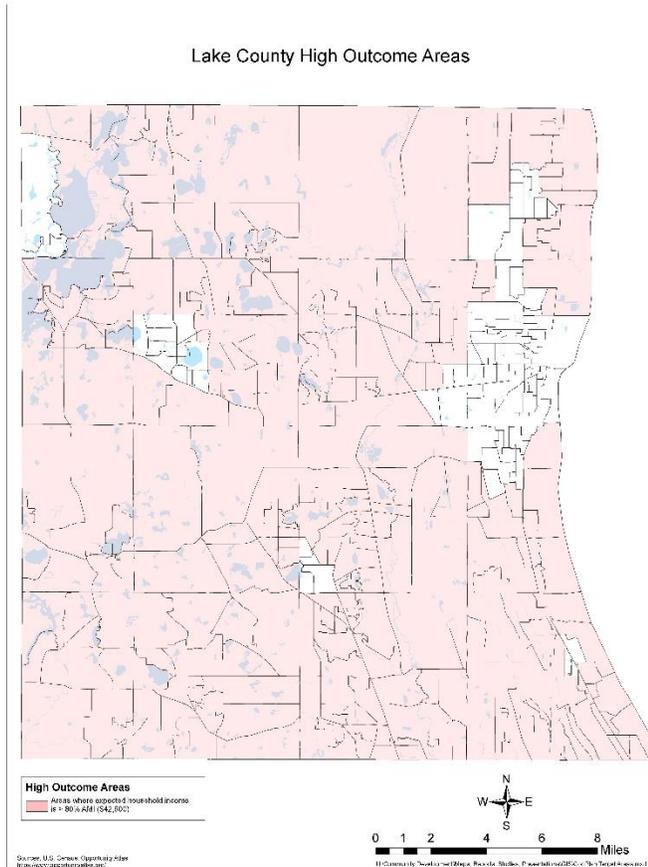
Funded Projects Receive

Funded Projects Receive:

- Ongoing technical assistance
- Letter of funding commitment clearly stating the expiration date of commitment with options to renew.
- Environmental review
- Grant agreement
- Funding reimbursement for approved expenses

Housing & Community Development Commission Call For Five-Year Projects & Proven Housing Programs Geographic Areas of Preference and/or Eligibility

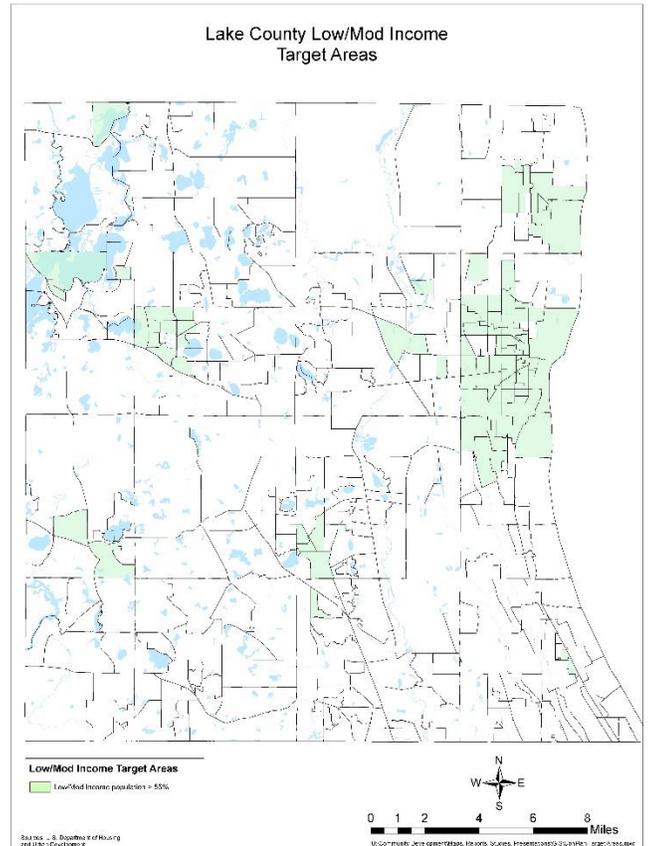
Figure A: High Outcome Areas Preferred For Affordable Housing Development



Source: U.S. Census Opportunity Atlas
www.opportunityatlas.org

Detailed version of Figure A is available in the 2019 Updated to the 2014 Lake County Analysis of Impediments to Fair Housing Choice located here:
<http://www.lakecountyil.gov/1922/Fair-Housing>

Figure B: Areas of Low-Income Concentration Eligible for Community Revitalization Projects



Source: U.S. Department of Housing & Urban Development (HUD)

Interactive version of Figure B is available at this website:
<http://www.lakecountyil.gov/1930/Grantee-Information-Training>