

AGENDA

PLANNING & DEVELOPMENT COMMITTEE

January 5, 2012 - 8:30 a.m.

McHenry County Government Center
County Board Office - Administrative Building
667 Ware Road
Woodstock, Illinois 60098

1.0 Call to Order

Minute Approval – December 1, 2011 and December 15, 2011

2.0 Public Comment

3.0 Presentations

4.0 Subdivisions

5.0 Old Business

5.05 Green Infrastructure Plan Update

6.0 New Business

6.05 Interview for Appointment to the McHenry County Zoning Board of Appeals
8:30 a.m. – Patricia J. Kennedy
8:45 a.m. – Tom Harding

6.10 Ordinance Recertification of Zoning Maps of McHenry County

6.15 Resolution Adoption of a HOME Investment Partnerships (HOME) Program
Funding Recommendation-Contingency Allocation

7.0 Reports to Committee, as applicable

7.05 Chicago Metropolitan Agency for Planning

7.10 Community Development Block Grant Commission

7.15 Historic Preservation Commission

7.20 Housing Commission

8.0 Miscellaneous

9.0 Executive Session

10.0 Adjournment

Department of Planning and Development
McHenry County Government Center - Administration Building

2200 North Seminary Avenue
Woodstock, Illinois 60098



815 334-4560 Fax 815 337-3720
www.co.mchenry.il.us

Memorandum

To: Planning & Development Committee

From: Darrell Moore, Principal Planner

Date: December 28, 2011

Re: Green Infrastructure Plan Update

Staff will give a short presentation on the progress being made on the Green Infrastructure Plan for McHenry County.

Background

Staff continues to work with the Chicago Wilderness Sustainable Watershed Action Team (SWAT) and consultant Dennis Dreher on the development of a Green Infrastructure Plan for McHenry County. It has been almost one year since this committee heard a presentation by Mr. Dreher on the purpose and benefits of developing a plan. Over the last year, several meetings and workshops have been held with environmental groups, government representatives, and the public. We are in the late stages of creating a green infrastructure map and a trails map. Also, a first draft of the plan should be ready for review by workshop participants in February.

ORDINANCE

RECERTIFICATION OF ZONING MAPS

WHEREAS, the McHenry County Zoning Ordinance requires that the zoning maps be certified each year; and

WHEREAS, the Department of Planning and Development has updated the zoning maps to include approved zoning changes through November 30, 2011; and

WHEREAS, the Planning and Development Committee is recommending that the zoning maps as updated, be certified by the full Board and the County Clerk; and

WHEREAS, the following zoning maps are attached herewith and marked as exhibits:

- | | |
|--------------------|--------------------------|
| Alden Township | Hartland Township |
| Algonquin Township | Hebron Township |
| Chemung Township | Marengo Township |
| Coral Township | McHenry Township |
| Dorr Township | Nunda Township |
| Dunham Township | Richmond/Burton Township |
| Grafton Township | Riley Township |
| Greenwood Township | Seneca Township |

NOW, THEREFORE BE IT ORDAINED, by the McHenry County Board that the attached zoning maps of the Department of Planning and Development of McHenry County as identified above are hereby certified; and

BE IT FURTHER ORDAINED that the County Clerk is hereby authorized to distribute a certified copy of this Ordinance to the Director of the Department of Planning and Development and the County Administrator.

DATED at Woodstock, Illinois, this 21st day of February, A.D., 2012.

KENNETH D. KOEHLER, Chairman
McHenry County Board

ATTEST:

KATHERINE C. SCHULTZ, County Clerk

Department of Planning and Development
McHenry County Government Center - Administration Building

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Woodstock, Illinois 60098



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Memorandum

To: Planning & Development Committee

From: Darrell Moore, Principal Planner

Date: December 20, 2011

Re: Recertification of the Official Zoning Maps of McHenry County

Committee Action

Recommend recertification of the Official Zoning Maps of McHenry County.

Background

The *McHenry County Zoning Ordinance* requires in Section 302.3 that the Official Zoning Maps of McHenry County shall be certified annually by the County Board Chairman. Maps are to be submitted to the County Board for certification each February. The maps are required to display zone boundaries and other such information as is necessary to give a clear understanding of the zones created by this ordinance and subsequent amendments as of November 30th of the previous year.

Discussion

A recommendation for recertification by this committee at this time will make it possible for the maps to go to the County Board on January 17th for 30-day review and then to be approved at the February 21st County Board meeting—thus, meeting the deadline set in the *Zoning Ordinance*.

Attached is a reference map showing the location, PIN, and address of all zoning actions for the previous year.

Attachments

- Ordinance
- Reference Map

RESOLUTION
ADOPTION OF A HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDING
RECOMMENDATION-CONTINGENCY ALLOCATION

HEREAS, McHenry County, with a threshold population in excess of 200,000, is an “Urban Entitlement County” and therefore receives direct annual funding from the U.S. Department of Housing and Urban Development (HUD) under HOME Investment Partnerships (HOME) Program; and

WHEREAS, on December 20, 2011 the McHenry County Housing Commission met and recommended a 2011 HOME allocation to:

Bravo Properties LLC: Deer Path of Huntley Supportive Living Community, Huntley, IL \$296,118.10; and

WHEREAS, the recommendation included a contingency that requires a supplemental review of project funding documents, receipt of financing and subsequent final approval of the McHenry County Board no later than ninety days from the date of the County Board approval of the contingency allocation.

NOW, THEREFORE BE IT RESOLVED by this County Board of McHenry County, Illinois, that the funding as described herein be designated a contingency allocation; and

BE IT FURTHER RESOLVED by this County Board of McHenry County, Illinois that the County Board Chairman is hereby authorized to execute a letter of contingency allocation to Bravo Properties LLC for the construction of a 128-unit supportive living facility to be located in Huntley, Illinois, in the amount of two-hundred ninety-six thousand one-hundred eighteen dollars and ten cents (\$296,118.10); and

BE IT FURTHER RESOLVED, that should Bravo Properties LLC not meet the requirements of a supplemental review, funding, and final approval from the McHenry County Board within the required ninety day time period that the contingency allocation will be permanently void; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby directed to transmit a certified copy of this resolution to the County Administrator, the Director of Planning and Development, the Associate County Administrator-Finance and the McHenry County Auditor.

DATED at Woodstock, Illinois, this 17th day of January, A.D., 2012.

KENNETH D. KOEHLER, Chairman
McHenry County Board

ATTEST:

KATHERINE C. SCHULTZ, County Clerk

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To: Tina Hill, Chairman
Planning and Development Committee

From: Community Development Division Staff

Date: December 29, 2011

Re: Funding Resolution for 2011 HOME Contingency Allocation Bravo Properties
LLC-General Project Funding

Action Required:

Recommendation to the McHenry County Board to approve a Resolution authorizing a contingency allocation in the amount of \$296,118.10 to Bravo Properties LLC. for the construction of a 128-unit supportive living facility (SLF), Deer Path of Huntley Supportive Living Community in Huntley, Illinois, as recommended by the McHenry County Housing Commission.

Background:

At the December 20, 2011 Housing Commission meeting, the Commission recommended a contingency allocation of general project funds in the amount of \$296,118.10 for the project. The contingency designation was made as the current project financing has not been solidified. Prior to receiving a full obligation, the developer must obtain other funding commitments and submit final financial information for staff review, Housing Commission review, and final McHenry County Board approval. The recommended contingency funding allocation of \$296,118.10 is consistent with available HOME funding, including all previous and pending allocations. If this allocation is approved, HOME PY2011 funding is depleted.

Discussion:

This allocation was tabled from the previous Housing Commission meeting to allow the applicant to provide staff with supplemental clarification of documents for review as related to proforma discrepancies, financing documentation, project budgeting, and sources and uses of funds as related to said budget. Staff reviewed the new information and conducted a new gap analysis, as outlined in the attached project staff reports. The

gap analysis requirement is directly related to the analysis of subsidy amounts with respect other federal or governmental assistance. It is required to ensure no more than the necessary amount of HOME funds are invested in a project to provide affordable housing. The second staff review still net that the project did not meet sufficient gap requirements, and thus, staff did not recommend an allocation of funding for the project.

Commissioners discussed the County Consolidated Plan needs that would be met by the project, and made a contingency recommendation as outlined above to provide the applicant/developer time to acquire financing, as the project otherwise met all other requirements and needs of the plan and program. The applicant indicated to the Commission that negotiations for other financing were near completion, but that the allocation of County HOME funds would help solidify other funding sources. The applicant also indicated at the December 20th meeting that \$750,000 in Federal Home Loan Bank financing would not be received, as was indicated in previous financial submittals. The developer indicated it would assume the loss as part of the project deferred developer fee.

Staff did not change the recommendation related to the project during the meeting as the financing discussion was new information, and a proper evaluation could not be completed. The applicant also indicated that it was in the process of applying for Illinois Housing Development Authority HOME funds, which would also affect the subsidy gap analysis. At this time, staff contends that the developer does not have a consistent financing package for evaluation. In addition to changes to sources and uses of funds and new pending financing applications, the developer had previously indicated that the deferred developer fee could not be increased and now is willing to do so. This highlights staff's previous recommendation that the deferred developer fee could have absorbed other financing for the project and that the proposal negates the needs for HOME financing subsidy.

Staff also recommended that additional financing restrictions be placed on the funding package should the allocation be made that would include an increased number of HOME designated units, a lower HOME area median income (AMI) target requirement for the units, and a loan structure bearing interest. During the Housing Commission meeting, the applicant indicated that he was willing to consider these requirements.

Attachments:

1. Deer Path Staff Report-First Review
2. Excerpt from Housing Commission Staff Report-Deer Path Staff Review
3. HOME PY2011 Summary Memorandum

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PROJECT STAFF REPORT

To: Housing Commission

From: Maryanne Wanaski, Deputy Director-Administrator
Sarah Ciampi, Community Development Coordinator
Community Development Division

Date: November 14, 2011

PROJECT NAME: Deer Path of Huntley Supportive Living Community (Huntley, Illinois)

PETITIONER and APPLICANT: Bravo Properties LLC

CASE NUMBER: HOMEPY2011-A03

PROGRAM: HOME PY 2011 – General

Action Requested:

Consideration of a HOME allocation in the amount of \$359,000.00 for new construction of a 128-unit supportive living facility (SLF) serving physically disabled veterans and adults ages 22-64.

Staff Recommendation: Staff is in support of the project however does not recommend allocation during this HOME round because the project does not demonstrate a financial need as required per the subsidy layering review and gap analysis prescribed by HUD. (Please reference the technical review portion of this report.) Should the applicant be able to demonstrate a financial gap that would necessitate HOME assistance and provide adequate responses to other considerations of the technical review, staff would recommend funding of the project as a contingency on the grounds that all federal subsidy equity would need to be realized and committed to allow for completion of a second subsidy layering review and analysis on the part of the County prior to obligation. The summary that follows outlines the review completed of the project application and compliance with HOME program requirements.

Project Background:

The Deer Path of Huntley Supportive Living Community is a 128-unit proposed development for physically disabled adults ages 22-64. It was approved to operate as a licensed supportive living facility (SLF) by the Illinois Department of Healthcare and Family Services as the third SLF to serve McHenry County, and first SLF targeting a special approved population of young adults. The project is slated to be financed with multiple sources, including an allocation of four (4%) percent federal low income housing tax credits (LIHTC) in the amount of \$7,016,700.00. A total of seventy-eight (78%) percent of the tax credits have been syndicated (sold) for an equity total of \$5,402,857.00; twenty-two percent of the original LIHTC allocation is still to be syndicated for an undetermined amount of equity. Other sources include tax-exempt multi-family bonds of \$20+ million dollars, a DCEO energy grant, and a federal home bank loan affordable housing program grant of \$750,000.00, and a deferred developer fee. Of the total \$29,239,990 million in estimated project costs, the applicant is requesting \$359,000.00 in McHenry County HOME funds to be used towards residential unit construction.

Project timeline:

The applicant has outlined the following timeline for completion of the project:

Activity	Start Date	Completion Date
Acquisition	January 15, 2012	January 15, 2012
Pre-Development	February 10, 2010	January 15, 2012
Construction	January 15, 2012	January 1, 2013
Project Marketing	July 1, 2012	On-going
Project Rent-up	July 1, 2012	January 1, 2014

Project Proposal:

New construction of a 117,870 square foot supportive living facility located at Regency Parkway in Huntley, Illinois. While the property location is within the borders of Kane County, it is within McHenry County's jurisdiction for HUD programming and as such eligible for funding consideration. The development is comprised of 84 one-bedroom units and 44 studio units and onsite amenities including dining areas, recreation areas, fitness facilities, a library and computer lab, multi-media area, physical and mental therapy treatment rooms, a beauty salon and barber shop, and physical site amenities. All units will be available as affordable units for persons between the ages of 22-64 with incomes at fifty (50%) percent and sixty (60%) percent of Area Median Income (AMI) levels. The following table illustrates the breakdown of units per AMI:

AMI	Number of Units
0 to 30%	0
31% to 50%	77
51% to 60%	51
61%-80%*	0

*applicant indicates that residents will be 60% AMI, though up to 80% AMI is allowed in project. This unit breakdown above is submitted for review as prepared by applicant.

The development will consist of a mix of studio and one-bedroom units. The following table illustrates the breakdown of unit type:

Unit type	Number of Units
Total	128
Studio	44
One-bedroom	84

Technical Review:

Consolidated Plan Compliance

The proposed development is consistent with the County's Consolidated Plan and Annual Action Plans for 2010 and 2011. The project satisfies an identified need to provide for housing for those in need of supportive services.

Subsidy Layering Review and Gap Analysis

The project does not meet the requirements per a subsidy layering review and gap analysis. In order to fund a project with HOME funds where another federal funding source is considered or committed, the project must demonstrate a financing need.

Before committing any funds to a project, it [the participating jurisdiction] will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

In analysis of the 4% LIHTC commitment, a total of twenty-two (22%) of the original allocation is still to be syndicated deriving equity. Based on current market conditions for tax credits and the percentage of credits to be sold versus equity gained, the project will feasibility net more than \$359,000.00 in tax-credit equity, which would render the HOME request unnecessary and unlawful as cited above.

The project budget states the total costs of the project as \$29,239,990.00, which is representative of all the funding sources committed or received plus an assumed HOME allocation of \$359,000.00, thus there are no outstanding budget costs once the equity is received in an amount that mirrors the request of HOME funds. The duplication of funding sources under permanent financing and construction financing categories also does not allow for an eligible basis subsidy layering review to determine if in fact there is a budget gap that was not realized by the applicant.

Additionally, the applicant should provide clarification to the timeline stipulations outlined by the bonding authority in the application. While there are provisions to pay for cap reserve until October of 2012, there are requirements for bond cap carry forward to be used by the close of 2010 and 2011 according to the bond reserve agreement.

Profoma Evaluation

The operational profoma as presented does not appear consistent with the leasing schedule identified for year one versus anticipated cash-flow and vacancy calculations. While it is recognized that in operation Year1 to occur in 2013 that the facility will not be fully operational, the vacancy calculation is underestimated per the rental revenue calculation to indicate a less than 1% vacancy rate. Therefore, this calculation does not contribute to an appropriate analysis of cash-flow for year-one and subsequent debt to be realized over the life of the project. Further clarification or recalculation is needed. In addition, the debt-coverage ratio analysis for year-one versus subsequent years of operation cannot be determined.

Program Requirements

The project does not meet the necessary gap analysis requirements as outlined above. However, the project appears to meet applicable HOME requirements for affordability and construction. Further information would be required to evaluate the rent structure for compliance in relation to the amount of subsidy to be included with each unit. Per HOME regulations, rents are to be determined independent of facility service provisions. Because the application has presented combined rents and services as one charge, viable rent limits could not be determined to be in accordance with HUD regulations. Services cannot be linked to the structuring of rents.

Per requirements when combining tax credits and HOME funds, 40% of the County HOME units will need to be designated for persons below 50% AMI; the development as proposed has a sufficient amount of units to meet all HOME AMI requirements.

HOME Match:

The Applicant is required to match the HOME funding request at a rate of twenty-five (25%) per dollar of request with non-federal funding sources:

HOME Fund Request	Required Fund Match	Match total confirmed:
\$359,000.00	\$89,750.00	*\$1,441,409.00

*The applicant has evidenced eligible match through letters as related to the multi-family bonds. The letter from the bonding authority, the Upper Illinois River Development Authority (URVDA), indicates timeline requirements that require expenditures prior to December 31, 2011. The applicant will need to provide clarification regarding the timelines of the bond funding commitment as related to the project as a whole and this match requirement. Further, confirmation of receipt of the DCEO grant is required to determine the applicability as a match source. Lastly, the applicant represents a donation of land per appraisal. To evaluate this as an eligible source of match, the applicant will need to provide the appraisal and closing documentation to verify the donation.

HOME Criteria

The following matrix identifies the HOME project criteria point and applicable evaluation. Staff verified factual data in relation to HUD requirements and criteria points.

Criteria Point	Discussion/Evaluation
HOME Program Eligibility	Project meets HOME project requirements and eligible activities - meets HOME affordability requirements for 128 units (subject to rent calculation review)
County Plan Criteria	Meets Action Plan/ConPlan Objective #1 : Fund the development or acquisition/rehabilitation of at least 30 rental units over five years for extremely low, very low, or low-income or elderly households – project addresses the objective satisfactorily
Project Sponsor Type	Applicant/Sponsor is a for-profit developer entity; eligible as applicant under HOME for project type
Project Sponsor Previous Experience	Applicant team has affordable housing portfolio; mixed-financing unit experience; – more than 1,000 units in portfolio; cannot determine experience with HOME program
General Contractor Experience	Cannot determine experience of general contractor/construction management entity
Management Experience	Previous management experience with SLF operations
Site Control	Purchase and Sale Agreement, retention of title report – acquisition in process
Zoning	Zoning approval received February 2011; verification of current zoning requirements as required is complete, currently in engineering and permitting process with Village of Huntley
Viability	The project addresses an identified need for supportive housing in the County. The market study as presented outlined an adequate market penetration for the target population of disabled adults ages 22-64; locally operating SLF facilities do not serve the same population, local facilities serving supportive housing do not support the same population or supportive need
Neighborhood Analysis	Site is in McHenry County's jurisdiction; access to healthcare, grocery, pharmacy, retail all within mile radius; transportation to be provided onsite and PACE
Site Amenities	Common areas, tenant gardens, walking/wheelchair paths, onsite staffing
Mix for Population	84 one-bedroom; 44 studio; scheduled to receive rental assistance
Incomes for Target Population	31% to 50% AMI – 77 units 51% to 60% AMI – 51 units
Accessible Units	Per HUD requirements for total number units/to serve supportive housing units as needed
MBE/WBE	Not addressed in application
Section 3	Not addressed in application
Targeted populations per NOFA	Application is satisfactory with NOFA
Sources of Funding Equals Use of Funds	HOME funding for construction
Leveraged financing	Tax-credit equity, DECO grant, bond equity
Rental assistance	Designated for each unit-Need Applicant to indicate if only rent payment or linked to service
Positive cash flow during affordability period	Proforma runs successfully pending true operational and construction numbers and adequate year-one calculations – yes; strong debt coverage ratio 1.23-1.49 range through 25-years (longer than period of affordability required per HOME)
Construction costs per HUD max	\$138,953 average/unit cost per calculation derived from budget for construction costs

Operating costs	Will have fixed HOME designated units-proforma indicates operating expense of \$19,942 average (based on first full year of occupancy 2014, increase over life of facility) per unit that includes unit costs plus other facilities costs
Project Reserves	Replacement reserve maintained at \$660 average per unit using 2014 (increase over life of facility) /Applicant needs to clarify reserve schedule and initial reserve deposit
Fees	Deferred developer fee of \$1+ million indicated in financing structure, no additional fee indicated in budget-reasonable fee
Supportive Housing	All units are supportive housing units
Green Development	Energy efficient-DECO grant
Historic Preservation	Not applicable
Community Revitalization	Not applicable

Additional Staff Comments:

The project as proposed and presented would support a population of need in McHenry County. Additional benefits of the project include a pointed service plan, linked services, and a location suitable for the type of facility. The project as proposed and presented however does not necessitate the investment of HOME funds based on a funding gap analysis and the budget presented. The project appears to be sufficiently funded despite issues with proforma development. The facility will be a valuable contribution to the County with the current funding as committed.

Action Required:

Affirmative Motion:

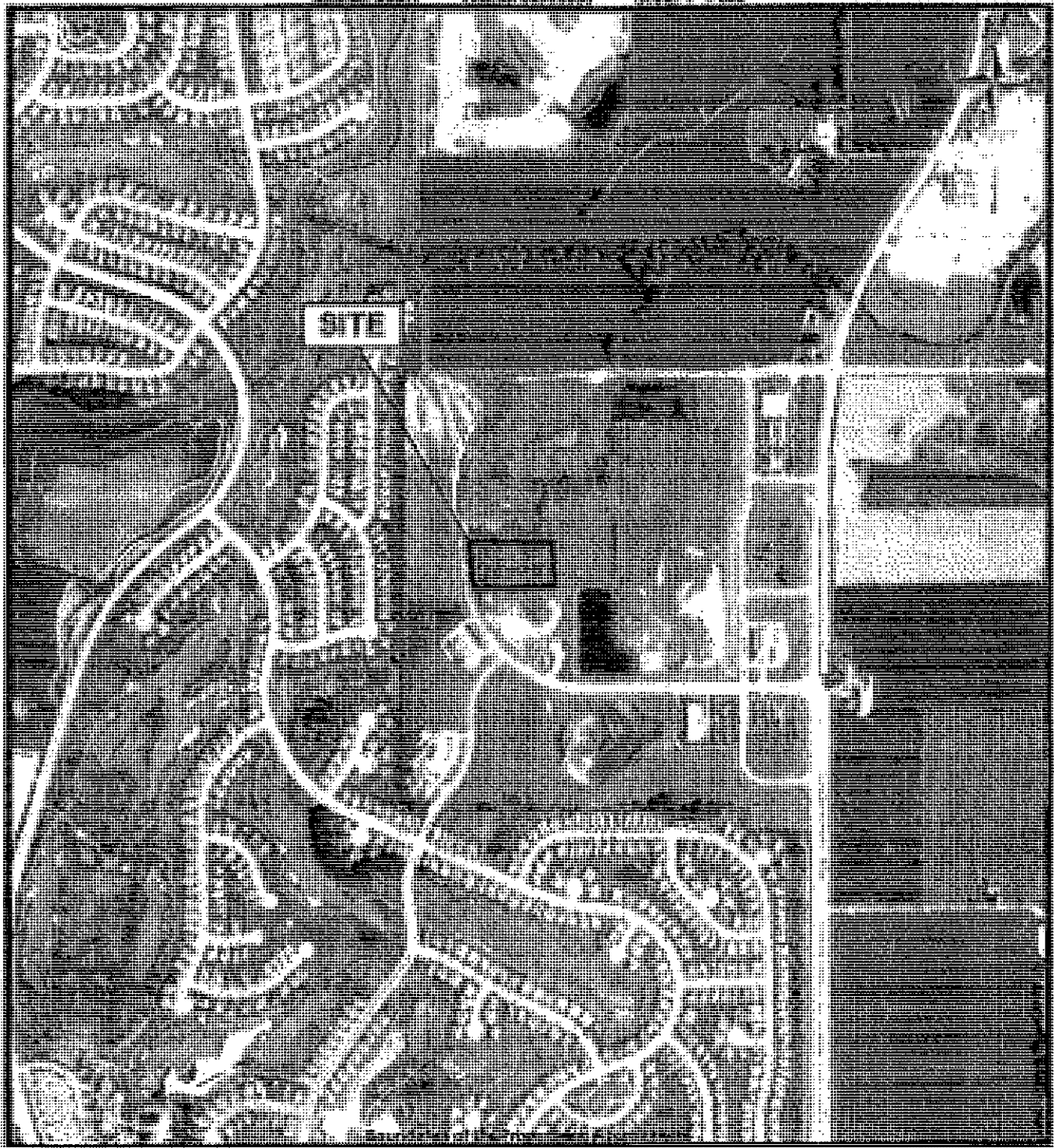
Motion to approve funding in the amount of \$359,000.00 from HOME PY2011.

If motion is amended to award partial funding, motion shall be read in the affirmative and include total funding amount.

Motion to Deny:

Motion to deny funding in the amount of \$359,000.00 from HOME PY2011.

Attachments: Project photos



Information
To Build On
Engineering • Consulting • Testing

SITE LOCATION MAP
Deer Path Supportive Living Facility
Farm Hill Drive and Regency Parkway
Huntley, Illinois 60142

PREPARED FOR: Bravo Properties, LLC

PROJ. MGR: Jeff Goeden

DRAWN BY: Jeff Goeden

DATE: 12/01/2010

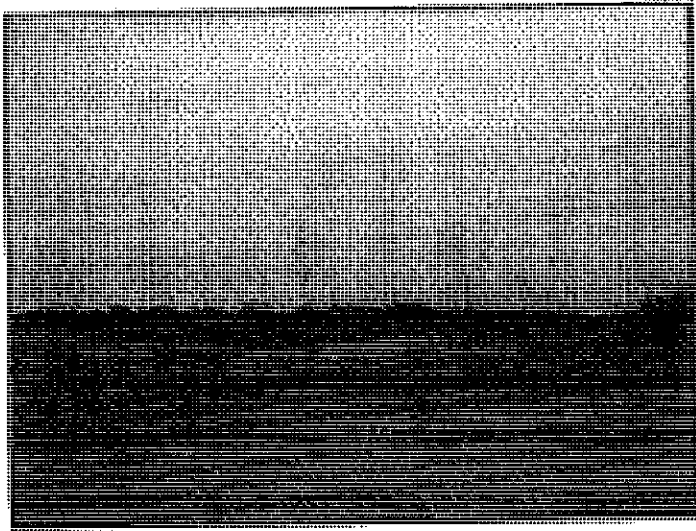
PROJ. #: 0046231



A view of the west adjoining property; undeveloped land.



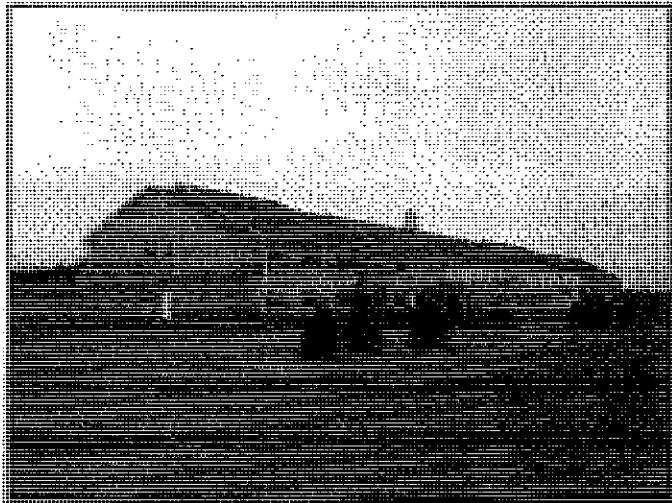
A view of the east adjoining property; undeveloped land.



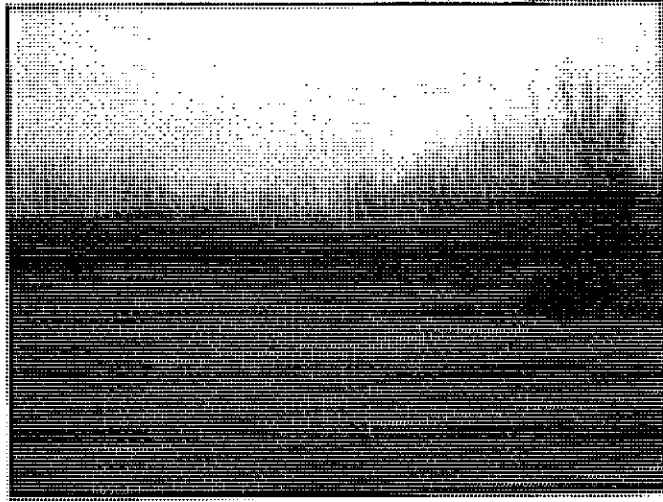
A view of the north adjoining property; undeveloped land.



A view of the southeast adjoining property, a pond.



A view of the south adjoining property, the Heritage Woods Senior Living facility.



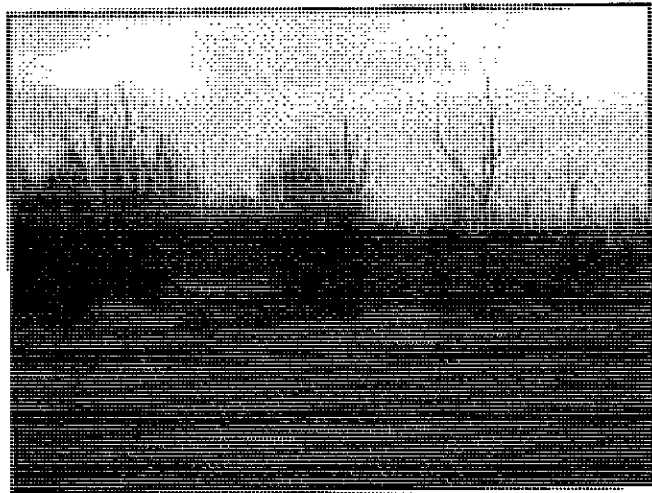
A view looking southeast onto the subject property.



A view looking west onto the subject property.



A view looking north onto the subject property.



A view looking south onto the subject property.

Excerpt from Housing Commission Staff Report-Deer Path Staff Review

IV. A. HOME 2011 Funding Rounds-Agenda Item 7.2

Action Requested:

The Commission is requested to make funding allocation recommendations to the Planning and Development Committee for final approval before the County Board.

Background:

The Commission previously held a public meeting/hearing regarding the applications, and made the following funding recommendations:

CHDO Reserve-\$121,900.00

Habitat for Humanity-\$121,900.00-construction of a single family home at 1601 Hillside Drive, McHenry

Bravo Properties, LLC - \$309,118.10-deferred allocation for the Deer path of Huntley Supportive Living facility pending review and recommendations at the December 20, 2011 meeting.

The following funding requests were denied:

McHenry County Attainable Housing Corporation-CHDO Reserve pre-development-Pearl Street

McHenry County Attainable Housing Corporation-General Project funding-CHDO Operating request

Staff forwarded a resolution to allocate funding for Habitat for Humanity in the amount of \$121,900.00 to be designated as CHDO Reserve funds, along with funding for the program's administration from HOME PY2011 to the Planning and Development Committee. At the meeting held December 1, 2011, the Committee chose to approve the resolution as presented, and allocate \$13,000.00 to McHenry County Attainable Housing Corporation for pre-development funding for the Pearl Street development. The Chairwoman of the Committee and Planning and Development Director decided to forward the original resolution to the County Board for consideration and have directed staff to work with the State's Attorney Office to execute a conflict of interest waiver with HUD with respect to the McHenry County Attainable Housing Corporation project. The County Board approved the Habitat for Humanity allocation at the December 6, 2011 meeting.

Based on the pending allocation, the amount available to fund under the general project consideration is \$296,118.10.

Discussion:

Staff was directed to work with the applicant Bravo Properties to rectify clarification issues with the application documents and supplemental materials. Staff and Bravo held a conference call

and discussed proforma revisions to include a 10% vacancy and debt service options, the construction budget, and project timeline. Staff verified for Bravo that they were to submit in accordance with their original application. Bravo submitted materials for review via e-mail by December 2, 2011. Staff has completed review of all materials to date.

Staff notes that Bravo has received an extension for the volume cap allocation for an additional sixty (60) days with respect to the original closeout dates of the agreement between UIRVDA and Bravo. Staff reads this to mean sixty days beyond the December 31st deadline, as that is what was referenced in previous discussions. The applicant may verify this during the meeting.

The proforma documents as revised include an acceptable vacancy rate, and as such, staff is able to complete an adequate review of the proforma and assessment. Staff continues to note that there are strong debt coverage ratios that meet minimum requirements for appropriate debt coverage, however, also notes that if debt coverage ratios are substantially high, to almost a full 1.5 ratio, this is also an indication of over subsidizing a project as related to gap analysis. The range of debt coverage for the project runs 1.23 through 1.49 as presented in the proforma.

In a normal rental scenario, staff would recommend a reduction in rents charged to tenants; in the SLF case, the actual rent investment on the part of tenants versus what is received in conjunction with SLF services will need to be clarified so as to ensure that rents are not directly tied to services. This may or may not affect the presentation of rents in the proforma, however, would not affect the overall cash flow, thus, Bravo still should consider a reduction in rents should it receive funding so that it would be appropriate to demonstrate a financial gap. Additionally, while it is the standard to run the proformas with LITHC rents in place, Bravo would be required to work with the County to ensure appropriate high and low HOME rents were charged based on the total amount of HOME subsidy and HOME units designated.

With respect to the gap analysis, staff still does not concur that there is a gap evidenced that should HOME funds not be provided, the project would not generate affordable units. Review of the final submittal of sources of funds including the anticipated reductions of financing still source the project out at total budget costs, nor is there a differential between construction and permanent financing; staff does note an increase to the deferred developer fee note. Staff's understanding of industry practice is that the deferred developer fee is paid upon the project cash flow, and if necessary, a capital contribution to remediate the obligation. Being that the project cash flows at a higher debt coverage rate, even with the modest growth rate projections, staff believes the project would still cash flow with an increased deferred developer fee that would be repaid. Further, staff notes that in analyzing the gap with respect to the budget analysis, the construction budget number presented to staff with the latest submittal is approximately 3 million dollars less than the construction figure as presented in the application. Given that this is a large discrepancy, and that the documentation presented may not net a direct correlation to the application data staff is reviewing, staff would request that Bravo address the true budget figures as related to project costs so that an appropriate analysis could be completed.

As of the most recent review, staff still concurs with the original recommendation not to fund the project due to an apparent lack of gap. Should the Commission chose to fund the project, staff would then recommend that the project is funded as a contingency allocation that would require all major sources of financing including volume cap and tax credit equity to be confirmed for a final gap analysis prior to an actual HOME financing obligation, and all units to be designated as McHenry County HOME units be required to be at the low-HOME rent threshold.

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HOME PY2011 Round Allocation
Summary Memorandum

To: Housing Commission

From: Maryanne Wanaski, Deputy Director-Administrator
Sarah Ciampi, Community Development Coordinator
Community Development Division

Date: November 14, 2011

RE: Funding Recommendations for HOME 2011 Round-CHDO and General Project Allocations

Background:

The PY2011 HOME funding round included two NOFA requests: Community Housing Development Organization (CHDO) projects and General projects. A total of two CHDO round applications were received and a total of three general project applications were received. The two CHDO applicants also applied for funding under the general project category. Below is an outline of the amount of HOME funds made available under each category through the NOFA's. Each NOFA was released at a rounded estimate number (rounded to cover minimum cap requirements) for the simplicity of application requests and budgeting review. The second line-item of each category in the table represents the actual amount available for allocation.

***Available Allocation Amounts:**

Funding category	Amount \$
CHDO Reserve**	\$72,000.00
CHDO Reserve**	maintain at \$72,000.00 (minimum is \$71,836.35)
General Projects	\$359,000.00
General Projects	\$359,018.10

*The amount available accounts for the 10% administration cap equaling \$47,890.90, total HOME grant for 2011 is \$478,909.00

**The CHDO Reserve may be increased to any amount of the grant.

Below is a summary of the funding requests per each funding category based on the applications received:

CHDO Reserve Projects:

Applicant	Type of Request	Amount \$
Habitat for Humanity	Acq./Const.- Single Family	\$72,000.00
McHenry County Attainable Housing Corp.	Pre-Dev Loan- Rental*	\$51,000.00
McHenry County Attainable Housing Corp.	Project-Specific Loan-Rental**	\$20,950.00

*Activity qualifies as a pre-development loan as a TA/feasibility/site control loan

**Activity qualifies as pre-development loan as a seed money loan

General Projects:

Applicant	Type of Request	Amount \$
Habitat for Humanity*	Acq./Const.- Single Family	\$121,888.00
McHenry County Attainable Housing Corp.*	Acq./Const- Rental	\$100,000.00
McHenry County Attainable Housing Corp.	CHDO Operating**	\$22,500.00
Bravo Properties LLC.	Construction- Rental	\$359,000.00

*Funding amount is representative of a request of HOME funds should CHDO reserve not be granted, hence duplication of activities in project budgets are present from CHDO to General Project round activities-analysis of request conducted accordingly

**Activity qualifies as HOME eligible activity under any NOFA-general activity tied to any eligible type of HOME project

The application required extensive documentation related to organizational and project capacity, in addition to submission of general project data requirements. Each specific project staff report identifies key sections of the application and a technical review guided by criteria. For the purposes of review in relation to final recommendations, staff has prepared a cumulative staff report per each applicant entity, outlining multiple categories of funding requests as applicable, as each entity submitted multiple levels of funding requests only in relation to one specific project and site. Staff recommendations were formulated based on the criteria and applicable HUD regulations and best practices for HOME project expenditure.

With respect to HOME programming and eligible activities, the following regulations, guidelines, and consolidated planning definitions are applicable to the evaluation of applications:

- The minimum amount of funding to be allocated to certified CHDO organizations is 15% of the total HOME grant. Grantees may allocate more funding CFR 92.300
- Of the CHDO reserve, 10% of the total reserved funds (15% or over) can be used for eligible pre-development loans. Such loans may be structured under terms determined by the County, however, loans are required to be paid back

unless the project is rendered infeasible. Note: The County has used pre-development financing before CFR 92.301

- Up to 5% of the total HOME grant may be used for CHDO operating. Operating funds must be tied to a project that will receive HOME funding under the CHDO reserve. CFR 92.208
- For any application that currently has, or may potentially have another source of federal funding including state-issued low-income housing tax credits (IHDA 4% and 9% tax credits) or other federal grant programs, a subsidy layering review and gap analysis is required to be completed per HUD. In order for a project to receive funding, there must be evidence of a defined gap of unmet funding and that no HOME funds will be invested in combination with other federal assistance than is necessary to provide for affordable housing. (CFR92.250, CPD 98-01)
- For the CHDO Reserve NOFA, all eligible activities were included for funding. This includes single-family and multi-family programming to serve all populations of appropriate HOME income thresholds as per project type. For the General project NOFA, the NOFA was issued with respect to serving family populations. The Consolidated Plan does not offer a specific definition to the term "family," however, delineation is made between seniors, families, and large families and single-parents when outlining objectives and goals. The particular NOFA also states the proposal may also include permanent supportive housing. In general, this type of housing is limited to individuals, although this type of housing may serve families in certain cases.

This memorandum serves to outline the recommendations of staff and highlights key criteria points in regards to each project. Staff has made recommendations related to criteria, capacity, and the ability to execute a County contract and commence activity in keeping with HUD obligation and expenditure deadlines. Individual staff reports should be consulted for specific project review information.

Action Requested:

The Commission is requested to make funding allocation recommendations to the Planning and Development Committee for final approval before the County Board. The Commission will be required to determine a final CHDO Reserve Amount and activity(ies) to be funded under the reserve in addition to a final General projects amount and activity(ies) to be funded.

The HOME PY2011 grant is already retained by the County and available for immediate obligation and expenditure. To ensure timely execution of contracting procedures, staff will immediately begin execution of the HUD required environmental processes and applicable Action Plan amendment processes so as to not delay contracting after the allocation is made by the County Board. Staff will issue obligations (contracts) after approval by the McHenry County Board and all applicable HUD clearances.

Staff Recommendation:

Staff recommends the following levels of funding for the CHDO Reserve and General Projects:

Funding Type:	Amount:
CHDO Reserve	\$134,900.00
General Projects	\$296,118.10

Staff recommends increasing the CHDO reserve to cover the majority of the total funding request of Habitat for Humanity, and a portion of pre-development loan requests as outlined in the table below. Further, the increase to the CHDO reserve nets a bank of CHDO reserve for the program year should other program years not successfully meet the CHDO reserve requirement, hence, protect the County from the immediate past situation of having a CHDO reserve expenditure ratio in violation of regulations. Additionally, it would be impractical to fund the work of Habitat for Humanity for one project under two separate HOME activities and contracts, requiring duplicate monitoring, duplicate record keeping, and the potential for budgeting and draw activity issues on the part of Habitat. Administratively, this would be a poor practice and replicate in the system a duplicated number of HOME beneficiaries.

The funding recommendation for a pre-development loan to McHenry County Attainable Housing Corporation is predicated on the initial project proposal and cognizant of the requirement to complete an initial feasibility study (market study) and preliminary site evaluation prior to the allocation of other project funding. The loan is required to be payable upon closeout of project construction unless the project is deemed to be unattainable.

Applicant	Amount \$ Requested	Amount \$ Recommended
Habitat for Humanity*	\$72,000.00	\$121,900.00
McHenry County Attainable Housing Corp.	\$51,000.00	\$13,000.00
McHenry County Attainable Housing Corp.	\$20,950.00	\$0.00

Reference CHDO reserve project outline above

*The total recommendation is sufficient to cover the total amount of the funding request as presented under the General and CHDO applications

Staff recommends an allocation of \$14,000 for CHDO operating to the McHenry County Attainable Housing Corporation from the remaining General Project funds totaling \$296,118.10. This figure is based on using the five percent rule as applied to the total amount of General Project funding that remains versus using the five percent rule as applied to the grant, hence, a more restrictive cap. This is to correlate to the actual CHDO-eligible project work to be completed and scale of work required, and as contracted, would be tied to application benchmarks related to the pre-development loan and other project proposal requirements.

Because the project is in the pre-development state, staff does not recommend any additional general project funding until such time that a feasibility study deems the project viable.

At this time, staff does not recommend any general project funding to Bravo Properties LLC due to the failure to qualify for HOME financing as determined by the subsidy layering and gap analysis detailed in the project specific staff report. The project as presented has unachieved the full equity potential from allocated low-income housing tax credits (LIHTC) and thus may derive more equity than is needed to finance the project based on the budget submitted.

Applicant	Amount \$ Requested	Amount \$ Recommended
Habitat for Humanity	\$121,888.00	\$0.00*
McHenry County Attainable Housing Corp.	\$100,000.00	\$0.00
McHenry County Attainable Housing Corp.	\$22,500.00	\$14,000.00
Bravo Properties LLC	\$359,000.00	\$0.00

Reference General project outline above
 *funded from CHDO Reserve

Attachments: None. Reference staff reports.

The following case numbers have been assigned for each entity for the purposes of staff reports and hearing presentations:

- Case Number HOMEPY2011-A01 - Habitat for Humanity
- Case Number HOMEPY2011-A02 - McHenry County Attainable Housing Corporation
- Case Number HOMEPY2011-A03 - Bravo Properties LLC

PLANNING AND DEVELOPMENT COMMITTEE
McHenry County Government Center – Administration Building
667 Ware Road – Conference Room A
Woodstock, IL 60098

MINUTES OF THURSDAY, DECEMBER 1, 2011

Chairman Hill called the Planning and Development Committee meeting to order at 8:30 a.m. The following members were present: Tina Hill, Chairman; Randy Donley; Mary Donner; Sue Draffkorn; Jim Heisler; and Ersel Schuster. Marc Munaretto was absent. Also in attendance: Peter Austin, County Administrator; Dennis Sandquist, Matt Hansel, Cory Horton, Darrell Moore, Maryanne Wanaski and Sarah Ciampi, Planning and Development; Kathy Bergan Schmidt, County Board; and interested public.

	Tina Hill, Chairman	
Randy Donley		Mary L. Donner
Sue Draffkorn		Jim Heisler
Marc Munaretto		Ersel Schuster

MINUTE APPROVAL: Ms. Donner made a motion, seconded by Mr. Donley, to approve the minutes from November 17, 2011. The minutes were approved with a unanimous voice vote of all ayes.

PUBLIC COMMENT: Jude Schmidt of Jude Schmidt Custom Construction, Inc., Marengo, Illinois, joined members and presented them with a letter addressed to the McHenry County Building Committee and dated December 1, 2011. He stated that his #1 topic is the manpower requirements for stormwater control. He mentioned that if a person has to wait four or five weeks or longer to get something reviewed, it is not acceptable. He does not want to increase government payroll, but if the County has the Stormwater Ordinance, he feels it should be funded for manpower to perform the duties outlined in the Ordinance in a timely manner. It is costing customers who are builders and homeowners money because of delays due to the stormwater department. He mentioned that he went to the Planning & Development (P&D) Department on November 4, 2011 to have plans reviewed for adding a 45-degree bend to a wing wall on a building. He found out that a wing wall was not noted on the septic plan which necessitated a new stormwater review and permit. He mentioned that his customer considered having a geothermal heating system installed. Mr. Schmidt spoke with P&D staff who informed him that there are state codes for this type of system. He also spoke with the Health Department which provided him with state codes stating minimum distances between well water and geothermal system liquids. He was informed that there are no permits required at this time, however, beginning January 1, 2012 the County may require a permit for this type of system. The geothermal heating system was installed and was inspected by the P&D Department. On November 23, 2011 they received a letter from the P&D Department stating that he needed a permit for the system and the permit for the wing wall would not be issued until the geothermal system was approved. He applied for the permit for the wing wall, along with a permit with the IEPA for the geothermal heating system. He has been informed that it will be at least 30 days before they receive information from the IEPA concerning the system. With winter weather approaching, he will not be able to finish installing siding on one side of the house. He is requesting to be able to install the requested wing wall now and have the County inspect it. He submitted all the requested information and feels that he should not have to wait. Chairman Hill mentioned that staff will review this matter and be in contact with him.

Kris Koehler and Kate Harma joined members concerning the request for funds for the McHenry County Attainable Housing Corporation's (MCAHC) Pearl Street Senior Housing Project. Mr. Koehler is the Executive Director of MCAHC and Ms. Harma is a member of the board. MCAHC is the newest certified Community Housing Development Organization (CHDO) in McHenry County and they are sponsored by Habitat for Humanity which is also a McHenry County CHDO. He stated that MCAHC is requesting CHDO set aside HOME funds in the amount of \$13,000 for a proposed 70-unit independent affordable senior housing complex. The proposed site is at the corner of Pearl Street and Rt. 31 in McHenry, Illinois. There is a need for affordable housing for the County's elderly population. The property is currently zoned two different classifications. One half of the property is zoned commercial and the other half is zoned residential. They are currently in the pre-development phase of the project and plan to use the funds for a formal market analysis to confirm the viability of the project.

Mr. Heisler arrived at 8:41 a.m.

MCAHC has an option contract on the property which lasts for one year. He mentioned that approximately 55% of McHenry Township residents are 55 years of age and older and they expect demand for this type of housing to increase

because of the aging population. They intend to work with social service agencies in the County to help place residents into the facility. He requested that committee members reconsider the Housing Commission's denial of their request for CHDO operating, as well as HOME funds for a market study in the amount of \$13,000. Ms. Harma stated that she was representing MCAHC's Board and assured the members that thorough planning has taken place for this project.

PRESENTATIONS: None.

SUBDIVISIONS: None.

OLD BUSINESS:

Resolution Adoption of an Amendment to the Bylaws of the McHenry County Community Development Block Grant Commission: Ms. Draffkorn made a motion, seconded by Ms. Donner, to recommend the County Board approve the above resolution as submitted. Chairman Hill mentioned that she has received feedback from township representatives stating that township supervisors and township highway commissioners are different offices and units of government and they represent two different constituencies and objectives. Mr. Heisler mentioned that a township supervisor is approximately the same level as a mayor of a city, but different from a highway commissioner. Ms. Wanaski mentioned that if there are three representatives for CDBG, two from townships and one from a municipality, along with six members at large from each one of the districts, there will be a total of nine CDBG Commission members. At the previous P&D meeting staff was informed by committee members that they would prefer to keep the CDBG Commission between 9 and 11 members.

Ms. Schmidt mentioned that on the 9th line from the top on page 8 of the By-Laws, the sentence would read clearer if the words "the Commissioner shall" be inserted after the word "issue".

Ms. Schuster made a motion, seconded by Mr. Heisler, to amend the By-Laws to include a township highway commissioner and a township supervisor to be voting members of the CDBG Commission. Ms. Wanaski mentioned that on page 2 under Section 3, Membership, third paragraph, it states that "representation from township supervisors, township road commissioners and/or a representative from a municipality within McHenry County ..." allows a choice. Mr. Sandquist suggested rewording #3 under Section 3, Membership, to read as follows: "Representation from township supervisors, township road commissioners, and/or municipalities within McHenry County limited to a mayor, trustee, or manager." Ms. Schuster withdrew her motion, and Mr. Heisler withdrew his second to the motion. Ms. Donner mentioned that trustees in government have a very limited role and they cannot be on many boards/commissions, just as a trustee from a township cannot become a board member. A supervisor can, but a trustee cannot. Mr. Sandquist mentioned that the section "mayor, trustee, or manager" is intended only for a municipality. Chairman Hill questioned members if the word "trustee" should be eliminated from this sentence and Ms. Schuster agreed, along with several other members. Ms. Schmidt stated that a trustee is not an elected position.

Ms. Schuster made a motion, seconded by Mr. Heisler, to amend the By-Laws, Section 3, Membership, #3 as follows: "Representation from township supervisors, township road commissioners, and/or municipalities within McHenry County limited to mayors (presidents), aldermen/councilmen (trustees), or administrators (managers)." The motion carried on a voice vote of all ayes (Donley, Donner, Draffkorn, Heisler, Schuster and Hill).

Ms. Schmidt noted a grammatical error in the yellow highlighted paragraph on page 2 of the proposed By-Laws. The word "maybe" in the first sentence should be changed to "may be". The amended By-Laws will reflect this change.

Members discussed the yellow highlighted paragraph on page 2 under "Membership." The paragraph mentions that a representative of a service agency cannot be a member of the CDBG Commission because they would not be able to apply for CDBG funds. Ms. Wanaski mentioned that they still want input from service agencies because it is important for the Commission to have their resources and input.

Mr. Donley left the meeting at 9:11 a.m.

Mr. Hansel mentioned that HUDs regulations for CHDO board membership want a person receiving the services with a say at the table on those organizations because they bring a user perspective to committees and commissions.

Chairman Hill made a motion, seconded by Ms. Donner, to strike the yellow highlighted paragraph under "Membership." The motion carried on a voice vote of all ayes (Donner, Draffkorn, Heisler, Schuster and Hill).

Ms. Donner left the meeting at 9:18 a.m.

Mr. Sandquist inquired if they wanted to split the voting members and the ex-officio members between two and three or between three and four. Chairman Hill stated that it is her intent to have a Housing Authority representative and social service agencies as ex-officio members. Ms. Hill made a motion, seconded by Mr. Heisler, to delete paragraphs 4 and 5 on page 2 under "Membership" and add wording stating that non-voting (ex-officio) membership shall include a representative from a McHenry County service agency and a representative from the McHenry County Housing Authority.

Mr. Donley returned to the meeting at 9:20 a.m. and Ms. Donner returned to the meeting at 9:21 a.m.

The motion carried on a voice vote of all ayes (Donley, Donner, Draffkorn, Heisler, Schuster and Hill).

The initial motion carried on a roll call vote of five ayes (Donner, Draffkorn, Heisler, Schuster and Hill) and one nay (Donley).

Staff will provide County Board members with a revised version of the By-Laws before the December 6, 2011 County Board meeting.

Chairman Hill requested that Item No. 6.10 be heard next.

NEW BUSINESS:

Resolution Adoption of the HOME Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) Reserve Funding Recommendation and Administration Allocation and Amendment of the Action Plan for the 2011 Program Year. Ms. Donner made a motion, seconded by Ms. Draffkorn, to recommend the County Board approve the above resolution as submitted. Ms. Draffkorn suggested that the committee reconsider McHenry County Attainable Housing Corporation's (MCAHC) request for CHDO operating funds in the amount of \$13,000. Ms. Draffkorn made a motion, seconded by Ms. Donner, to **amend the resolution to fund MCAHC's request for CHDO and HOME funds in the amount of \$13,000 to be used as pre-development money for a market study for the proposed Pearl Street Senior Housing Project in McHenry, Illinois. A question was asked as to how this differs from the Housing Commission's recommendation.** Ms. Draffkorn mentioned that they have been looking for CHDOs to come forward before they get CHDOs from out of the county. This is money that is coming to McHenry County and there is finally a CHDO that has come forward and she feels that they should assist MCAHC in getting started with this project. Ms. Wanaski mentioned that the funds are available and in order to provide the funds, they will reallocate \$13,000 from the **grant** general funds to **the** CHDO reserve. The original grant was for \$450,000 of which \$122,000 is allocated for the Habitat for Humanity CHDO. CDBG cannot fund anything above \$13,000 because there is a pre-development cap of that amount. Chairman Hill mentioned that Ms. Draffkorn and she heard from attainable housing what they thought the feedback was as to why the Housing Commission was against MCAHC's request for funds. Ms. Draffkorn stated that she was at the last meeting, but Ms. Peschke was not. **Ms. Draffkorn** mentioned that at the last Housing Commission meeting, there were three presentations and afterwards they received staff recommendations concerning the projects. **When the voting came through, Ms. Draffkorn was very surprised as to the way the Commission voted. Ms. Draffkorn did not see any reason why the Housing Commission should not fund this project and the Housing Commission decided to go with a larger project, which is located in Huntley. Ms. Draffkorn** mentioned that both projects can be done. **Ms. Wanaski** stated that the \$13,000 would be considered a loan. If the project does not go through, according to HUD rules, the money would come back to the County's grant fund. The money would come back to the County when MCAHC's funding comes through, unless the project is rendered infeasible. **Ms. Schuster** questioned who would pay back the loan. **Ms. Ciampi** stated that it would then be forgiven by HUD which is the rule for a pre-development loan. Pre-development loans exist for only Community Housing Development Organizations (CHDO). With a cap in place, there is a limit as to the amount of funding that can be given for this type of exploratory type of project. If the project should not go through because it is rendered infeasible, then the money would be forgiven under the statute. However, if any other progress is made on the **project because it is feasible, the money gets paid back to the County.** The motion carried on a roll call vote of four ayes (Donner, Draffkorn, Heisler, and Hill) and two nays (Donley and Schuster).

The initial motion carried on a roll call vote of four ayes (Donner, Draffkorn, Heisler, and Hill) and two nays (Donley and Schuster).

Chairman Hill stated that Ms. Wanaski is retiring at the end of this week. Committee members thanked her for all of the work she has performed on behalf of McHenry County and wished her a wonderful retirement.

Resolution Authorizing a Contract for Stormwater Engineering Services with Gewalt Hamilton Associates, Inc., Vernon Hills, Illinois in the Fiscal Year 2012 Budget: Ms. Schuster made a motion, seconded by Ms. Donner, to recommend the County Board approve the above resolution as submitted. Mr. Sandquist mentioned that they received 11 proposals and staff selected three firms for on-site interviews. Gewalt Hamilton quoted less per hour for permit and subdivision review services than the County currently pays. Gewalt Hamilton also proposes that the primary permit reviewer be the same person who has been providing these services for the County since last December. The County's current stormwater permit review firm is no longer providing these services and they subcontracted this work to Gewalt Hamilton.

Mr. Donley left the meeting at 9:41 a.m.

Mr. Sandquist mentioned that it is a challenge for the department to process permits in a timely manner and for staff to keep up with the permit reviews, along with the numerous code enforcement violation issues. He feels the Stormwater Ordinance needs to be amended to make it easier to read and understand for enforcement purposes. This may lessen the burden on applicants which will also lessen the burden on staff on items they have to review. He feels that the department needs another full-time stormwater engineer.

Mr. Donley returned to the meeting at 9:43 a.m.

Mr. Sandquist mentioned that there was legislation proposed last year to allow counties to charge for stormwater utilities which would charge for a user fee as a tax which would be based on the amount of stormwater generated based on site characteristics and impervious surface area. This would raise funds for stormwater planning, enforcement and management activities. This tax would go to every property owner who is benefitting from stormwater management functions. This is a potential long-term solution. The P&D Department has previously brought forward a proposed fee schedule to charge public sector applicants for stormwater fees. Staff will compile the data for the past two fiscal years by agencies, municipalities and townships as to what permits the department received and what fees would have been received with the proposed increased fee schedule. The motion carried on a roll call vote of all ayes (Donley, Donner, Draffkorn, Heisler, Schuster and Hill).

REPORTS TO COMMITTEE:

Community Metropolitan Agency for Planning (CMAP): None.

Community Development Block Grant (CDBG) Commission: None.

Historic Preservation Commission: Committee members were invited to the Commission's dinner meeting scheduled for December 7, 2011 at 6:30 p.m. at Pirros in Woodstock. Staff will continue to see if they can obtain more support for the Victory Garden and if not, the project may be discontinued.

Housing Commission: None.

Mr. Donley left the meeting at 9:51 a.m.

MISCELLANEOUS:

Wind Energy Ordinance: Ms. Schuster will forward her comments concerning the Wind Energy Ordinance to Mr. Sandquist. Mr. Sandquist requested that other committee members also forward their comments to him. All committee member input will be forwarded to Camiros. Many wind energy ordinances from throughout the state were reviewed before the recommended ordinance was presented. The Wind Energy Ordinance was intended to be a model ordinance for the County and municipalities. The standards were intended to address the broad range of land use in the unincorporated areas of the County.

Mr. Donley returned to the meeting at 9:53 a.m.

Mr. Sandquist mentioned that any regulations with regard to wind energy will be stricter than what the County currently has. Mr. Hansel mentioned that he recently attended the Illinois Association of County Zoning Officials meeting. Many central Illinois counties that have wind farms attended the meeting and they expressed concerns about future funding. The code enforcement officers explained that federal and state subsidies are designed to be in effect for the initial life of the wind farm. LaSalle County stated that they only needed federal subsidy and state tax breaks for the first four years of a wind farm and after that they will have recouped the cost of their initial investment. He also mentioned that Illinois, through the General Assembly, has a requirement stating that so much of the power produced in Illinois has to be produced by something other than nuclear power or coal and one of the ways to meet this requirement is through wind farms.

Staff will work with Jude Schmidt concerning the concerns he mentioned at today's meeting.

EXECUTIVE SESSION: None.

ADJOURNMENT: Noting no further business, Ms. Donner made a motion, seconded by Ms. Schuster, to adjourn the meeting at 10:11 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD/COMMITTEE ACTION/APPROVAL:

- Resolution Adoption of an Amendment to the Bylaws of the McHenry County Community Development Block Grant Commission
- Resolution Adoption of the HOME Investment Partnerships (HOME) Program Community Housing Development Organization (CHDO) Reserve Funding Recommendation and Administration Allocation and Amendment of the Action Plan for the 2011 Program Year
- Resolution Authorizing a Contract for Stormwater Engineering Services with Gewalt Hamilton Associates, Inc., Vernon Hills, Illinois in the Fiscal Year 2012 Budget

mh

PLANNING AND DEVELOPMENT COMMITTEE
McHenry County Government Center – Administration Building
667 Ware Road – Conference Room A
Woodstock, IL 60098

MINUTES OF THURSDAY, DECEMBER 15, 2011

Chairman Hill called the Planning and Development Committee meeting to order at 8:31 a.m. The following members were present: Tina Hill, Chairman; Randy Donley; Mary Donner; Sue Draffkorn; Marc Munaretto and Ersel Schuster. Jim Heisler was absent. Also in attendance: Dennis Sandquist, Matt Hansel, Cory Horton, and Darrell Moore, Planning and Development; and interested public.

Tina Hill, Chairman	
Randy Donley	Mary L. Donner
Sue Draffkorn	Jim Heisler
Marc Munaretto	Ersel Schuster

MINUTE APPROVAL: Ms. Schuster requested that the minutes from the December 1, 2011 be tabled until the next Planning and Development Committee meeting. She would like to review the “New Business” section further. It was the consensus of the members to table the December 1, 2011 minutes until the next meeting.

PUBLIC COMMENT: None.

PRESENTATIONS: None.

Chairman Hill requested that the interviews for the Hebron Drainage District be heard next.

NEW BUSINESS:

Interview for Appointment to the Hebron Drainage District: Members interviewed William Hauri, Bruce Meier and Mel VonBergen for consideration for appointment to the Hebron Drainage District. Committee members entered into a discussion regarding the appointments of these three gentlemen.

Ms. Draffkorn left the meeting at 9:03 a.m.

Ms. Schuster made a motion, seconded by Ms. Donner, to recommend the appointment of William Hauri to the Hebron Drainage District with a term to expire on September 1, 2012; recommend the appointment of Bruce Meier to the Hebron Drainage District with a term to expire on September 1, 2013; and recommend the appointment of Mel VonBergen to the Hebron Drainage District with a term to expire on September 1, 2014. The motion carried with all members present voting aye on a roll call vote (Donley, Donner, Munaretto, Schuster and Hill).

SUBDIVISIONS:

Lynn Mannor – Subdivision Extension: Mr. Sandquist, Mr. Horton and Mr. Moore joined members to discuss this subdivision extension request. Mr. Moore reported that this subdivision has received two extensions in the past and is at the end of the Final Plat stage. The subdivision has requested another extension. Mr. Horton, the Chief Stormwater Engineer, has identified multiple issues which prevent him from issuing a letter of no objection at this time. His review found that more information is needed to confirm the base flood elevation, the drainage, and additional calculations must be performed with regard to a tributary to the site. Staff does not recommend the committee approve an extension of the subdivision as it is currently proposed. Staff is recommending that the committee require the subdivision to return to the beginning of the final plat stage.

Ms. Draffkorn returned to the meeting at 9:05 a.m.

Mr. Moore mentioned that staff has had discussions with the developer and the developer is prepared to agree with staff's recommendations of returning to the beginning of the final plat stage. Mr. Sandquist mentioned that the State's Attorney's office is aware of the process P&D has been using at this step which is to request applicants to go back to the staff plat process and correct any deficiencies before a plat is finalized. It was the consensus of committee members to require the Lynn Mannor subdivision return to the beginning of the final plat stage and to fix the issues relating to drainage.

OLD BUSINESS: None.

REPORTS TO COMMITTEE:

Community Metropolitan Agency for Planning (CMAP): Mr. Sandquist reported that the kick-off meeting for the waterfront neighborhood sub-area plan was recently held and was very well attended. Camiros will be providing a work plan and a schedule to committee members in the near future.

Community Development Block Grant (CDBG) Commission: Mr. Sandquist reported that the December, 2011 meeting has been cancelled. Ms. Draffkorn reported that they are accepting applications for all of the positions on the CDBG. Mr. Sandquist reported that a News Release has been sent to the newspapers advertising openings on the CDBG Commission. Current members are encouraged to apply and interviews will be conducted at the January 19, 2012 P&D meeting.

Historic Preservation Commission: Mr. Sandquist reported that he has spoken with several members of the Commission and the Victory Garden will be discussed at the next Historic Preservation Commission meeting.

Housing Commission: Ms. Draffkorn reported that the next meeting of the Commission will be held next week. Mr. Sandquist mentioned that they will continue to review applications for HOME projects.

MISCELLANEOUS: None.

EXECUTIVE SESSION: None.

ADJOURNMENT: Noting no further business, Mr. Donley made a motion, seconded by Ms. Draffkorn, to adjourn the meeting at 9:14 a.m. The motion carried with a unanimous voice vote.

* * * * *

RECOMMENDED FOR BOARD/COMMITTEE ACTION/APPROVAL:

Recommend the appointment of William Hauri, Bruce Meier and Mel Von Bergen to the Hebron Drainage District

mh