

**COMMUNITY DEVELOPMENT BLOCK GRANT COMMISSION
MINUTES OF MAY 27, 2009**

CALL TO ORDER

Chairman Draffkorn called the meeting to order at 8:15 a.m.

ROLL CALL/ATTENDANCE

Members Present: Sue Draffkorn (Chairman), Yvonne Barnes, Scott Breeden, Tina Hill, Barbara Wheeler, Carol Louise, Phil Bartman, Mark Ruda, Robert Miller, Robert Pierce, Rosemary Kurtz, Kim Larson and Craig Hubert

Members Absent: Randy Donley, and Robert Martens.

Staff Present: John Labaj, Deputy County Administrator; Dennis Sandquist, Director; Maryanne Wanaski, Deputy Director/Principal Planner; Jean Niemann, Community Development Coordinator; Faith Taylor, IDIS Coordinator and Pat Melone, CDBG Administrative Specialist

Others Present: Jeff Kurth, Pioneer Center; Tom Riley, Pioneer, Center; Tom Jones, Habitat for Humanity and Donald Kopsell, Applicant for District 3 vacancy on CDBG Commission.

Commissioner Pierce called the roll and confirmed a quorum was present.

MINUTES

Ms. Louise made a motion seconded by Mr. Bartman to approve minutes from April 22, 2009. Chairman Draffkorn asked if there were any changes or corrections, - there were none. Chairman Draffkorn asked for a voice vote, the ayes having it, the motion to approve the minutes was passed.

PUBLIC PARTICIPATION

Chairman Draffkorn confirmed there were no members of the public present who wished to speak.

Public Hearing on Amendment to the Action Plan for 2007 and 2008 – Motion by Mr. Pierce seconded by Ms. Barnes. There were no comments and Chairman Draffkorn declared the Public Hearing closed. On a roll call vote all members voted aye and the motion passed unanimously.

Ms. Hill joined the meeting at 8:20 a.m.

Public Hearing on Citizen Participation Plan - Motion to open a public hearing on Citizen Participation Plan by Mr. Miller seconded by Ms. Louise. Ms Niemann said a Citizen participation Plan is required by HUD for any HUD funded programs. The statutes set out what type of involvement is needed so the public is informed of programs coming up and sets out steps to be taken. On a roll call vote all members voted aye and the motion passed unanimously.

OLD BUSINESS

Review of Commissioners' Report for April, 2009 - Ms. Taylor reviewed financial activity for the month of April. She said our ratio at this point is 1.53 but will change with the release of 2009 funds and will be re-calculated at that point.

Discussion on 5-Year Consolidated Plan - Ms. Niemann passed out two charts. The first chart summarizes HUD grants for the period 2005 thru 2009 and the second chart shows Community Development needs. She reviewed the information presented and said discussion on this plan will be at our Special Meeting on June 11 at, 2009.

Ms. Wheeler joined the meeting at 8:34 a.m.

NEW BUSINESS

Applicant Interviews for Appointment to the Commission for District 3 – Chairman Draffkorn introduced Mr. Kopsell to the Commission. He informed the Commission that he had 25 years in public service and listed organizations and service duration. It was established that Mr. Kopsell was applying to fill the vacancy as – “Citizen at Large” and not in a township capacity. Chairman Draffkorn stated there was another applicant for the District 3 vacancy and that person would be interviewed during the June 24, 2009 regular meeting as he was out of town at this time. After the other applicant has been interviewed Mr. Kopsell will be informed of the decision as soon as possible.

Resolution for ADDI 2008 Funding – Motion by Ms. Wheeler seconded by Ms. Louise. Ms. Taylor said that the American Dream Downpayment Initiative is a program that we have been currently working with and is referenced in the Commission Report. She said that 2008 had a smaller allocation than previous years (\$4,027.00). The plan is to use the partial balance from 2007 along with 2008 funding to take care of one home. It will then be zeroed out and the program will be closed. On a roll call vote all members voted aye, the motion passed and will go to P & D Committee with the CDBG Commission’s recommendation.

Resolution to the amendment to the Action Plans for 2007 and 2008 – Motion by Ms. Wheeler seconded by Mr. Bartman. On a roll call vote all members voted aye, the motion passed and will go to P & D Committee with the CDBG Commission’s recommendation.

Resolution Authorizing Application for Community Development Block Grant Recovery Program – Motion by Mr. Miller seconded by Ms. Barnes. Ms. Taylor said the program is similar to CDBG but HUD is looking for “shovel ready” projects that help people retain or create jobs. On a question regarding “left-over” funding, she said if there were any funds left over that were not obligated they would be rolled into the 2010 CDBG allocations. On a roll call vote all members voted aye, the motion passed and will go to the County Board.

Review of 2009 HOME Program Applications: Ms. Niemann referred to review sheets provided to Commissioners on each of the three projects. Copies of the original applications were passed out to Commissioners for review. Applicant representatives were present to answer any questions. Ms. Niemann was asked about the need for Planning & Development to receive 10% (\$53,440.00) of McHenry County’s allocation of \$534,447.00. She outlined additional new programs and additional reporting, along with the assistance of consultants; and also the increasing number of projects monitored during the period of affordability.

Mr. Riley, Grant Writer and Mr. Kurth VP-Finance represented McHenry County Community Homes (a wholly owned subsidiary of Pioneer Center) which owns and operates Towerview Apartments complex - a 44 unit building. They want to add another building that will also be operated through Towerview by Metroplex, the Property Manager. Possible locations were discussed and time frame needed to complete paper work, carry out environmental reviews and sign contracts. Mr. Sandquist and staff reviewed the necessary sequence of events and time-lines to be in full compliance with HUD requirements.

Mr. Jones represented Habitat for Humanity. He said that \$114,750 included the purchase of a lot, foundation and infrastructure. The lot is \$45,000 (HOME funding is \$33,750) and the other \$81,000 is to help build the house.

On a roll call vote to recommend the allocations for the projects to the County Board all members voted aye and the motion passed unanimously.

Status of Programs/Projects: Ms. Niemann said, a part of one of the Resolutions we reviewed earlier, was the switching of funds from a project for Renaissance to a project for Pioneer. She wanted to

confirm we received the letter from Pioneer asking to use the \$5,050.00 for their Johnsburg Group Home

Mr. Sandquist said on May 14 we received a response to our February 12 correspondence with HUD regarding FY 07 HOME, FY 07 CDBG Rollover and FY 08 CDBG programs - specifically those activities that were included on our Authority to Use Grant Funds dated November 24 and December 17 - they are allowing all of the activities that were included on those releases to proceed, with the exception of two projects. Additionally they are not taking away the money from the County for those two projects (Village of Wonder Lake, Wooded Shores Water System at \$356,000 and Habitat for Humanity, Harvard Acre project at \$20,000).— and are allowing us to re-program it to those same or other agencies. We have met with Wonder Lake officials and reviewed the situation with them to see what other programs it could be allocated to. During the discussion we learned that the street improvements that were scheduled with FY 08 Rollover Funds has the same situation. Substantial work has already commenced on that project so it is also ineligible. The Village understands the situation they are in and did so because they felt they could not wait for the HUD process and have alternative funding in place. We will continue to work with them to identify other projects.

HUD has also put some additional sanctions on us. As an entitlement community we are responsible for knowing the regulations and making sure that our subrecipients have clear information on what they can and cannot do. They are going to require the County to submit additional documentation and we will probably be asking the subrecipients for affidavits saying they have not started activity. We will then go out and take digital photo's and put them in the file to prove nothing has been started. They have also asked us to amend our Board Approval process to state that, "no action, public or private can occur on any activity until environmental reviews have been completed." We are working on that language and it will be included on the Board Actions. They are also requiring supervisory staff to attend environmental training. Ms. Wanaski went to the environmental training for the NSP program last week and she will be going to training for a week this fall. She has always been supervising the CDBG activities and we are now formalizing that and making it a bigger part of her job assignments. She will now be spending 50% of her time on CDBG/HOME/NSP. We also received HUD's response to our CAPER. They commented on our rental housing inspections and the verification of income eligibility. Those things have been carried out. We just need to do the write-up and get it to HUD. Mr. Sandquist said that he and Ms. Wanaski are very pleased with the tone of the letter.

Ms. Larson expressed concern about the impact of Wonder Lake's two ineligible projects on meeting our ratio for the two years. Ms. Taylor confirmed that our current ratio is 1.53 and she is confident that we will spend the money down. She said we have until November to report back and have given HUD a proposal as to how we plan this will happen. Ms. Larson said she was concerned that our funding would be cut back. Ms. Taylor said the first year that a ratio is not met we would receive a letter that says "you are in trouble," and the second year if you still fall short they can then reduce funding. She is confident we will meet our goals.

Ms. Hill referred to CDBG-R (Wonder Lake) and asked how did we identify that project and how did people know that funding was available. Ms Taylor said that in this funding round in order to expedite the program, we were able to chose shovel ready projects and they had done a lot of the environmental review work already with the consultant. It is also an area that needs assistance for the extension of water service which is a health and safety concern and becomes an environmental, and possible pollution concern. It seemed an ideal project because of job creation and retention. Ms Hill asked if there was another project out there and Ms. Taylor confirmed there was not.

MEMBERS' COMMENTS, MISCELLANEOUS BUSINESS AND ANNOUNCEMENTS

Ms. Louise announced that the food collection held last year by Family Alliance for Woodstock Food Pantry would be held again this year. This week and next week staff would be out front of their building to receive drive-by donations.

ADJOURNMENT

Ms. Hill made a motion seconded by Mr. Miller to adjourn at 9:25 a.m. Chairman Draffkorn declared the motion passed on a unanimous voice vote.