McHenry County

Illinois

Annual Action Plan FY2016

Submitted to HUD

by the

Planning and Development Department

McHenry County
Department of Planning and Development

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) has designated McHenry County an "Urban County." As such, the County receives annual grants from the federal government, namely the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME) in order to provide financial support for municipalities, housing, economic and service providers throughout the County.

As part of the grant administration process, the County develops a Five-Year Consolidated Plan 2015-2019 that directs the analysis and prioritization of needs as related to housing and community development. Also part of the grant administration process, the County develops an Annual Action Plan for each of year that the Consolidated Plan is in effect. This Annual Action Plan contains goals and objectives for year two of the Consolidated Plan.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Refer to Section AP-20 for Goals and Objectives.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

McHenry County implemented the year one Action Plan in 2015 by planning for all for goals to be included in the funding notice. Several projects were authorized for funding in all goal categories. For CDBG, three infrastructure projects did not begin construction in 2015, but progressed through engineering design to bid proposal request, and two housing projects that were under contract in 2014 with no accomplishments, have now made accomplishments in 2015. HOME grant funding was authorized for three projects that did not go forward; two of which did not receive tax credits from the State of Illinois necessary to the complete financing of the project. The other was case that incoved a lack of state funding for the associated services that created the need to cancel the

OMB Control No: 2506-0117 (exp. 07/31/2015)

HOME project. McHenry County worked with affirmatively furthering fair housing with one project involving legal assistance and public outreach. The County as Public Jurisdiction, in coordination with the McHenry County Continuum of Care to End Homelessnes and the McHenry County Mental Health Board, funded a Strategic Plan to End Homelessness that was completed in December, 2015.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Public Notice for the draft Annual Action Plan for 2016 was published in the local newspaper and distributed to the local libraries, the local housing authority and local subrecipients in the community. The public comment period was from March 2-March 31, 2016 with a public hearing on March 14, 2016.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public Comments will be added after the public comment period ends on March 31, 2016.

6. Summary of comments or views not accepted and the reasons for not accepting them

Comments will be added after public comment period ends on March 31, 2016.

7. Summary

see number 6 above.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MCHENRY COUNTY	Dpt. of Planning-Community Development Division
HOME Administrator	MCHENRY COUNTY	Dpt. of Planning-Community Development Division

Table 1 – Responsible Agencies

Narrative (optional)

Mchenry County Plannning and Development Department, Community Development Division developed the Annual Action Plan , and both the Planning and Development Committee and the McHenry County Board approved and authorized the submittal of the plan to HUD.

Consolidated Plan Public Contact Information

McHenry County Department of Planning and Development, Community Development Division

by mail: 2200 N. Seminary Ave., Woodstock, IL 60098 or in person at: 667 Ware Rd., #207B, Woodstock, IL 60098. Phone number 815-334-4560.

Planning and Development Director, Mr. Dennis Sandquist; Community Development Administrator, Mr. Hans Mach

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

McHenry County, through its Citizen Participation Plan, informed the public through a Public Notice made available in the local newspaper, on the County website, in local libraries, with the local housing authority, and the Continuum of Care (CoC). Citizens, public agencies and other interested parties may review information and records related to the Consolidated Plan and other HUD documents. The County provides public access via internet and hard copy upon request.

CoC members are informed of the draft Action Plan and are encouraged to review the plan and comment. Additionally, the Consolidated Plan is developed with CoC stakeholder comments and input, for instance, the high priority placed upon activities that serve the homeless is a CoC influence in the Consolidated Plan and in the Action Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The McHenry County Housing Authority is a member of the CoC with previously described opportunity to be involved in the plan creation. In addition, public notice for comments on the draft plan is posted with the Housing Authority for tenants of public housing to comment. Agencies that provide mental health and services also are part of the CoC and are informed and encouraged to comment on the Consolidated and Action Plans.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The CoC has prioritized ESG funding for Homelessness Prevention activities this year, and continues to provide support through both the Community Services Block Grant (CSBG) activities at the Housing Authority and the Outreach and Prevention activities at Home of the Sparrow. These projects service a wide variety of individuals and households, including veterans, disabled, families and single individuals. The community continues to promote Street Outreach as a prioritized activity, which assists the community with coordinated assessment and the ability to directly work with chronically homeless individuals in the community. The community also has access to the Supportive Services for Veteran Families through the TLS organization.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate

outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

McHenry County is the lead agency for the CoC and as such, assists the CoC with their allocation of ESG, however, the County does not receive an entitlement allocation of ESG.

However, as planning grantee, the Community Development (CD) Division works with the CoC to provide strategic planning initiatives and to foster annual ranking and evaluation procedures for CoC and ESG grant funding. The CD Division also monitors ESG, CoC, CDBG, NSP and HOME grant funding. The Homeless Management Information System currently is funded by the McHenry County Mental Health Board. However, HMIS was an allowable activity under CoC grant funding for FY 2015. It was ranked highly and is anticipated to be funded through CoC dollars. However, the community has not yet been advised of CoC allocations.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

OMB Control No: 2506-0117 (exp. 07/31/2015)

Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	MCHENRY COUNTY
	Agency/Group/Organization Type	Housing PHA Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Other government - County Other government - Local Grantee Department Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agencies involved in the participation are Countywide, therefore the organization is listed as McHenry County. CoC, Housing Authority, general public through public notice in the local paper, libraries, and county website. Government through the Community Development Housing Grant Commission, Planning and Development Committee and County Board.

OMB Control No: 2506-0117 (exp. 07/31/2015)

Identify any Agency Types not consulted and provide rationale for not consulting

NA

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	McHenry County	Strategic Plan and End Homelessness was just developed and adopted at the end of 2015. the CoC influence on the Consolidated and Action Plans is shown in high priority for activities serving the homeless.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The CD Dvision offers the community the ability to respond to CAPERs, Consolidated Plans and Annual Action Plans. The CD Division is the CoC's coordinated applicant and presents the opportunities to respond to these reports to the wide variety of stakeholders present at the CoC. This includes the Housing Authority, a myriad of social service organizations and other individuals and entities with an interest in community affairs.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

Public notice is placed in the local paper, the notice also goes to local libraries and the McHenry County Housing Authority so that the agency and tenants of public housing can have an opportunity to comment. Additionally, the county government members of CDHG Commission, Planning and Development Committee and County Board for comment and approval prior to submittal.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community				
2	Public Hearing	Non-targeted/broad community				
3	Public Meeting	Non-targeted/broad community				
4	Internet Outreach	Non-targeted/broad community				

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	McHenry County Housing Authority	Residents of Public and Assisted Housing				
6	public notice to librairies	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing for people that do not access paper				
7	solicitation for comments	CoC and County Gov't				www.co.mchenry.il.us/CD

Table 4 – Citizen Participation Outreach

OMB Control No: 2506-0117 (exp. 07/31/2015)

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The following table displays the anticipated resources broken down by program type. Projections are made for FY 2016 and the remaining three years of the Consolidated Plan.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,270,901	0	111,838	1,382,739	3,600,000	Admin/PlanPublic ImprovementPublic Service

OMB Control No: 2506-0117 (exp. 07/31/2015)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	434,772	0	1,024,773	1,459,545	1,272,000	All Uses of Funds

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The McHenry County Continuum of Care to End Homelessness developed an ad hoc committee beginning in 2015 to confront the community's need for a year 'round shelter site. The group communicated with local leaders and was able to secure support from the City of Woodstock. The City lent the use of a former fire station to a new group of volunteers for the purpose of providing emergency shelter and community support services to homeless individuals.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Infrastructure Improvements	2015	2019	Non-Housing Community Development	McHenry County Impacted Areas per Map 3 Low and Moderate Income Areas per Map 1	Infrastructure: Public Improvements	CDBG: $662,315	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 536 Households Assisted
2	Housing Repairs: CDBG	2015	2019	Affordable Housing	Countywide LMC	Affordable Housing: Non-Rental	CDBG: $200,000	Homeowner Housing Rehabilitated: 25 Household Housing Unit
3	Increase Avail. or Sustainability of Affordable Hs	2015	2019	Affordable Housing Homeless	Countywide LMC	Affordable Housing-Rental Affordable Housing: Non-Rental	HOME: $1,053,773	Rental units constructed: 47 Household Housing Unit Homeowner Housing Rehabilitated: 8 Household Housing Unit Direct Financial Assistance to Homebuyers: 2 Households Assisted Housing for Homeless added: 8 Household Housing Unit

OMB Control No: 2506-0117 (exp. 07/31/2015)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Public Services	2015	2019	Public Services	Countywide LMC	Public Services: Homeless Populations Public Services: Non-homeless Populations	CDBG: $99,170	Public service activities for Low/Moderate Income Housing Benefit: 700 Households Assisted
5	Public Facilities	2015	2019	Non-Housing Community Development	Countywide LMC	Public Facility Improvements	CDBG: $136,558	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 130 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	Infrastructure Improvements
	Goal Description	Infrastructure For: HODC- Crystal Lake Senior Apartments, Village of Union- Watermain Replacement, City of Woodstock- Phase 2 Walnut Ave. and Ash St. Storm Drainage, City of Crystal Lake-Lift Station #9 Repairs
2	**Goal Name**	Housing Repairs: CDBG
	Goal Description	McHenry County Housing Authority Owner Occupied Rehabilitation, Habitat for Humanity of McHenry County

3	**Goal Name**	Increase Avail. or Sustainability of Affordable Hs
	Goal Description	HODC-Crystal Lake Senior Apartments-82 units, McHenry County Housing Authority-owner occupied rehabilitation- 7 homes, Full Circle Pearl Street Apartments- units, Home of the Sparrow-12 units PSH Apartments, Habitat for Humanity of McHenry County 3 homes-Acquisition, Rehabilitation, sale with Downpayment Assistance.
4	**Goal Name**	Public Services
	Goal Description	Epilepsy Foundation-Ambulatory Care Model expansion, Family Health Partnerships-Pharmacy Access, Turning Point-Legal Access
5	**Goal Name**	Public Facilities
	Goal Description	Turning Point -Lift Station for Shelter, Pioneer Center-Dayton Street Sanitary Pipe replacement

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

Extremely low income 169 HOME assisted households, 55 extremely-low income, and 114 low income households will receive direct benefits or area benefits.

AP-35 Projects – 91.220(d)

Introduction

The Annual Action Plan reflects McHenry County's funding priorities and identifies projects that the County proposes to implement with funds from the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) and HOME Investment Partnerships Program. The funding is allocated to the County's highest priority needs.

#	Project Name
2	Habitat for Humanity-Critical Repairs
3	McHenry County Housing Authority-OOR
4	Pioneer Center -Dayton Street Sanitation
5	Turning Point-Lift Station
6	HODC-Crystal Lake Senior Apts
7	Woodstock-Walnut Ash drainage improvement
8	Village of Union-Washington St watermain
9	Turning Point-Legal Access
10	Family Health Partnership-Pharmacy Access
11	Epilepsy Foundation of North Central IL-Mobile Health Care
12	Crystal Lake-Lift Station 9
13	Home of the Sparrow-Integrated Campus Strategy Ph 1
14	Habitat for Humanity-NSP HOME rehab and homebuyer asst.
15	Habitat for Humanity-Residential Rehabilitation
16	McHenry County Housing Authority -OOR
17	Full Circle Communities-Pearl St Apts
18	Home of the Sparrow-Integrated Campus Strategy Ph 2

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The priorities were established as a result of stakeholder discussions and an analysis of need within the County. The County anticipates the development of new affordable housing in the community for homeless women and children. This "dual approach" means that both homeless individuals and the inherent need for affordable housing are being addressed.

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	**Project Name**	Habitat for Humanity-Critical Repairs
	Target Area	Countywide LMC
	Goals Supported	Housing Repairs: CDBG
	Needs Addressed	Affordable Housing: Non-Rental
	Funding	:
	Description	Habitat will use funding to rehab single family residences that have critical need of repair. Examples are: failed well, failed septic system, failed furnace, no electricity, water damage from roof or broken pipes.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	The number of families will depend on the cost for the scope of work but is estimated at 5 homes.
	Location Description	Countywide depending upon applicants that apply and are eligible for assistance.
	Planned Activities	see description.
2	**Project Name**	McHenry County Housing Authority-OOR
	Target Area	Countywide LMC
	Goals Supported	Housing Repairs: CDBG

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Needs Addressed	Affordable Housing: Non-Rental
	Funding	CDBG: $175,000
	Description	Housing Authority will rehabilitate single family residences for low to moderate income households in need of structural or life safety repairs.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Estimated 20 households, typically 1 person elderly extremely-low to low income households.
	Location Description	Countywide
	Planned Activities	see description
3	**Project Name**	Pioneer Center -Dayton Street Sanitation
	Target Area	Countywide LMC
	Goals Supported	Public Facilities
	Needs Addressed	Public Facility Improvements
	Funding	CDBG: $100,000
	Description	Pioneer Center will use the funding to replace an old sanitation pipe that has exceeded its useful life. The pipe is corroded and causes back ups into the building on a regular basis. Interior plumbing will have to be modified for the new pipe coming into the building and the floor will have to be replaced.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	On average, 200 low income households attend the facility daily.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Location Description	4001 Dayton Street, McHenry, IL 60050
	Planned Activities	see description
4	**Project Name**	Turning Point-Lift Station
	Target Area	Countywide LMC
	Goals Supported	Public Facilities
	Needs Addressed	Public Facility Improvements
	Funding	CDBG: $3,655,765
	Description	Turning Point will use the funds to replace a failing lift station that pumps sanitary waste out of the emergency shelter to the septic system.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	140 households per year, stay in the shelter, it is estimated that there will be half that many, or 70 households staying during the time that the work is completed and the end of the year.
	Location Description	Woodstock, IL 60098
	Planned Activities	see description
5	**Project Name**	HODC-Crystal Lake Senior Apts
	Target Area	Countywide LMC
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Affordable Housing-Rental
	Funding	CDBG: $87,315

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Description	Housing Opportunity Development Corporation or HODC will use the funds for the installation of infrastructure towards the 82 unit low income senior housing development in Crystal Lake. This project is a contingency project.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	82 senior low income households will be created with the CDBG funding used for the storm sewer installation towards this development.
	Location Description	Pathway Court, Crystal Lake IL 60014
	Planned Activities	see description
6	**Project Name**	Woodstock-Walnut Ash drainage improvement
	Target Area	Low and Moderate Income Areas per Map 1
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Infrastructure: Public Improvements
	Funding	CDBG: $150,000
	Description	the City of Woodstock will use funding for Phase 2 of the Walnut Ave/Ash Street drainage improvements. currently the roads to not drain properly to the curb drains and the road is pitched away from the drains instead of toward them in some places. Properties along these roads flood with rainfall and winter snow melt. This project is a contingency project.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	30 homes line the streets where drainage improvements are taking place.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Location Description	Wanut Ave., and Ash Streets, in Woodstock, IL 60098
	Planned Activities	see description
7	**Project Name**	Village of Union-Washington St watermain
	Target Area	Low and Moderate Income Areas per Map 1
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Infrastructure: Public Improvements
	Funding	CDBG: $175,000
	Description	Village of Union will use the funding to replace a watermain that has exceeded useful life and has to be replaced in order to provide water to several homes and a couple businesses.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	6 low income households.
	Location Description	Washington Street and Vine Street, just west of Main Street, Union IL
	Planned Activities	See description above.
8	**Project Name**	Turning Point-Legal Access
	Target Area	Countywide LMC
	Goals Supported	Public Services
	Needs Addressed	Public Services: Homeless Populations
	Funding	CDBG: $22,000
	Description	Turning Point will use funds for legal advice to the victims of domestic violence with representation in court with various legal maters such as orders of protection, stalking orders, and family law.

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	52 homeless victims of domestic violence
	Location Description	Woodstock IL 60098
	Planned Activities	See description above.
9	**Project Name**	Family Health Partnership-Pharmacy Access
	Target Area	Countywide LMC
	Goals Supported	Public Services
	Needs Addressed	Public Services: Non-homeless Populations
	Funding	CDBG: $23,520
	Description	Family Health Partnership will use funding to add the licensed Pharmacist, to oversee the workings of the pharmacy dispensary, counseling patients with multiple prescriptions.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	700 extremely low to low income households. Many will be medicare or medicaid eligible but there are a shortage of physicians available that are accepting medicaid and medicare patients so the clients go uninsured or underinsured.
	Location Description	401 E. Congress Parkway, Crystal Lake, IL 60014
	Planned Activities	see description above.
10	**Project Name**	Epilepsy Foundation of North Central IL-Mobile Health Care
	Target Area	Countywide LMC

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Goals Supported	Public Services
	Needs Addressed	Public Services: Non-homeless Populations
	Funding	CDBG: $53,650
	Description	Epilepsy foundation will use funds to expand their mobile services. Currently, the only Epileptologist available to McHenry County patients is in Rush Hospital in Chicago. In order for persons with limited access to Chicago due to secures, the doctor works remotely through this agency and technology used in Crystal Lake to treat patients remotely.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	600 extremely low to low income households will receive assistance.
	Location Description	333 Commerce Drive #175, Crystal Lake IL 60014
	Planned Activities	see description
11	**Project Name**	Crystal Lake-Lift Station 9
	Target Area	Low and Moderate Income Areas per Map 1
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Infrastructure: Public Improvements
	Funding	CDBG: $237,315
	Description	The city of Crystal Lake will use funds to repair the lift station that services a low to moderate income area of the city. this project is contingent upon Woodstock and HODC projects not going forward.
	Target Date	

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Estimate the number and type of families that will benefit from the proposed activities	stimated at 176 low to moderate income homes.
	Location Description	493 Pine St, Crystal Lake IL 60014
	Planned Activities	Contingency project that will use funding intended for Woodstock Walnut Ash or HODC senior apartments in Crystal Lake if those projects do not go forward.
12	**Project Name**	Home of the Sparrow-Integrated Campus Strategy Ph 1
	Target Area	Countywide LMC
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing-Rental
	Funding	HOME: $379,318
	Description	Home of the Sparrow will use funding for Phase 1 of the Integrated Campus strategy which is a four unit apartment building for rent to HOS clients with case management services provided for long-term self sufficiency.
	Target Date	12/31/2016
	Estimate the number and type of families that will benefit from the proposed activities	4 extremely low income households formerly homeless.
	Location Description	Shamrock Lane, McHenry, IL 60050
	Planned Activities	Persons receiving assistance from home of the Sparrow that are in transitional housing will go on to the permanent housing that will be acquired by the agency and made affordable through low rents while providing case management and supportive services.

13	**Project Name**	Habitat for Humanity-NSP HOME rehab and homebuyer asst.
	Target Area	Low and Moderate Income Areas per Map 1
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing: Non-Rental
	Funding	HOME: $134,000
	Description	Habitat for Humanity has acquired a home with NSP grant funding that will be rehabbed with HOME funding and buyer will be provided downpayment assistance. An additional property will be purchased with HOME funding and rehabbed with HOME and NSP funding and provided downpayment assistance from HOME. This project is CHDO and non-CHDO funded
	Target Date	2/28/2017
	Estimate the number and type of families that will benefit from the proposed activities	2 homes will be acquired, rehabilitated and sold with downpayment assistance. The two projects will be done in combination with HOME and NSP.
	Location Description	904 Dewey St., Harvard IL 60033 and the other home is TBD and will be done under a separate activity number but is represented as a project with the Dewey property.
	Planned Activities	Activities are in the census tracts that are determined to be areas of greatest needs as determined in the NSP program. The household income will not exceed 50 % low moderate income as per special set aside requirement of the NSP grant.
14	**Project Name**	Habitat for Humanity-Residential Rehabilitation
	Target Area	Low and Moderate Income Areas per Map 1
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing: Non-Rental
	Funding	HOME: $166,500

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Description	Habitat will use funding to rehabilitate 3 homes with HOME funding. The homes will be sold to low income buyers 30-50% low mod income with downpayment assistance and consumer credit counseling.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	2 -2-4 member households and 1 5+ person household.
	Location Description	Properties within areas of Lakemoor, Wonder Lake and McHenry.
	Planned Activities	see description
15	**Project Name**	McHenry County Housing Authority -OOR
	Target Area	Countywide LMC
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing: Non-Rental
	Funding	HOME: $285,000
	Description	Housing Authority will rehabilitate homes with structural, health and welfare needs.
	Target Date	11/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	6 low income households
	Location Description	countywide
	Planned Activities	see description
16	**Project Name**	Full Circle Communities-Pearl St Apts

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Target Area	Countywide LMC
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing-Rental
	Funding	HOME: $225,000
	Description	Full Circle will use funds to build affordable rental units for persons with disabilities.
	Target Date	12/31/2017
	Estimate the number and type of families that will benefit from the proposed activities	47 low income accessible housing units for person with disabilities targeted towards veterans and all tenants will receive supportive services.
	Location Description	3512 Pearl St, McHenry IL 60050
	Planned Activities	see description
17	**Project Name**	Home of the Sparrow-Integrated Campus Strategy Ph 2
	Target Area	Countywide LMC
	Goals Supported	Increase Avail. or Sustainability of Affordable Hs
	Needs Addressed	Affordable Housing-Rental
	Funding	HOME: $540,000
	Description	Home of the Sparrow will acquire a second four unit building for affordable rental and permanent supportive housing.
	Target Date	6/30/2017

	Estimate the number and type of families that will benefit from the proposed activities	4 extremely low income households coming from transitional housing to permanent with supportive services for long-term self sufficiency.
	Location Description	Shamrock Lane, McHenry, IL 60050
	Planned Activities	see description

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The County primarily focuses on impacted areas, although funding is made in other areas of the County as well. In order to most effectively apply CDBG, HOME and other federal funds to affirmatively furthering fair housing, the County is working on striking a balance between reinvesting in the lower-income areas of greatest need and creating new housing units in areas outside of racial and ethnic concentration. In order to expand the array of housing opportunities available to members of the protected classes, the County is working to foster the creation of affordable family rental housing in non-impacted areas. Infrastructure projects in the qualified areas continue to require large investments of funds. These projects often address the issue of aging infrastructure in the County, including water and sewer projects.

Most recently, the Village of Union received funding for a large infrastructure project, while McCullom Lake has received attention due to flooding and lack of storm sewer systems. The Wonder Lake community is also a target for the HOME rehabilitation program. It is anticipated that stormwater issues in Woodstock will be addressed through a comprehensive and targeted initiative in that city's northern portion.

The County has developed a system for prioritizing goals and scoring for local HOME and CDBG applications. Once an application meets the basic eligibility requirements (LMI benefit, eligible activity that meets a National Objective, addresses one of the stated goals in the Consolidated Plan, etc.), a set of scoring criteria is used.

Geographic Distribution

Target Area	Percentage of Funds
McHenry County Impacted Areas per Map 3	
Low and Moderate Income Areas per Map 1	
Countywide LMC	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The areas/neighborhoods of concentration of minority and LMI persons tend to be in older areas with a higher level of housing rehabilitation needs. These geographic areas are identified above in Map 3 Impacted Areas. Most of the calls to community providers are for the weatherization program, in addition to the housing rehabilitation program applicants, are from these areas of the County. Areas that are highlighted in the Impacted areas have higher minority populations, higher poverty and are areas where HOME grant funding is limited to rehabilitation of existing homes, whereas CDBG funding

OMB Control No: 2506-0117 (exp. 07/31/2015)

may be used with priority for infrastructure and rehabilitation of existing homes. All benefits that are for community areas will be limited to the areas in Map 1 for low to moderate income areas in accordance with HUD regulation requirements.

Discussion

Many of the distressed housing units are located in areas without municipal water and sewer services, and often suffer from ongoing flooding issues. These projects often address the issue of aging infrastructure in the County, including water and sewer projects. In addition, due to the settlement patterns within the County, many older lakeside communities contain former summer cottages that now have year-round residents. These homes were never constructed as year-round homes and often require more maintenance due to age. Effective water resources for a community can become a high priority when contamination is an issue.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

See below for the one year goals for the number of households to be supported.

One Year Goals for the Number of Households to be Supported	
Homeless	8
Non-Homeless	134
Special-Needs	47
Total	189

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	149
Rehab of Existing Units	32
Acquisition of Existing Units	8
Total	189

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

See above.

AP-60 Public Housing – 91.220(h)

Introduction

McHenry County is served by McHenry County Housing Authority (MCHA) which owns and manages 23 units of single-family public housing.

Actions planned during the next year to address the needs to public housing

MCHA will continue to use the capital fund program over the next year to rehabilitate and modernized its public housing units to ensure housing quality standards, as well as energy efficiency.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

MCHA has a Resident Advisory Board that is directly involved in a management capacity. Additionally, one public housing tenant has a seat on the full Housing Authority Board of Directors. Further, MCHA involves its residents in management activities with a community service requirement such as volunteering 8 hours/month in some public benefit activity or participating in training, counseling or classes toward gaining self-sufficiency and independence. Scattered-site tenants are encouraged to take part in local neighborhood watch or crime prevention programs.

MCHA will continue to work to provide financial literacy counseling and life skills training, in addition to sending job opening notices to public housing tenants.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. McHenry County Housing Authority is not designated as troubled.

Discussion

See above.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

McHenry County's Continuum of Care (CoC) continues to work collaboratively to address the myriad of homeless issues in the County, including emergency, transitional, and permanent housing, and a range of social services agencies, from the Northern Illinois Food Bank to the PADS (Public Action to Deliver Shelter) to assist persons and families to become independent. Two major issues are impacting the level of homelessness in the County: the lack of affordable housing and the ongoing dislocation from the impact of the Great Recession (individuals become homeless after a lengthy foreclosure process). In addition, limited public transportation options impacts the ability of low-income households to access employment centers and social services.

The McHenry County CoC Committee consists of a variety of people and organizations including representatives from McHenry County government agencies, food pantries, townships, faith-based organizations, housing developers, and healthcare and other social service providers, all working together to provide assistance and address the problem of homelessness. Committee members include, but are not limited to: the Salvation Army, PADS, Pioneer Center, Prairie State Legal Services, Turning Point, Home of the Sparrow, Crystal Lake Bank, Consumer Credit Counseling Services, Transitional Living Services, Thresholds, Veterans Assistance Commission, the United States Department of Veterans Affairs, the McHenry County Housing Authority, the McHenry County Crisis Line, the Lake-McHenry Regional Office of Education, concerned citizens and formerly homeless individuals and the McHenry County Department of Planning and Development – Community Development Division.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The community made great strides in confronting homelessness, approving a comprehensively developed Plan to End Homelessness, which will effectively begin operation in January, 2016.

The McHenry County Continuum of Care (CoC) plans to continue a Street Outreach approach funded through the Emergency Solutions Grant, the McHenry County Community Foundation and the McHenry County Mental Health Board to reach out and assess the needs of individuals experiencing homelessness, especially chronic homelessness. The CoC stresses that this approach reaches out to the most vulnerable unsheltered and chronically homeless individuals. As mentioned in the "Publicly-owned building" section, the community has identified a potential year-round, pragmatic homeless shelter operation that can become fully operational beginning in the summer of 2016. This would segment the community's existing services, which include a PADS (Public Action to Deliver Shelter) site and a continuum of sites operated in cooler months by institutions of faith throughout the County. The

OMB Control No: 2506-0117 (exp. 07/31/2015)

community continues to offer emergency services for victims of domestic violence (who essentially become homeless after leaving an abusive household) and homelessness preventions services aimed at keeping individuals housed through either rental support or case management/community support. A "Coordinated Intake and Assessment" system continues to be refined, with an allocation of Continuum of Care funding anticipated beginning in late 2016. The CoC plans to be a leader in the use of best practices and a global array of services and housing options to best meet client needs in McHenry County.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Continuum is focused on more coordination of support services over the next year and over the next five years. Street Outreach and case management are needed for people who are chronically homeless and move from shelter to shelter, agency to agency, and jail to detoxification facilities and, finally, back to the streets.

McHenry County has developed a Strategic Plan that would provide a framework for homeless housing and service delivery. Initially conceived as a 10 year plan in the 2015 annual action plan, the CoC ultimately developed a more realistic 3-year plan and rolled this into operation starting in 2016. The identified objectives from the Continuum of Care Plan to End Homelessness include the following:

Housing and Shelter, Supportive Services, System Operations.

The CoC has effectively strategized and targeted both ESG and CoC funding for: Permanent Supportive Housing (CoC), Rapid Rehousing (CoC), Transitional Housing; low cost per client (CoC), Coordinated Assessment (CoC), HMIS (CoC), Planning (CoC), Emergency Shelters (ESG), Street Outreach (ESG), Homelessness Prevention.

Additionally, the McHenry County Housing Authority outlines use of its Community Services Block Grant funding for Homelessness Prevention and Economic Development.

The goal is to provide homeless individuals and families with the most effective array of services to enable them to move from homelessness to permanent housing and then live as independently as possible while maintaining stable permanent housing. Additionally, the funding of Planning, HMIS and Coordinated Assessment enable the community to more effectively operate its system.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals

and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Families experiencing homelessness are now offered a wider array of services, including Rapid Rehousing, to reduce a period of homelessness. The community had increased the number of permanent supportive housing and VASH vouchers available to homeless individuals, with a preference for chronically homeless individuals. The housing needs of low-income individuals and families with children are high due to a combination of the slow economic recovery, a lack of well-paying jobs, and the high cost of housing. With the cost of a two-bedroom unit approaching $1,000 per month, few low-income individuals or families can afford a unit in the County. Over 30% of the households in the County earn less than $50,000 annually. In addition, 47% of owners with mortgages, 17% of owners without mortgages, and 55% of renters in the county spent 30% or more of household income on housing. This financial position leaves many individuals and families who are currently housed in a precarious situation with no safety net if a major housing repair is needed or a large housing expense occurs. For these reasons, the development of affordable housing in the community remains a priority with both HOME and CDBG funding-especially housing that targets LMI populations. The McHenry County Housing Authority has set a homeless preference for its public housing and will continue to do so in 2016.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In terms of rapid rehousing assistance, the CoC agencies have shifted their focus to the continuation of a Rapid Rehousing Program for families and a planned addition of four new affordable housing units to the community. Home of the Sparrow will be adding at least four additional units of affordable housing for homeless women and children through a reallocation of HOME funding, as the previously funded project did not commence. The CoC also approved a Rapid Rehousing request form the community's domestic violence provider, Turning Point. It is not yet known if this CoC grant was approved.

Efforts will continue by CoC organizations through HOME and CDBG programs as well as the McHenry County Mental Health Board to help support the development of permanent supportive housing and affordable housing strategies. This includes a number of collaborative initiatives as well as continued work on the community’s new plan to end homelessness. The CoC and CD Division anticipate that the development of housing opportunities will need to occur in a creative manner non-reliant solely on actual development of brick and mortar edifices.

Discussion

See above.

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

McHenry County completed an Analysis of Impediments to Fair Housing Choice (AI) in 2012 that identified the public policies that had a negative effect on fair housing, affordable housing and residential investment.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The AI provided the following Fair Housing Action Plan, some of which address barriers to affordable housing, in addition to fair housing.

Discussion

McHenry County requires municipalities to change their zoning ordinances in order to receive CDBG and HOME funding. In the last two years, McHenry County has confirmed compliance or sought amendments to zoning ordinances for the elimination of language that prohibits affordable housing or group homes for Woodstock, Harvard, McCullom Lake, Crystal Lake, Lake in the Hills, and Richmond. In 2015, a project that was proposed in Cary was opposed, not entirely by the public officials, but by the citizens. The developer sought project housing vouchers from the McHenry County Housing Authority. Community Development Division Staff of the McHenry County Department of Planning and Development and the Continuum of Care Chairman went to a Village of Cary Board and to the Illinois Housing Development Authority meetings to speak in favor of the project and against its protest by educating the public and providing evidence of need in the county.

AP-85 Other Actions – 91.220(k)

Introduction

The following is a brief summary of the planned actions from the Consolidated Plan (CP) and Annual Action Plan (AP).

Actions planned to address obstacles to meeting underserved needs

Funding to support service agencies to increase capacity or efficiency of services to serve homeless populations; in addition to increasing services or maintaining the existing level of service for non-homeless, extremely low- to moderate-populations will assist in meeting underserved needs.

Actions planned to foster and maintain affordable housing

The lack of affordable housing is one of the primary issues identified during the development of the Consolidated Plan. The large waiting list indicates that the housing needs for persons with disabilities, in particular mental health, and those with extremely low-incomes, are currently unmet. The owner-occupied housing rehabilitation program and acquisition/rehabilitation of rental units (homeless priority) will assist in fostering and maintaining affordable housing in McHenry County.

Actions planned to reduce lead-based paint hazards

The Lead Based Paint (LBP) program in the County is a state funded program. Each municipality determines their lead based paint needs and programs. McHenry County Health Department refers low-income persons with elevated blood lead levels to the McHenry County Housing Authority. This agency has funding to address lead-based paint hazards.

Through McHenry County Housing Authority and Habitat for Humanity of McHenry County, the County offers an owner-occupied housing rehabilitation program. Lead

abatement is one aspect of the rehabilitation program if a problem with lead paint is identified during the rehabilitation project. For any projects to dwellings constructed before 1978, the County requires lead testing and, if necessary, abatement prior to any construction activity. Additionally, County inspectors working with HUD funded programs are certified under the new EPA lead paint laws known as the Renovation, Repair, and Painting Program (RRP). A LBP training session was last conducted in 2009 or 2010. An estimated 150 local contractors participated, and an estimated 40-50 contractors became certified.

Recently, the McHenry County Department of Health, along with the Centers for Disease Control (CDC) and Prevention, the U.S. Environmental Protection Agency (EPA), and the U.S. Department of Housing and Urban Development (HUD), participated in National Lead Poisoning Prevention Week. Outreach

programs to enhance awareness of lead-based paint and testing will occur in FY2015-2019.

Actions planned to reduce the number of poverty-level families

McHenry County has worked with local service providers to pursue resources and innovative partnerships to support the development of infrastructure improvements, affordable housing, and public services to address homelessness.

The affordable housing programs, including supporting the production of affordable rental units and rental assistance, the owner-occupied rehabilitation program, down payment assistance, and increasing the number of permanent housing units for homeless persons assists to eliminate poverty through making housing more affordable, preserving the condition and availability of the existing housing stock and helping citizens build assets of all kinds: human, social, financial, and physical.

The community has approved a Regional Economic Development Plan in the community to include neighboring Boon and Winnebago Counties. The purpose of this plan is to enhance existing resources while working closely with neighboring community to utilitze economies of scale to avail jobs and commerce, and ultimately, needed tax revenue to fund services.

Actions planned to develop institutional structure

The McHenry County Department of Planning and Development is responsible for the overall planning, administration and monitoring of the County's Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) and other HUD funds made directly to the County. Additionally, the CD Division is the Planning Granteee for the CoC and Facilitates support through both ESG and CoC resources.

A newly-combined and appointed commission supports HUD programming. The Community Development and Housing Grant (CDHG)Commission, is comprised of the former Housing Commission and CDBG Commission and is composed of governmental officials, citizens and not-for profit service agencies, is an advisory commission that meets with frequency to oversee the execution of the CDBG and HOME grant programs.

Other partnerships exist to deliver services in the County. The Continuum of Care meets monthly on projects and issues related to the homeless and also makes funding allocations to community providers for services related to homelessness. McHenry County Housing Authority (MCHA) has a seven member commission appointed by the McHenry County Board. MCHA implements public housing projects and a variety of other programs related to low-income people and housing needs. The MCHA is also the recipient agency for Community Services Block Grant funding (CSBG). This support is geared toward homelessness prevention and economic development activities.

Actions planned to enhance coordination between public and private housing and social

service agencies

The County has been actively working to address the gaps in the institutional delivery system. The process management and institutional structure has been developed to provide a high level of oversight and input into the community development and housing funding decisions. Stakeholders from a cross-section of sectors are involved, including direct service providers and members of the non-profit, for profit, and governmental sectors. Still, the process for prioritizing goals and scoring local CDBG applications has been handicapped by a “scatter-shot” approach to funding. This process is currently being refined to provide a clearer process for prioritizing goals so that the process encourages a broader range of service providers and leverages additional funds for maximum impact.

The Continuum of Care continues to be an active forum for the development of community relationships in addition to its role as the response to community homelessness. The McHenry County Mental Health Board also is very active at pulling community leaders and partners together through its meetings of stakeholders and grantees. These efforts facilitate a great deal of community coordination around homelessness, housing and service issue in the community.

Discussion

See above.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

See below for program specific requirements.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

OMB Control No: 2506-0117 (exp. 07/31/2015)

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

   N/A

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

   The County uses recapture guidelines for homeownership activities. Currently, a recapture agreement is executed to capture the full HOME subsidy out of net proceeds from the sale. Recapture requirements means that if the property does not continue as the principal residence of the owners for the duration of the period of affordability being a minimum of five (5) years or greater as per HOME regulations based on investment total, the County will recapture the full amount of the HOME investment received by the owners as calculated by using the appropriation conditions listed below:

- In the event of a sale of the property during the period of affordability, the County shall recapture an amount equal to the HOME investment in the property.
- In the event of refinancing during the period of affordability, the County shall ensure that the loan terms of any loan to which HOME funds are subordinated are reasonable and sustainable. The County is currently developing procedures on refinancing HOME investment in the properties.
- In the event of a foreclosure, the County shall recapture from the net proceeds up to the original amount of the HOME investment associated with the purchase and rehabilitation of the property subordinate to the first mortgage lien against the property. The County's five year Consolidated Plan also permits option for resale if deemed appropriate. Resale agreements must state fair return and reasonable qualifications for low income homebuyers.

To maintain compliance with HOME, each recipient of HOME funds is required to file an approved affirmative marketing plan, or adopt the County's plan as a condition of each funding agreement. Most organizations use several methods of meeting affirmative marketing requirements, including multi-lingual documents, and outreach to local businesses, schools, service centers and churches. Organizations are encouraged to work with other local agencies to share resources and develop policies that meet marketing requirements within each individual organization. The County continues to update Section 504 compliance records and procedures, and follows policies and programs that prohibit discrimination in employment, housing, access to education and public services.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

   Recapture provisions as outlined in 24 CFR Part 92.254(a)(5)(ii)(A)(1) through (7) shall be enforced in cases where HOME funds are provided as a direct subsidy to the homebuyer as down payment, closing costs, and/or purchase price assistance. McHenry County shall recapture only the amount of direct subsidy to the buyer. The development subsidy is excluded. Additionally, the County uses recapture guidelines for homeownership activities. The amount of the direct HOME investment received by the owners and the period of affordability requirement is listed below:

- · The voluntary or involuntary sale or transfer of the property during the period of affordability will trigger repayment of direct HOME subsidy, subject to availability of net proceeds, to McHenry County to be utilized for HOME eligible activities.

  Subordination of McHenry County Mortgages due to Refinancing of Primary Loans. In the event of refinancing during the period of affordability, the County shall ensure that the loans terms of any loans to which HOME funds are subordinated are reasonable and sustainable. McHenry County's provisions are summarized as follows: Should the mortgagor under a McHenry County mortgage desire to refinance a mortgage which is superior to the McHenry County mortgage, McHenry County will subordinate

- its mortgage, as follows: homeowner may not take cash out; homeowner may roll into the new first mortgage only reasonable and customary closing costs associated with the refinancing (this does NOT include points paid to buy down the interest rate); the new first mortgage principal balance cannot exceed the original first mortgage principal; the new first mortgage must be a fixed rate loan (15 year permissible on a case by case basis, dependent on capacity to make payments); balloon mortgages are not permissible; if the prior mortgage required escrowing of taxes and insurance, the new mortgage shall also have this requirement.
- In the event of a foreclosure, the County shall recapture from the net proceeds up to the original amount of the direct HOME subsidy investment and subordinate to the first mortgage lien against the property.
- The Recapture revisions shall be enforced through a mortgage, note and recapture agreement filed with the McHenry County Recorder's Office and the requirements within shall be triggered upon a sale or transfer of the HOME assisted property.
- The amount recaptured will be the entire amount of the HOME direct subsidy to the homeowner, with the total collections capped by net proceeds. Net proceeds are the sales price minus the superior loan repayment (other than HOME) and any closing costs.

  All projects using homebuyer assistance must follow the County's Homebuyer policy adopted in January 2014.

  See below for the Discussion section for an outline of the Resale option.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

   N/A

Discussion

Resale-This option ensures that the HOME-assisted units remain affordable over the entire affordability period. The Resale method is used in cases where HOME funding is provided directly to a developer to reduce development costs, thereby, making the price of the home affordable to the buyer. Referred to as a "Development Subsidy," these funds are not repaid by the developer to the PJ, but remain with the property for the length of the affordability period.

Specific examples where McHenry County would use the resale method include: Providing funds for the CHDO developer to acquire property to be developed or to acquire affordable ownership units; providing funds for site preparation or improvement, including demolition; and Providing funds for construction materials and labor.

Notification to Prospective Buyers. The resale policy is explained to the prospective homebuyer(s) prior to signing a contract to purchase the HOME-assisted unit. The prospective homebuyer(s) sign an acknowledgement that they understand the terms and conditions applicable to the resale policy as they have been explained. This document is included with the executed sales contract. (See attached Homebuyer Agreement.)

Enforcement of Resale Provisions. The resale policy is enforced through the use of a Declaration of Covenants for Resale will specify: The length of the affordability period (based on the dollar amount of HOME funds invested in the unit; either 5, 10, or 15 years); that the home remain the Buyer's principal residence throughout the affordability period; and the conditions and obligations of the Owner should the Owner wish to sell before the end of the affordability period, including; the Owner must contact the McHenry County Planning and Development Department in writing if intending to sell the home prior to

OMB Control No: 2506-0117 (exp. 07/31/2015)

the end of the affordability period; the subsequent purchaser must be low-income as defined by HOME, and occupy the home as his/her new purchaser's primary residence for the remaining years of the affordability period. c. The sales price must be affordable to the subsequent purchaser; affordable is defined as limiting the Principal, Interest, Taxes and Insurance (PITI) amount to no more than 30% of the new purchaser's monthly income.

Fair Return on Investment. The McHenry County Planning and Development Department will administer its resale provisions by ensuring that the Owner receives a fair return on his/her investment and that the home will continue to be affordable to a specific range of incomes. Fair Return on Investment means the total homeowner investment which includes the total cash contribution plus the approved capital improvements credits as described as: The amount of the down payment; the cost of any capital improvements, documented with receipts provided by the homeowner, including but not limited to: any additions to the home such as a bedroom, bathroom, or garage; replacement of heating, ventilation, and air conditioning systems; and accessibility improvements such as bathroom modifications for disabled or elderly, installation of wheel chair ramps and grab bars, any and all of which must have been paid for directly by the Owner and which were not installed through a federal, state, or locally-funded grant program; and outdoor improvements such as a new driveway, walkway, retaining wall, or fence.

Note: All capital improvements will be visually inspected to verify their existence.

Affordability to a Range of Buyers. The County will ensure continued affordability to a range of buyers, particularly those whose total household incomes range from 50 percent to no greater than 80 percent AMI.

Attachments

PIONEER
Center for Human Services

4100 Veterans Parkway - McHenry, Illinois 60050
(815) 344-1230 - www.pioneercenter.org

March 11th, 2016

Hans Mach – Administrator
Community Development Division
McHenry County Department of Planning and Development
2200 North Seminary Avenue
Woodstock, Illinois 60098

Dear Mr. Mach:

Pioneer Center for Human Services appreciates the opportunity to provide comments on the 2016 Annual Action Plan for McHenry County. Pioneer Center addresses the needs of people with mental illnesses, developmental disabilities and autism, as well as the homeless through its PADS program. Over 90% of those served are in the low or very low-income ranges and our service area includes all of McHenry County.

Through its programs and services, Pioneer Center endeavors to provide clients with suitable living environments, economic opportunities and decent, affordable housing. Pioneer Center commends the County and the Community Development Division for its on-going efforts to assist us in attaining these objectives, including funding projects that eliminate conditions detrimental to the health, safety and public welfare of our clients. The CD Division's support of the McHenry County Continuum of Care for the Homeless Committee is also appreciated.

As the County's population continues to expand, the need for housing and supportive services for persons with disabilities or low-incomes continues to grow while at the same time funding is being cut back. With this in mind, we fully support the approval of a 2016 Action Plan that will ensure that the CDBG/HOME funding will be used towards the following goals:

- Development, acquisition, rehabilitation or modification of housing units for person with low incomes and/or special needs
- Supporting service agencies efforts to increase capacity or efficiency of services to serve the homeless or extremely low to moderate income population
- Rehabilitation or expansion of public facilities or public services to allow for greater efficiency or and/or an increase in the number of clients with low incomes and/or special needs served

We would also strongly encourage including 'disabled' (in addition to homeless, extremely low, very low, low-income or elderly households') in the description of the populations to be served. Pioneer Center for Human Services appreciates the efforts of the County and CD Division staff on behalf of McHenry County residents with low incomes, disabilities or the homeless and we look forward to continue working together to empower individuals to achieve their full potential.

Sincerely,

Sam Tenuto
President/CEO

Grantee Unique Appendices

McHenry County
Illinois
Annual Action Plan
FY2016

Submitted to HUD

by the

Planning and Development Department

OMB Control No: 2506-0117 (exp. 07/31/2015)

Grantee SF-424's and Certification(s)

OMB Number: 4040-0004
Expiration Date: 8/31/2016

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application: * If Revision, select appropriate letter(s):
☐ Preapplication	☒ New
☒ Application	☐ Continuation
☐ Changed/Corrected Application	☐ Revision
	* Other (Specify):
* 3. Date Received:	4. Applicant Identifier:
5a. Federal Entity Identifier:	5b. Federal Award Identifier:
State Use Only:	
6. Date Received by State:	7. State Application Identifier:
8. APPLICANT INFORMATION:	
* a. Legal Name: Emmaus of Monterey	
* b. Employer/Taxpayer Identification Number (EIN/TIN): 36-6108623	* c. Organizational DUNS: 0820464920000
d. Address:	
* Street1: 2200 W Scottsdale Ave	
Street2:	
* City: Modesto	
County/Parish:	
* State: CA: California	
Province:	
* Country: USA: UNITED STATES	
* Zip / Postal Code: 95350-1631	
e. Organizational Unit:	
Department Name: Planning and Development	Division Name: Community Development
f. Name and contact information of person to be contacted on matters involving this application:	
Prefix: Mr.	* First Name: Sam
Middle Name:	
* Last Name: Beech	
Suffix:	
Title: Community Development Administrator	
Organizational Affiliation:	
* Telephone Number: 209-526-4805	Fax Number: 209-526-4805
* Email: ftmcphee@emmaus.org	

OMB Control No: 2506-0117 (exp. 07/31/2015)

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

B: County Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.218/14.239

CFDA Title:

Community Development Block Grant and Home Investment Partnerships Program

* 12. Funding Opportunity Number:

B16-DC-07-0007 and M16-DC-07-0219

* Title:

Community Development Block Grant and Home Investment Partnerships Program

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Updated LMI map and Concentration maps.pdf | Add Attachment | Delete Attachment | View Attachment

* 15. Descriptive Title of Applicant's Project:

2016 Annual Action Plan CDBG and HOME projects:Infrastructure, Public Facility rehabilitation, Owner-Occupied Residential Rehabilitation, Public Services, Affordable Rental and Affordable Homebuyer

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

OMB Control No: 2506-0117 (exp. 07/31/2015)

Application for Federal Assistance SF-424

15. Congressional Districts Of:

*a. Applicant: 6/14 *b. Program/Project: 6/14

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

*a. Start Date: 01/01/2016 *b. End Date: 12/31/2017

18. Estimated Funding ($):

*a. Federal	2,246,644.00
*b. Applicant	13,648,485.00
*c. State	0.00
*d. Local	0.00
*e. Other	0.00
*f. Program Income	0.00
*g. TOTAL	15,895,129.68

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- [ ] a. This application was made available to the State under the Executive Order 12372 Process for review on
- [ ] b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- [x] c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

- [ ] Yes
- [x] No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

- [x] ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. *First Name: Joseph

Middle Name:

*Last Name: Gottemoller

Suffix:

*Title: McHenry County Board Chairman

*Telephone Number: 815-334-4000 Fax Number:

*Email: JXGottemoller@co.mchenry.il.us

*Signature of Authorized Representative: *Date Signed: 4/5/2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Signature/Authorized Official Date 4/8/2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 20 16 , _____ (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

   However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

   The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its

jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws – The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint – Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.

Signature/Authorized Official 4/8/2016 Date

McHenry County Board Chairman
Title

OPTIONAL CERTIFICATION
CDBG

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

Signature/Authorized Official 4/8/2016 Date

Mattoon County Board Chairman
Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance – If the participating jurisdiction intends to provide tenant-based rental assistance:

> The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs – it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for *prohibited activities, as described in § 92.214.*

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

4/5/2016

Signature/Authorized Official Date

McHenry County Board Chairman

Title

ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

Major rehabilitation/conversion – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Matching Funds – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction's consolidated plan.

Discharge Policy – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from

publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Signature/Authorized Official _____ Date _____

Title _____

Does not apply to McHenry County.

HOPWA Certifications

The HOPWA grantee certifies that:

Activities – Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building – Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

_____ _____
Signature/Authorized Official Date

_____
Title

Does not apply to McHenry County.

OMB Control No: 2506-0117 (exp. 07/31/2015)

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

OMB Control No: 2506-0117 (exp. 07/31/2015)