

AGENDA

PLANNING & DEVELOPMENT COMMITTEE

February 2, 2012 at 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 – January 19, 2012
- 2.0 Public Comment
- 3.0 Presentations
- 4.0 Subdivisions
- 5.0 Old Business
 - 5.05 Government Permit Fees
- 6.0 New Business
 - 6.05 Interview for Appointment to the McHenry County Zoning Board of Appeals:
8:30 a.m. – Patricia Kennedy
 - 6.10 Interviews for appointment to the McHenry County Community Development
Block Grant (CDBG) Committee:
 - 8:40 a.m. – Jane Farmer
 - 8:50 a.m. – Paul Lafleur
 - 9:00 a.m. – Robert Miller
 - 9:10 a.m. – Phil Bartmann
 - 6.15 NSP Status Report
- 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

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

MINUTES OF THURSDAY, JANUARY 19, 2012

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

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

MINUTE APPROVAL: Mr. Munaretto made a motion, seconded by Mr. Heisler, to approve the minutes from January 5, 2012. Ms. Schuster requested that a correction be made on page three of the minutes under the "Housing Commission" section. It was suggested that "Housing Commission's" be inserted before "Legislative Committee" on the second line. The minutes were approved, with this correction, with a unanimous voice vote of all ayes.

PUBLIC COMMENT: None.

PRESENTATIONS: None.

SUBDIVISIONS: None.

OLD BUSINESS: None.

NEW BUSINESS:

Interview for Appointment to the McHenry County Zoning Board of Appeals: Committee members interviewed Tom Harding for consideration for appointment to the McHenry County Zoning Board of Appeals (ZBA). Chairman Hill stated that there is another applicant for this position who will be interviewed at the P&D meeting on February 2, 2012 and the Committee's recommendation for an appointment to the ZBA will be deferred until that time.

Interviews for Appointment to the McHenry County Community Development Block Grant (CDBG): Committee members interviewed William Swenson for consideration for appointment to the McHenry County Community Development Block Grant (CDBG).

Mr. Donley left the meeting at 8:50 a.m.

Chairman Hill stated that further interviews for the CDBG Commission will be conducted later in the meeting. Members have received notification that Mr. Martens will be arriving late due to traffic.

Mr. Sandquist, Ms. Ciampi and members discussed several interpretations of the new CDBG By-Laws. Mr. Sandquist mentioned that the new By-Laws state that the CDBG Commission will be comprised of one member of the McHenry County Board, and at least one representative from each of the County Board districts which includes representation from several categories. He has been working under the assumption that the list of categories is suggested and recommended, but not restrictive to the categories listed. He is under the assumption that if someone does not meet one of the categories listed, they can be appointed to the Commission. He suggested that the word "may" be included in the CDBG By-Laws in Section III under "Membership", #2 as follows: "At least one at large delegate from each of the County Board districts based upon place of residence, which **may** include....." It was the consensus of the committee members to add the word "may" to the CDBG By-Laws as stated above, and that the categories listed are not intended to be restrictive.

Chairman Hill mentioned that additional interviews from applicants for the CDBG Commission will be held during the February 2, 2012 P&D meeting and the Committee's recommendations for appointments to the CDBG Commission will be deferred until that time.

Mr. Sandquist will work with staff to amend the verbiage on the County's website for the posting of the openings on the CDBG Commission to include the word "may" as discussed above, and to include verbiage to clarify that the positions are open to constituents who do not meet the categories listed.

Appointments to the McHenry County Historic Preservation Commission: Committee members entered into a discussion regarding the appointment of Patricia Doornbosch, David R. Gervais and William Holderfield to the McHenry County Historic Preservation Commission. Chairman Hill mentioned that in the past, the Historic Preservation Commission has conducted the interviews for applicants to the Commission and provided their recommendations to this Committee. Mr. Munaretto made a motion, seconded by Mr. Heisler, to recommend the appointment of Patricia Doornbosch (term expires November 26, 2016), David R. Gervais (term expires November 26, 2016), and William Holderfield (term expires November 30, 2013) to the McHenry County Historic Preservation Commission. The motion carried with all members present voting aye on a roll call vote (Donner, Heisler, Munaretto, Schuster and Hill).

Chairman Hill requested that Item No. 7.15 be discussed next.

REPORTS TO COMMITTEE:

Historic Preservation Commission (HPC): Mr. Foley stated that the officer elections for the HPC have been completed and community assignments have been completed. The officers for this year are Nick Chirikos-Chairman, Bruce Randall-Secretary, and Steven Greeley-Vice-Chairman. The HPC has selected three landmark photographs to be additions to the hallway in the Administration Building, those being the Chunn's Burying Grounds, the Barber Cemetery, and the Trout Valley Stonegate Entrance.

Mr. Donley returned to the meeting at 9:01 a.m.

Concerning the Victory Garden, the 2012 program was discussed at the HPC meeting and Lori Selpien is formulating a plan for the coming season, including expanding the garden, along with trying to obtain student volunteers for the program. Nick Chirikos is also involved in this program. Mr. Sandquist stated that there is still interest in continuing the Victory Garden, but the HPC understands that there needs to be a larger community effort in order for this project to continue. The Commission is also conducting a Rural Intensive Survey for Hebron Township. The Commission met twice last year (October and November 2011) and the next scheduled meeting is Friday, January 20, 2012. The HPC is conducting an annual report which is being compiled. Mr. Foley mentioned that Chairman Chirikos would like to present the annual report to the full County Board at a future meeting.

Chairman Hill stated that she met last week with Terri Legare with the Lakeside Legacy and discussed the Dole Mansion located in Crystal Lake. Lakeside Legacy's board is not interested in going through the State of Illinois to have the Dole Mansion be designated a historical site, but they are interested in possibly having the Dole Mansion become a County historical site. Chairman Hill requested Ms. Legare contact Mr. Foley directly in order to obtain more information concerning the County's HPC.

Mr. Heisler questioned if the HPC has considered using Scouts to assist with the Victory Garden.

Community Metropolitan Agency for Planning (CMAP): None.

Community Development Block Grant (CDBG) Commission: None.

NEW BUSINESS (continued):

Interviews for Appointment to the McHenry County Community Development Block Grant (CDBG): Committee members interviewed Craig Adams, Cathryn Perfetti, and Robert Martens for consideration for appointment to the McHenry County Community Development Block Grant. Chairman Hill stated that there will be additional interviews for the CDBG Commission conducted at the February 2, 2012 P&D meeting and all recommendations for appointments to the Commission will be deferred until a later date.

Mr. Heisler questioned if the committee should consider if the CDBG should have representation from the manufacturing industry. Mr. Munaretto mentioned that the manufacturing industry does not receive funds from the CDBG. Mr. Sandquist mentioned that there is a category for economic development and a few agencies did talk to the Community Development Division about what the agencies could do under the economic category. Ms. Ciampi mentioned that a CDBG pre-

application meeting was held yesterday and another meeting is scheduled for today. Two agencies attended yesterday's meeting to learn about potential economic development. Economic development goals are addressed in the 2011 and 2012 CDBG Action Plan. Staff outlined examples of eligible economic development activities, and referenced that several years ago the County had a revolving loan fund which was funded in portion with grant funds similar in scope to eligible activities. Mr. Munaretto mentioned that at one time the original source of funds of the revolving loan fund came from a federal source that was connected with the Urban Development Grant Program. Mr. Sandquist mentioned that representation from manufacturing or business would not be precluded. It is in the Action Plan and it is something that could be funded if a proposal was received. Ms. Schuster questioned if the Housing Department is overseeing the revolving loan fund money. Staff said no, and stated that they were using the revolving loan fund as an example. Mr. Munaretto mentioned that people can participate in the CDBG program in business and industry through the economic development component.

REPORTS TO COMMITTEE (continued):

Housing Commission: Mr. Sandquist stated that the Housing Commission (HC) had a meeting earlier this week. The HC discussed projects currently in progress, specifically the review of the underwriting procedures for HOME grant applications, along with the Analysis of Impediment Study. They also discussed locations for their meetings. Ms. Ciampi informed members that the County does not currently have an official underwriting process whereby when an application is received, it is either accepted or rejected based on criteria. It currently uses review guidelines. Staff has been working on guidelines for evaluations based on similar categories and similar types of applications. Staff is trying to move this a step forward and use actual market conditions that are prevalent in this region of the state. The ultimate goal, in the next couple of years, is to have the County officially adopt an underwriting criteria that would have to be met for HOME applications, much like other entities do, and also mentioned that now that the HOME application has been in place at its current status for a few rounds now, they are fine tuning certain questions and items for clarification to ensure that the correct information is received from the applicants with the initial application. Chairman Hill mentioned that there have been a few rounds of HOME applications without the underwriting status criteria. She questioned if any applications would have been rejected based on not meeting some of the underwriting criteria. Staff mentioned that a couple projects that have come through may have. Examples of criteria would be certain pro-forma ratios that are required up front, and certain vacancy rates. Pro-formas are the documents staff uses to assess the cash flow of a project through its period of affordability in relation to a debt. Bravo's original pro-forma did not include vacancy rates that were realistic. There was also some concern about discrepancy in numbers that were presented. There was a \$90,000 flux which when considering providing approximately \$300,000 to the project is a large percentage. There was also some concern about gap analysis and actual funding. One of the criteria staff is trying to establish, which is part of HUD's gap analysis guidance used by staff in subsidy layering, is that the applicant would either have to know its funding, have committed funding, or define the funding it intends to apply for and at what thresholds. Those items are to be built into the construction financing and the permanent financing when projects are put through. This is something that the HC has not had with a couple of applications that have come forward. Mr. Sandquist mentioned that with guidelines, staff did the pro-forma and the analysis was brought to the Housing Commission with the staff recommendation that the application does not meet the guidelines and it should not be funded. The Housing Commission made recommendations to fund the projects, or that the project be funded on a contingency basis. The proposal process that is going on is to formalize those from guidelines to requirements that would say if they do not meet the guidelines and standards, the Housing Commission will not provide funding for the project and the applicants would need to reapply.

Concerning the Analysis of Impediments to Fair Housing Choice, Ms. Ciampi mentioned that staff has started to work on the report with the consultant and staff has provided the consultant with documentation. Committee members were previously provided with a survey of demographic information. Staff will report their findings of this survey to the consultant. The consultant uses this information in determining the decision-making body for the County, and the demographic make-up of it, and they judge that in accordance with the Fair Housing Guide provided by HUD. The next steps for staff are to work in conjunction with the consultants to identify stakeholders in the County. The consultant will conduct stakeholder interviews and will send out questionnaires in relation to each type of entity they are looking at. The consultant is currently reviewing County zoning ordinances and they have received the draft UDO documentation. The consultants will look at several municipalities in the County and make assessment of their zoning ordinances. Staff is in the process of working with the State's Attorney's Office, the Housing Authority and Prairie State Legal Services to determine any fair housing complaints or litigation that has been reported in the County.

Mr. Sandquist stated that the Housing Commission discussed meeting locations and they agreed to hold their general meetings in the Planning & Development conference room, but when there are application review meetings and when applicants provide presentations, those meetings will be held in Conference Room A at the Administration Building.

MISCELLANEOUS: Ms. Schuster questioned if a draft of the Unified Development Ordinance (UDO) has been received by staff. Mr. Sandquist mentioned that staff is in receipt of the first draft of the UDO from Camiros which consists of 365 pages. The first staff meeting to review the UDO is scheduled for next Thursday. Staff will be working with Camiros on the UDO through January, 2012 and it is hopeful that staff will present a draft version of the UDO to this Committee in March. The UDO staff committee is comprised of Mr. Sandquist, Mr. Moore, Mr. Hansel, Ms. McKinney, Mr. Horton (Planning & Development), Ms. Nomm (Health Department), Mr. Dittrich (Transportation Division), and Ms. Rein (State's Attorney's Office).

Mr. Heisler commented on the current roadway construction on Rakow Road and the impact on businesses from the disruption of traffic flow during the construction in this area of the County. The construction is anticipated to continue through November, 2012. He has asked both McDOT and the Crystal Lake City Council to assist the affected merchants during roadway construction with some type of compensation or dispensation concerning signage. The Crystal Lake City Council informed him that he would be able to place a banner/sign at his place of business located on Rakow Road, but he would have to re-apply for a sign permit every 29 days and pay a new application fee each time. He questioned if there could be certain regulations, including signage, that could be set aside for a certain period of time during roadway construction to assist businesses affected by the construction. It was mentioned that in the future, it is hopeful that there will be project costs that are built in when there are businesses that are impacted by road construction. Ms. Schuster mentioned that through the pre-construction work, this should be addressed because this is a detriment to businesses.

EXECUTIVE SESSION: None.

ADJOURNMENT: Noting no further business, Ms. Donner made a motion, seconded by Mr. Heisler, to adjourn the meeting at 9:45 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD/COMMITTEE ACTION/APPROVAL:

Recommend the appointments of Patricia Doornbosch, David Gervais and William Holderfield to the McHenry County Historic Preservation Commission

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Table 1**Government Permit Fee Waivers Summary**

<i><u>Applicant Type</u></i>	<i><u>Building Fees</u></i>	<i><u>Stormwater Fees</u></i>	<i><u>Bldg After-The-Fact Fee</u></i>	<i><u>S/W After-The-Fact Fee</u></i>	<i><u>Total Fees</u></i>
County	\$ 17,861	\$ 22,940			\$ 40,801
Townships	\$ 16,104	\$ 9,265	\$ 13,766	\$ 845	\$ 39,980
MCCD	\$ 9,505	\$ 20,470			\$ 29,975
Municipalities	\$ 74	\$ 5,680			\$ 5,754
Water Districts	\$ 2,943	\$ 2,445			\$ 5,388
Park Districts		\$ 2,530			\$ 2,530
School Districts		\$ 1,605			\$ 1,605
Fire Protection Districts		\$ 1,315			\$ 1,315
Grand Total	\$ 46,487	\$ 66,250	\$ 13,766	\$ 845	\$ 127,348

Table 2**Government Permit Fee Waivers Summary**

<i><u>Applicant</u></i>	<i><u>Building Fees</u></i>	<i><u>Stormwater Fees</u></i>	<i><u>Bldg After-The-Fact Fee</u></i>	<i><u>S/W After-The-Fact Fee</u></i>	<i><u>Total Fees</u></i>
Hebron Township	\$ 14,656	\$ 4,550	\$ 13,766	\$ 564	\$ 33,536
MCCD	\$ 9,505	\$ 21,295			\$ 30,800
McHenry County Facilities	\$ 17,491	\$ 4,490			\$ 21,981
MCDOT	\$ 222	\$ 17,625			\$ 17,847
Northern Moraine Water Recl. Dist.	\$ 2,943	\$ 2,445			\$ 5,388
Nunda Township		\$ 2,400			\$ 2,400
Harvard		\$ 2,315			\$ 2,315
Riley Township	\$ 1,448	\$ 65			\$ 1,513
Barrington Hills		\$ 1,350			\$ 1,350
Cary Park Dist.		\$ 1,340			\$ 1,340
Huntley FPD		\$ 1,315			\$ 1,315
Richmond Burton School Dist		\$ 1,315			\$ 1,315
McHenry Township		\$ 1,125		\$ 75	\$ 1,200
Cary Park District		\$ 1,190			\$ 1,190
Dorr Township		\$ 825		\$ 206	\$ 1,031
Fox River Grove		\$ 825			\$ 825
Spring Grove		\$ 825			\$ 825
McCullom Lake		\$ 300			\$ 300
Chemung Township		\$ 300			\$ 300
Woodstock School Dist.		\$ 225			\$ 225
P&D	\$ 148				\$ 148
Village of Wonder Lake	\$ 74	\$ 65			\$ 139
Harvard School Dist.		\$ 65			\$ 65
Grand Total	\$ 46,487	\$ 66,250	\$ 13,766	\$ 845	\$ 127,348

Table 3

Government Permit Fee Waivers

<u>Permit Number</u>	<u>Applicant</u>	<u>Project</u>	<u>Building Fees</u>	<u>Stormwater Fees</u>	<u>Bldg After-The-Fact Fee</u>	<u>S/W After-The-Fact Fee</u>	<u>Total Fees</u>
J-0810	McHenry County Facilities	3 outlets/waterline	\$148				\$148
J-0857	MCCD	Privy	\$148	\$60			\$208
J-0859	MCCD	Pavillion	\$239	\$585			\$824
J-0890	McHenry County Facilities	3 outlets	\$74				\$74
J-0913	McHenry County Facilities	Low voltage/wallpacks	\$236	\$60			\$296
J-0927	MCDOT	Electrical Service	\$74				\$74
J-0938	MCCD	Maitnance Building	\$401	\$285			\$686
J-1049	MCDOT	Skylights	\$148				\$148
J-1085	MCCD	Boardwalk	\$1,100	\$590			\$1,690
J-1105	MCCD	Floor drains	\$74				\$74
J-1112	MCCD	Demolition	\$74	\$225			\$299
J-1123	McHenry County Facilities	New Boiler	\$74				\$74
J-1124	P&D	Plumb & Elec. Upgrade	\$148				\$148
J-1191	McHenry County Facilities	New Regional Sup. Office	\$148				\$148
J-1249	McHenry County Facilities	New water heater	\$74				\$74
J-1294	Riley Township	Commercial Addition	\$1,448	\$65			\$1,513
J-1371	MCCD	Bridge	\$544	\$365			\$909
J-1396	MCCD	Tower	\$682	\$590			\$1,272
J-1455	McHenry County Facilities	Archive Building	\$15,994	\$1,380			\$17,374
J-1572	Village of Wonder Lake	Wrecking	\$74	\$65			\$139
J-1575	MCCD	Shelter/Pavilon	\$74	\$65			\$139
J-1576	MCCD	Washroom Privy	\$74	\$65			\$139
J-1577	MCCD	Wrecking	\$74	\$65			\$139
J-1611	MCCD	Wrecking	\$74	\$65			\$139
J-1612	MCCD	Wrecking	\$74	\$65			\$139
J-1613	MCCD	Wrecking	\$74	\$65			\$139
J-1614	MCCD	Wrecking	\$74	\$65			\$139
J-1620	MCCD	Washroom Privy	\$74	\$65			\$139
J-1668	McHenry County Facilities	Solar Panels	\$148				\$148
J-1785	Hebron Township	Township Office Building	\$13,766	\$2,320	\$13,766	\$564	\$30,416
J-2069	Hebron Township	Salt Storage Bldg	\$890	\$65			\$955
j-2091	Northern Moraine Water Recl. Dist.	Commercial Alterations	\$1,185	\$365			\$1,550
J-2206	McHenry County Facilities	Wrecking Old Valley Hi	\$74	\$1,380			\$1,454

Table 3

Government Permit Fee Waivers

<u>Permit Number</u>	<u>Applicant</u>	<u>Project</u>	<u>Building Fees</u>	<u>Stormwater Fees</u>	<u>Bldg After-The-Fact Fee</u>	<u>S/W After-The-Fact Fee</u>	<u>Total Fees</u>
J-2248	MCCD	Country Club Rd Boardwalk	\$4,530	\$890			\$5,420
J-2262	MCCD	Meyer Rd. Bike Bridge	\$973	\$890			\$1,863
J-2300	Northern Moraine Water Recl. Dist.	Sledge Drying Structure	\$1,758	\$365			\$2,123
J-2325	McHenry County Facilities	Elec. Work in Mech/ Room	\$74				\$74
J-2337	McHenry County Facilities	Treasurer Bldg Fndn. Work	\$373	\$290			\$663
J-2446	McHenry County Facilities	Courtyard Access	\$74	\$65			\$139
J-2479	MCCD	Wrecking	\$74	\$65			\$139
J-2558	MCCD	Wrecking	\$74	\$65			\$139
SW-2009-164	Cary Park District	Hoffman Park		\$1,190			\$1,190
SW-2010-01	Richmond Burton School Dist			\$1,315			\$1,315
SW-2010-05	Nunda Township			\$750			\$750
SW-2010-103	MCCD	Glacial WI resto		\$825			\$825
SW-2010-104	MCDOT	Lawrence over Lawrence		\$825			\$825
SW-2010-105	McHenry County Facilities	Archive Facility		\$1,315			\$1,315
SW-2010-109	MCCD	Dufield Pond		\$1,715			\$1,715
SW-2010-111	MCCD	Winding Creek		\$2,465			\$2,465
SW-2010-111	Huntley FPD	Fire Station		\$1,315			\$1,315
SW-2010-113	MCCD	Alden Sedge		\$825			\$825
SW-2010-121	Hebron Township			\$2,165			\$2,165
SW-2010-135	Harvard	Route 14 McGuire		\$225			\$225
SW-2010-140	Spring Grove	Wynn Road		\$825			\$825
SW-2010-142	Barrington Hills	Chapel Rd		\$525			\$525
SW-2010-154	MCDOT	Dunham over Rush		\$525			\$525
SW-2010-26	Harvard			\$225			\$225
SW-2010-28	Fox River Grove			\$825			\$825
SW-2010-33	Harvard School Dist.			\$65			\$65
SW-2010-35	Northern Moraine Water Recl. Dist.			\$1,715			\$1,715
SW-2010-48	Woodstock School Dist.			\$225			\$225
SW-2010-66	Harvard			\$225			\$225
SW-2010-72	MCCD	Fel Pro		\$1,590			\$1,590
SW-2010-73	Chemung Township			\$300			\$300
SW-2010-75	McHenry Township	Barnard Mill RD		\$300		\$75	\$375
SW-2010-81	Harvard	Airoport		\$815			\$815

Table 3

Government Permit Fee Waivers

<u>Permit Number</u>	<u>Applicant</u>	<u>Project</u>	<u>Building Fees</u>	<u>Stormwater Fees</u>	<u>Bldg After-The-Fact Fee</u>	<u>S/W After-The-Fact Fee</u>	<u>Total Fees</u>	
SW-2010-82	Harvard	Ayer over Mokler		\$825			\$825	
SW-2010-88	MCDOT	Dunham over Kish		\$2,925			\$2,925	
SW-2010-93	MCDOT	Union over Kish		\$2,925			\$2,925	
SW-2011-01	MCDOT	Graf over Lawrence		\$2,925			\$2,925	
SW-2011-02	MCDOT	Graf over Pisc		\$2,925			\$2,925	
SW-2011-10	Barrington Hills	Church Road		\$825			\$825	
SW-2011-100	MCCD	Hebron tile repairs		\$825			\$825	
SW-2011-114	Nunda Township	Culvert		\$825			\$825	
SW-2011-121	MCDOT	Hill Road Bridge		\$3,750			\$3,750	
SW-2011-125	Nunda Township	Culvert @ Colby Point Rd.		\$825			\$825	
SW-2011-13	MCDOT	Blivin		\$825			\$825	
SW-2011-30	MCCD	Maple Square Springs		\$3,290			\$3,290	
SW-2011-31	McCullom Lake	Drianage improvements		\$300			\$300	
SW-2011-37	Dorr Township	Dufield Pond		\$825		\$206	\$1,031	
SW-2011-59	Cary Park Dist.	Veterans Pond		\$1,340			\$1,340	
SW-2011-62	MCCD	Glacial Park		\$3,290			\$3,290	
SW-2011-75	McHenry Township	Barn		\$825			\$825	
SW-2011-91	MCCD	Glacial		\$1,340			\$1,340	
Grand Total				\$46,487	\$66,250	\$13,766	\$845	\$127,348

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

To: Tina Hill, Chair
Planning and Development Committee

From: Dennis Sandquist, Director
Department of Planning and Development

Date: January 12, 2012

Re: Government Agency Fee Waivers

Board/Committee Action Requested: Review the attached data and discuss the County Board policy of waiving Building, Stormwater, and Zoning fees for government agencies. Direct staff to prepare a Fee Schedule amendment, if appropriate.

Background: In October the P&D committee reviewed and approved a revised P&D Department Fee Schedule, which was subsequently adopted by the County Board on December 6, 2011. At that time, the Committee deferred altering the existing policy of waiving all departmental fees for all government agencies. The Committee requested that staff prepare additional information documenting how changing this policy would impact individual government agencies.

Discussion: Data showing the estimate value of waived permit fees for Fiscal Years 2010 and 2011 is attached. The data is shown at three levels of aggregation. Each table provides increasing detail, as follows:

Table 1: Permit Fees by Applicant Type

Table 2: Permit Fees by Applicant Name

Table 3: Permit Fees by Individual Permit

As shown in Table 1, the County was the largest beneficiary of the current policy not to charge government agencies for permits. As shown in Table 2, County Facilities received over \$22,000 in permits and MCDOT received over \$18,000 in permits during the last two years. Townships were the next largest beneficiary of the fee waivers. However of the \$40,000 waived for townships, over \$31,000 were related to Hebron Township's new office building and salt storage building. The remaining township building and stormwater fees totaled less than \$8,000. Following the townships, the next biggest beneficiary of the current fee waiver policy was MCCD, which received approximately \$30,000 in permits over the past two years.

McHenry County municipalities received over \$5,000 in permits over the same period. Virtually all of these permits were for stormwater permits issued for municipal projects within non-certified communities. Staff is aware of one municipality which recently decertified under the stormwater ordinance with the specific objective of avoiding paying for its own consulting engineers to review their permits for a municipal drainage project. The municipality has expressed its intent to have the Stormwater Division review the permits with no fees.

The Northern Moraine Water Reclamation District also received building and stormwater fee waivers of approximately \$5,000 for several project related to alterations of its treatment facilities.

As shown in Table 2, Hebron Township, MCCD, McHenry County Facilities, MCDOT, and the Northern Moraine Water Reclamation District are the only government agencies to receive more than \$5,000 of permits over the last two years. All other townships, municipalities, water districts, park districts, fire districts and school districts received less than \$2,500 in permits each over the last two years.

Thus, Permit Fees would not appear to be a substantial burden to most jurisdictions most years. Jurisdictions would incur more substantial fees when they are undertaking larger construction projects. But, these fees would be a minor fraction of the overall project cost.

Attachment: Tables

**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

To: Tina Hill, Chairman, and Members of the McHenry County Board Planning and Development Committee

From: Dennis Sandquist, Director, and
Community Development Division Staff

Date: January 26, 2012

Re: Neighborhood Stabilization Program (NSP) Status Report and Future Directions

Action Requested:

The Planning and Development Department Community Development Division will provide a PowerPoint presentation and status report on the accomplishments of the Neighborhood Stabilization Program (NSP) and an overview of future program activities for completing the grant by March 2013. The report is being provided for the Committee's information and comment.

Background:

In November 2008 the County Board approved an amendment to the 2008 Annual Action Plan in order to seek a Housing and Urban Development (HUD) NSP grant. In March of 2009, the County received a one-time grant award of \$3,085,695.00. All program funds, including program income, must be expended by March 30, 2013. Program Income received but not expended after the grant close-out is expected to be used by the County for specific purposes to be determined by HUD in the future. HUD is preparing the grant close-out notice.

The program was initially implemented with the Corporation for Affordable Homes of McHenry County (CAHMCO) acting as the developer for the acquisition, renovation, and sale or lease of properties. When CAHMCO was no longer able to provide these services, the CD Division assumed this responsibility. With this transition, ownership of the NSP homes was transferred to a trust with CAHMCO acting as the designated beneficiary.

Thus far, Grant funds have been used to purchase fifteen homes. Of these homes, 11 have been renovated and sold to income qualified buyers. Renovations are nearly complete on an additional two homes. Staff is working with two separate McHenry County social service organizations, which are interested in obtaining these properties for rent to their income eligible clients. Of the remaining two homes, one, which had previously been rented by CAHMCO, has been prepared for resale and is currently on the

market. The remaining home is undergoing renovations and will be placed on the market within the next 60 to 90 days.

Additional background is provided in the attached NSP Fact Sheet.

Discussion:

The program income generated by the sale of the NSP properties is required to be reinvested in eligible program activities until the program ends in March 2013 or until all funds are expended.

As the portfolio of initial properties purchased and rehabilitated are nearly all sold, Planning and Development staff is seeking guidance for a second round of property acquisition. The attached NSP Fact Sheet identifies specific areas where staff is seeking direction from the P&D Committee.

Impact on Human Resources:

The request for direction will not have any impact on human resources.

Impact on Budget:

The request will not have any impact on the budget. The grant funds and estimated program income (net proceeds from property sales) are included in the Department's approved FY2012 Budget.

Impact on Capital Expenditures:

The request will not require any capital expenditures.

Impact on Physical Space:

The request will not have any impact on physical space requirements. Workspace for the grant administration already exists within the P&D office suite.

Impact on Other County Departments or Outside Agencies:

The request will not impact other County Departments or outside agencies.

Conformity to Board Ordinances and Policies:

The request conforms to all County policies and ordinances.

Neighborhood Stabilization Program (NSP) Fact Sheet

History:

Funds were applied for by making a substantial amendment to the 2008 Annual Action Plan by December 1, 2008, with County Board Approval under Resolution R200811-10-338 November 18, 2008.

The NSP Grant Award of \$3,085,695.00 was issued March 30, 2009 and will be expiring March 30, 2013. Program income received but not expended after the grant close-out is expected to be used by the County for specific purposes to be determined by HUD in the future. HUD is preparing the grant close-out notice.

Priorities and Specific Objectives from the 2008 Annual Action Plan Amendment:

NSP funds will be used in McHenry County for the following purposes:

(a) Preserve Existing Housing Stock

Acquire and rehabilitate foreclosed and abandoned homes with a benchmark of 10-20 households and a proposed investment of \$1,542,848.00 in NSP funds.

(b) Develop Affordable Rental Units

Acquire and rehabilitate existing rental units with a benchmark of 5-8 affordable rental properties (number of tenant units to be determined) and propose investment of \$771,424.00 in NSP funds.

Sale of Properties:

All properties, even those slated as rental units, will be sold. Rental units will be sold to non-profit agencies that will manage and operate affordable rental housing. The proceeds from the sale are called "program income". Program income earned under this program is to be used in a "first-in, first-out" basis to continue to purchase and rehabilitate housing for re-sale (to homebuyers or for managed rental property), and to administer the program.

Affordability is determined by the household income. Agencies that acquire rental properties are required to charge affordable rent rates as determined by HUD Fair Market Rent Rates based on household income, and rent plus utilities cannot exceed the rate.

All homebuyers are required to receive a minimum of 8 hours of consumer credit counseling education, and must be able to secure a mortgage through a lender. Houses are sold with a down-payment assistance, in the form of a soft second mortgage from NSP monies left in the sale of the home, to help buyers purchase the homes. The sales price is the appraised value.

Geographic Areas Assisted:

Funds are used to purchase foreclosed and abandoned homes for rehabilitation and re-sale in the "areas of greatest needs" as defined and approved by HUD in the Action Plan Amendment.

McHenry County has identified geographic areas of greatest need using the foreclosure and abandonment risk score data provided by HUD, trend analysis data from Chicago Metropolitan Agency for Planning for location and count of foreclosures in McHenry County, and local foreclosure listings. McHenry County's greatest needs areas are compiled based on three criteria for determining need: (1) census tracts with the greatest percentage of home foreclosures, (2) census tracts with the highest percentage of sub-prime mortgage related loans, and (3) census tracts most likely to face a significant rise in the rate of home foreclosures.

Targeted Populations:

Affordability is determined by the household income. For NSP, the eligible household income is 120% of area median income or below (area median income is \$74,800 for 2011/\$75,800 for 2012) and rent rates are determined by HUD Fair Housing Standards by household income and housing unit size.

A minimum of twenty-five percent (25%) of the grant award is required to be used to assist persons at or below fifty percent (50%) area median income.

Progress:

To date, 15 properties were acquired under the agreement with Corporation for Affordable Homes of McHenry County (CAHMCO). McHenry County entered into a Trust Agreement with CAHMCO as beneficiary interest in the following properties.

Address	PIN	Census	Status
650 Dartmoor, Crystal Lake	19-07-451-008	8712.01	Undergoing rehab
807 Division, Harvard	01-35-276-001	8703.00	Sold 10/13/11
234 First, Woodstock	13-05-158-012	8709.03	Sold 6/2/11
1393 & 1395 Geringer, Algonquin	19-27-278-016/017	8713.09	Undergoing rehab
1109 Hayes, Harvard	01-36-106-001	8703.00	Sold 1/17/12
703 Lincoln, Harvard	01-35-283-004	8703.00	Sold 12/29/11
376 McHenry, Woodstock	13-05-256-004	8709.03	Undergoing rehab
377 Pierson, Crystal Lake	19-05-305-001	8712.01	On Market
7520 Salem, Wonder Lake	09-07-206-022	8705.00	Sold 8/26/11
7504 Maple, Wonder Lake	09-07-406-077	8705.00	Sold 8/19/11
9609 W. Witchie, Fox River Grove	20-19-302-010	8714.02	Sold 6/24/11
1030 Wimbledon, Island Lake	15-19-427-024	8708.12	Sold 8/15/11
11003 Myrtle, Huntley	18-28-452-002	8711.04	Sold 9/23/11
315 Country, Algonquin	19-28-378-014	8713.09	Sold 7/23/10
103 Palisades, Oak Wood Hills	14-36-327-025	8708.10	Sold 5/5/10

To date we have generated \$873,226.00 in program income from the sale of properties and have disbursed \$780,675.00 for a remaining balance of \$92,551. We estimate that the sale of the remaining four properties will generate an additional \$165,000.00 in program income. To date, we have expended

\$2,478,959.00 in grant funds for a remaining balance of \$606,736.00. Therefore, we have remaining funds to the sum of \$864,288.00 left to expend (including estimated \$165,000).

Since April 2011, CAHMCO has not been working with the NSP program other than service as the real estate trust beneficiary for the homes during the renovation process. The CD Division has been operating the program in house to oversee rehab, marketing, and sales of the properties with contractual services from the same professionals contracted by CAHMCO to provide real estate, legal, marketing, general contracting, and construction management services.

Next Steps

1) Expenditure of Funds/Program Close Out

HUD requires McHenry County to proceed with the spending of the remaining program balance (including program income) through the end of the program in March 2013. HUD has not decided what we are to do after the close out of the program. HUD has indicated that the County will likely retain program income for CDBG eligible uses. When the grant close out notice is published, we will be given direction. In the mean time, the County must continue to operate the NSP program and expend program funds in a manner consistent with our 2008 Consolidated Plan Revisions and grant acceptance.

2) Program Delivery

Since April 2011, CD Division has been running the program directly using the same professionals contracted by CAHMCO to provide real estate, legal, marketing, general contracting, and construction management services. This process is working well. Prior to April 2011, CD staff had to monitor CAHMCO as the developer. Now CD Division has direct involvement in daily operation of the grant. The staff has adequate capacity to oversee the overall operations and monitoring of the program without a developer. CD Division staff received HUD technical assistance to ensure that all program regulations are being followed and appropriate controls and measures are in place to manage the grant. Any changes in the professionals utilized to provide real estate, legal, or general contracting services will be procured through a competitive process consistent with HUD regulations.

3) Property Focus

The focus of the program thus far has been the purchase, renovation, and resale of single family homes in qualified neighborhoods. The two properties that are slated for sale to social service agencies for use as rental properties are two-units (one is a duplex; the other property has a main house and a small carriage house). Moving forward, CD Division staff will attempt to identify opportunities to direct more program funds towards multi-family properties in an effort to develop more affordable rental opportunities as specified in the 2008 action plan amendment.

The process will be to select for-profit or non-profit affordable housing organizations through a competitive process. Staff would then work with the selected agency(ies) to identify, purchase, and rehab one or more multi-family rental properties. Upon completion, the property(ies) would be sold to the agency(ies). The County would not purchase any multi-family rental properties without having an agency committed to assume ownership. Only in the event that a foreclosed, abandoned multi-family property

cannot be identified in the “areas of greatest needs” as described in the Action Plan Amendment, single family properties or duplexes may be purchased for rehab and resale or rental.

4) Trust Beneficiary

Since assuming the contracted responsibilities for the program from CAHMCO, the homes initially purchased by CAHMCO were placed in a real estate trust with CAHMCO designated as the beneficiary. Whether the focus of the program remains single-family homes or multi-family rental properties, properties will continue to be held in a real estate trust during the renovation process. Staff has contacted existing housing related agencies regarding their interest in providing this service. Only McHenry County Habitat for Humanity has indicated a willingness to serve in this capacity.