



# McHenry County, Illinois

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# 2015-2019

# Five Year Consolidated Plan

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## Executive Summary

### ES-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 as an Urban County entitlement. As such, the County will receive Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds from HUD for housing and community development activities.

#### *Purpose of the Consolidated Plan*

The purpose of the Consolidated Plan (CP) is to guide federal funding decisions in the next five years. The CP is guided by three overarching goals that are applied according to a community's needs. The goals are:

- To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs, and transitioning homeless persons and families into housing.
- To provide a suitable living environment through safer, more livable neighborhoods, greater integration of low- and moderate- income residents throughout the County, increased housing opportunities, and reinvestment in deteriorating neighborhoods.
- To expand economic opportunities through more jobs paying self-sufficient wages, homeownership opportunities, development activities that promote long-term community viability, and the empowerment of low- and moderate- income persons to achieve self-sufficiency.

The two primary federal funding resources in the 2015-2019 CP are the following:

- Community Development Block Grant (CDBG): The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low- and moderate-income levels. Funds can be used for a wide array of activities, including: housing rehabilitation, homeownership assistance, lead-based paint detection and removal,

construction or rehabilitation of public facilities and infrastructure, removal of architectural barriers, public services, rehabilitation of commercial or industrial buildings, and loans or grants to businesses.

- HOME Investment Partnerships Program (HOME): The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for low- and moderate- income households. HOME funds can be used for activities that promote affordable rental housing and homeownership by low- and moderate- income households, including reconstruction, moderate or substantial rehabilitation, homebuyer assistance, and tenant-based rental assistance.

The overall priority for the investment of federal funds is to increase self-sufficiency and economic opportunity for lower income residents and individuals with special needs so that they can achieve a reasonable standard of living.

Although the final allocation has not been determined, the County is basing its FY 2015 budget on estimated amounts. It is anticipated that the County will receive the following federal resources in FY 2015; estimated projections for five years follow in parentheses:

- CDBG: \$1,336,571 (\$6.6 million)
- HOME: \$433,030 (\$2.1 million)

## **2. Summary of the objectives and outcomes identified in the Plan Needs Assessment**

### **Overview**

The Strategic Plan provides a framework to address the needs of the County for the next five years using approximately \$5.3 million in Community Development Block Grant (CDBG) funds and \$2 million in HOME Investment Partnerships Program (HOME) funds. The three overarching objectives guiding the proposed activities are:

- Providing Decent Affordable Housing
- Creating Suitable Living Environments
- Creating Economic Opportunities

Outcomes show how programs and activities benefit a community or the people served. The three outcomes that will illustrate the benefits of each activity funded by the CDBG and HOME programs are:

- Improve Availability/Accessibility
- Improve Affordability

- Improve Sustainability

All future activities funded in the next five years will support at least one objective and one outcome. The County's framework for realizing the objectives and outcomes include the following goals:

- Provide Decent, Affordable Housing
- Provide a Suitable Living Environment
- Increase Homeownership
- End Chronic Homelessness

### **3. Evaluation of past performance**

The following are highlights of past performance based on the Consolidated Annual Performance and Evaluation Report (CAPERs) submitted to HUD from 2010-2014:

- In 2013, the County attended group trainings to prepare for several programming changes within the HOME Final Rule.
- The data submitted to IDIS since McHenry County's first entitlement award for HOME and CDBG has been reviewed and updated through a consultant to ensure complete and accurate accomplishment reporting and compliance.
- The 2011 HOME program has been monitored for compliance with statutory requirements and regulations resulting in no open findings.
- The CDBG Disaster-Recovery grant close-out request was submitted to HUD. The NSP program has continued with the remaining program income having met the expenditure deadline in March.
- During 2013, the Planning and Development Department administered or is continuing to administer a total of 23 CDBG projects worth \$1,544,863. Specifically, contract and restriction documents were made compliant, and specific organizations updated program procedures as a result of monitoring.
- HOME funding from 2011 and 2012 has been obligated to three projects, one CHDO project and two additional projects the County is administering.
- A second CHDO was certified mid-year.
- The CDBG program is in compliance with HUD regulations. This includes the continued implementation of contract de-obligation measures from stalled, non-compliant, or completed projects and reallocation of funds to ensure continuous grant activity. Contract draw requirements, construction deadlines, and enhanced pre-project development measures including extensive project evaluations, preconstruction meetings, and regular

inspections have led to the continued success of the CDBG program in the County. The draw down ratio as of August 9, 2013 was approximately 1.32%.

- The HOME Program continues to be in HUD compliance. The County successfully met required expenditure targets from HUD to avoid any decrease in HOME funding. The program is in compliance with all required obligation dates for previous grant years. The County continues education-based initiatives in assisting communities with local needs assessments, coordinating with the Continuum of Care, and providing County-wide trainings on federal grant requirements and topics related to community development.

#### **4. Summary of citizen participation process and consultation process**

McHenry County's goal for citizen participation is to ensure a broad participation of County residents, local jurisdictions, housing, economic, and service providers in the planning and implementation of community development and housing programming. Citizen participation takes the form of advertised community meetings and public hearings. In addition, the public is engaged in the process of carrying out the CDBG and HOME funded activities through the appointed CDBG Commission and Housing Commission, with representation from a large-cross section of stakeholders on both Commissions.

The planning process for the preparation of the Five-Year Consolidated Plan and FY 2015 Annual Action Plan included the following distinct elements:

- Focus group sessions with representatives from County government (staff), non-profit organizations, and other service providers to gain stakeholder input on the identification of County needs.
- Additional meetings and telephone interviews with County departmental staff, McHenry County Housing Authority, and other provider agencies and stakeholders throughout the planning process to understand the current scope of programs, issues, and concerns. The one-on-one conversations helped to develop strategies to address the community needs that were identified in the focus group sessions.
- Review of existing community development-related planning documents, including the McHenry County 2030 Comprehensive Plan, McHenry County 2040 Long Range Transportation Plan, the Heartland Housing Study, McHenry County 2012-2014 Mental Health Board Three Year Plan, and the incorporation of relevant findings and data into the Consolidated Plan.

#### **5. Local Policy**

**Regarding the CDBG program, the following policies will govern the allocation of funding to projects:**

- Projects seeking funding less than \$20,000.00 will not be eligible.
- Priority will be given to phased projects that can be completed in less than 4 program years.
- A minimum of ten percent (10%) leveraging of non-federal funds will be required from applicants with higher ranking of projects that can leverage a greater percentage of funding.
- Applicants with infrastructure projects must pay for design engineering and engineering construction oversight (can be counted toward the 10% leveraged funding).
- Public Service projects that primarily provide supportive services for homeless will be given higher priority than non-homeless supportive services. In the event that applications for public service dollars exceed the statutory 15% cap for public services, priority will be given to public services to homeless persons, then to non-homeless public service projects for applicants that had not received funding the prior year for any service project.
- Owner-occupied rehabilitation of residences will follow the updated McHenry County Property and Rehabilitation Standards (PRS) as amended from time to time.
- Infrastructure projects located in Impact Areas defined and mapped in Section NA-30 Disproportionately Greater Need will be given bonus points when ranking projects for funding.
- Funding for owner-occupied rehabilitation projects will be required to make assistance a loan to the homeowner. For assistance up to three thousand dollars (\$3,000.00), the loan shall be a 0% interest loan forgivable in 1/60<sup>th</sup> % monthly over a five (5) year period, upon title transfer or sale a portion will be returned during the five (5) year period. Loans in excess of three thousand dollars (\$3,000) shall be 100% repayable from net proceeds upon transfer of title, or sale of the property.

**Regarding the HOME program, the following policies will govern the allocation of funding to projects:**

- Housing Development outside of the Impact Areas, as defined and mapped in Section NA-30 Disproportionately Greater Need, will be given priority.
- Housing Rehabilitation will be given priority within the Impact Areas, as defined and mapped in Section NA-30 Disproportionately Greater Need.

For the development of the 2015-2019 Consolidated Plan and FY 2015 Annual Action Plan, a public notice was published on November 22, 2013 and the first public needs hearing was held on December 3, 2013. Comments submitted at the public meeting or via mail and e-mail to the Planning and Development Department by organizations and the general public are summarized in the following sections and are also contained in AD-25, Administration, and Citizen Participation Comments.

## **6. Summary of public comments**

During the public hearing for the draft plan conducted on September 11, 2014, comments were provided concerning various aspects of the plan in addition to clarification of their respective programs. The following is a summary of the comments. The full text version of the meeting minutes is located in the appendix (AD-25).

Staff conducted a second public comment period for the draft plan upon receiving the funding announcement from HUD for the 2015 program year. Comments were solicited between March 10, 2015 and March 25, 2015 and a second public hearing was held on March 19, 2015.

### Family Health Partnership Clinic:

A staff member wanted to know why the focus for health facilities has been narrowed to special needs populations versus the past broader interpretation.

Response: Due to limited resources, the focus of funding is currently on special needs as a priority.

### McHenry County Housing Authority:

A staff member wanted to know about the change in focus on funded agencies for public services.

Response: The 15% service cap limits the number of organizations that can receive funding. The goal is to rotate agencies so that new agencies may have the opportunity to receive funding to address service needs.

A question was asked concerning the tables in the document concerning the housing authority.

Response: Many of the tables in the document concerning the housing authority, with the exception of the waiting list information, are pre-populated tables in the IDIS eCon Plan program. Explanatory text can be provided in the document to clarify the tables.

### Pioneer Center:

A staff member stated that they would like to see more acquisition of properties for group homes in McHenry County.

Response: McHenry County staff members encouraged the Pioneer Center staff member to consider the next HOME funding round and to speak with the Housing Commission.

A staff member asked about the TBRA program. Also, the staff member wanted his comment to be noted that the HMIS system (PNC) be an eligible service project in the future.

Response: Comments noted.

In addition, Pioneer Center for Human Services submitted a letter outlining funding needs and requests for funding to develop a comprehensive plan for the McHenry County Continuum of Care (CoC), to increase the case management and supportive services of the County's HMIS, and to include disabled persons in the population to be served.

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

All comments were accepted. Due to reduced funding levels, and the policy change to provide opportunities for additional organizations to potentially received funding, past recipients of funding may not necessarily receive future dedicated funding. Funding will be based on the identified needs of the County and available funding.

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

**Table 1 Responsible Agencies**

<b>Agency Role</b>	<b>Name</b>	<b>Department/Agency</b>
Lead Agency	MCHENRY COUNTY	Department of Planning and Development, Community Development Division

#### **Narrative**

The McHenry County Department of Planning, Community Development Division is the lead agency for the preparation of the Five Year Strategic Plan and administration of the CDBG and HOME grant programs. The County department works with subrecipients to implement program activities.

#### **Consolidated Plan Public Contact Information**

##### **McHenry County**

Department of Planning and Development

Community Development Division

2200 N. Seminary Ave, Woodstock, IL 60098

Contact: Jeffrey Harris, AICP

Community Development Administrator

Phone: (815) 334-4560

Email: [mchenrycountycomdev@co.mchenry.il.us](mailto:mchenrycountycomdev@co.mchenry.il.us)

Web site: <http://www.co.mchenry.il.us/CD>

**1. Introduction**

McHenry County developed an outreach effort to maximize input from a large cross-section of stakeholders. This outreach effort included public meetings, published meeting notices and online notices, stakeholder meetings, in-person interviews, and telephone interviews.

**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**

McHenry County actively consulted with a variety of non-profits, social service providers, community citizens, and other governmental agencies. This was done in an effort to determine the needs of the County and better allocate entitlement resources. Focus group meetings were held on December 3-5, 2013 with affordable/special needs housing providers, fair housing advocates, business associations, homeless providers, community building organizations, and health and human service providers. In addition, three public hearings, which were open to the general public and advertised, were held on December 3, 2013, September 11, 2014, and March 19, 2015 at the McHenry County Government Center.

**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 McHenry County Department of Planning, through both the CDBG Commission and the Housing Commission, works with community providers, including Continuum of Care (CoC) organizations, to develop strategies to address homelessness. The CoC also has implemented a ranking procedure for organizations funded through the ESG program. This ranking procedure will be enhanced by the new planning program being implemented by HUD, with the intention that data provided consistently to the Ranking Committee of the CoC will result in clearly defined programs for the community.

Examples of coordination include the HUD-VASH (Veterans Affairs Supportive Housing) Program. The program is managed by the Lovell Federal Health Care Center, a group that participates in the CoC and is able to coordinate with other CoC members. Veterans with HUD-VASH vouchers are invited to and participate in food distributions for low-income veterans that are sponsored by Transitional Living Services (TLS). Home of the Sparrow is continuing its collaboration with a CHDO partner to develop additional affordable housing through NSP dollars, with new housing anticipated in early 2014.

With a new set of bylaws adopted in the fall of 2012, the McHenry County CoC reformulated its committee structures to better develop strategies for ending homelessness and improve coordination in the County. This resulted in the establishment of a Strategic Planning Committee that was able to prioritize seven different objectives. In turn, procedures were identified to ensure that households at imminent risk of homelessness get the right services at the right time and at the right level. Included is a strategy to help 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.

The Planning and Development Department and Housing Commission will continue to work closely with the CoC to generate project work as related to the specific homeless objectives identified in this Plan. The CoC already has participants representing development companies. For instance, one CoC-funded organization is utilizing HOME funding for the acquisition and rehabilitation of scattered-site housing units.

For detailed information on the coordination of care for persons discharged from institutions, see MA-35, Special Needs Facilities and Services.

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

In 2012, the CoC was notified that ESG fund allocation decisions were moved from the responsibility of the Illinois Department of Commerce and Economic Opportunity (DCEO) to the CoCs throughout Illinois. In response, the McHenry County CoC developed a ranking system. The Continuum's Ranking Committee formalized its ranking criteria and procedures beginning with the 2013 allotment of funding through the ESG Program. Previous recipients of ESG funds will also be the recipients of technical assistance from the Corporation for Supportive Housing (CSH) in order to streamline and enhance the CoC's ranking performance measures. It is anticipated that this support will lead to a very effective use of McHenry County's allocation of CoC and ESG funding. This ranking and performance strategy will be evaluated and amended as necessary in 2015 and beyond. In addition, to manage the CoC process and to track progress towards outlined goals an HMIS Advisory Committee oversees the HMIS system coordinator function.

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

A wide range of stakeholders were consulted to determine the level of housing and social service needs. This included housing and social service agencies in addition to public agencies and private nonprofit organizations whose missions included the provision of affordable housing and human services to low- and moderate- income households and persons.

**Table 2 Agencies, groups, organizations and others who participated**

Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
McHenry County Continuum of Care	Services – Homeless:	Homeless Needs - All	In-person and telephone interviews
McHenry County Planning	Planning Organization	Housing Need Assessment & Market Analysis	In-person interviews
McHenry County Economic Development Corporation and Workforce Network	Other Government – City	Housing Need Assessment & Market Analysis & Economic Development	In-person interviews
CDBG and Housing Commissions	Planning Organizations	Housing Need Assessment & Market Analysis	In-person interviews
Public Works	Other Government – City	Non-Housing Community Development Needs	In-person interviews
McHenry County Housing Authority	PHA	Public Housing Needs	In-person and telephone interviews

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

The McHenry County Continuum of Care (CoC) and all of the local CoC agencies were consulted, either through a personal interview and/or follow-up interviews.

**Table 3 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?
McHenry County 2030 Comprehensive Plan	McHenry County	The Comprehensive Plan (CP) provides a context for the goals and objectives outlined in the CP
McHenry County Analysis of Impediments to Fair Housing Choice (AI)-2012	McHenry County	The implementation recommendations from the AI were reviewed for inclusion in the CP
McHenry County 2040 Long Range Transportation Plan	McHenry County Division of Transportation	The Long Range Plan provided information on infrastructure improvements that impact County communities
McHenry County Mental Health Board’s Three Year Plan (2012-2014)	McHenry County Mental Health Board	The goals in the Three Year Plan provided a framework for the special needs section

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))**

The Community Development Division of the Department of Planning and Development is responsible for overall planning, administration and monitoring of the HUD grants made directly to the County. Two Commissions support HUD programming. The CDBG Commission is composed of governmental officials, citizens and not-for-profit service agencies and serves as an advisory commission that meets quarterly to oversee the execution of grant programs, with a specific focus on the CDBG grant. The County Board is currently considering policies to avoid any potential conflicts of interests related to funding decisions. The Housing Commission is composed of government officials, housing industry representatives, housing and service providers and the general public, and is divided into a voting bloc and ex-officio bloc to utilize the capacity of certain professionals while preventing conflict of interest issues. Further, the Housing Commission works with the HOME program grant, and two sub-committees meet quarterly to execute educational

and outreach programming to further the understanding of best practices, policies, and planning for housing in the County.

## PR-15 Citizen Participation

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

McHenry County's goal for citizen participation is to ensure a broad participation of County residents, local jurisdictions, housing, economic, and service providers in the planning and implementation of community development and housing programming. In addition to various trainings that are offered to all County residents and businesses, the public is engaged in the process of executing the grants through the CDBG Commission and the Housing Commission, and public information and comment sessions at large.

For the development of the 2015-2019 Consolidated Plan and the FY 2015 Action Plan, a public notice was published on November 22, 2013 and the first public needs hearing was held on December 3, 2013. A second public needs hearing was conducted on September 11, 2014. A third was held on March 19, 2015.

**Table 4 Dates of Public Hearings**

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	Public Hearing	Countywide	One public needs hearing was conducted	Comments included in AD-25	All comments were accepted. The level of funding will determine how to address the identified needs	N/A
2	Public Hearing	Countywide	Comments included in AD-25	Comments included in AD-25	Comments included in AD-25	
3	Public Hearing	Countywide	Comments included in AD-25	Comments included in AD-25	Comments included in AD-25	

# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

Based on the data and analysis included within this section of the Strategic Plan, in addition to interviews and group discussions held with service providers, the following conclusions relative to housing needs in McHenry County for all household types, income groups and racial/ethnic groups can be made:

- Small related households, both owners and renters, had the highest level of cost burden.
- In addition, other renter households had a high cost burden rate of 51%. Similar trends were noted among households with cost burden >50% with other renters (55%), small owners (39%) and elderly owners (38%) experiencing rates of 30% or higher.
- Racial/ethnic groups with disproportionate *housing problems* include the following:

#### Housing Problems

1. Black households with incomes at 31-50% and 51-80%
2. Asian households with incomes at 51-80%
3. American Indian, Alaska Native with incomes at 0-30% (small sample sizes)

#### Severe Housing Problems

1. Asian households: moderate-income
2. Hispanic households: middle-income

- Racial/ethnic groups with disproportionate *housing cost burden* include the following:

#### Housing Cost Burden

1. Pacific Islander households with housing cost burden paying less than 30%
2. Black/African American households with housing cost burden paying between 31-50%
3. Asian and American Indian, Alaska Native households with household cost burden paying above 51%

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

The Housing Needs Assessment is based on data provided by HUD through the Comprehensive Housing Affordability Strategy (CHAS) data, with supplemental data used when available. Although the CHAS data is dated, it provides a glimpse of the housing needs within the County. This data, in combination with supplemental data and interviews with agencies and housing providers in the County, can provide a snapshot view of the housing needs.

### Housing Needs - Agency Results:

Interviews with agencies that provide housing and social services provided an overview on housing needs. The following is a summary of the key points from the surveys and the stakeholder interviews:

- Extremely-low, very-low, and low-income households have a very difficult time finding affordable housing. In addition, moderate-income households have a difficult time as well.
- Small related households appear to have the most residents who are cost burdened across a range of income levels and tenure.
- The lack of affordable housing affects some of the area's most vulnerable citizens, according to local non-profits.

Housing problems are broken down into four categories. The four housing problems include: cost burden, lack of complete plumbing or kitchen facilities, overcrowding, and zero/negative income.

The following bullet points summarize the tables found on the following pages:

### Renter households:

- Between 0-30% of AMI lacking complete plumbing or kitchen facilities
- Between 0-30% of AMI with one or more of four housing problems
- Between 0-30% of AMI with housing problems paying more than 50% of their gross income on housing costs

### Owner households:

- Between 50-80% of AMI with one or more of four housing problems
- Between 50-80% of AMI with housing problems paying more than 50% of their gross income on housing costs

### Households by Household Type

**Renter households paying more than 30% of their gross income on housing costs:**

- Small related households between 50-80% of AMI
- Elderly households between 30-50% of AMI
- Other households between 30-50% of AMI

**Owner households paying more than 30% of their gross income on housing costs:**

- Small related households between 50-80% of AMI
- Elderly households between 30-50% of AMI

**Renter households paying more than 50% of their gross income on housing costs:**

- Small related households between 0-30% of AMI
- Elderly renter households between 0-30% of AMI
- Other households between 0-30% of AMI

**Owner households paying more than 50% of their gross income on housing costs:**

- Small related households between 0-30%, 30-50%, and 50-80% of AMI
- Elderly households between 0-30% of AMI

Demographic indicators are essential to understanding a community’s housing needs. The data provides a snapshot of the County’s growth and highlights the ongoing increase in population and households.

**Table 5 Housing Needs Assessment Demographics, 2000-2010**

Demographics	Base Year: 2000	Most Recent Year: 2010	% Change
Population	264,870	308,760	16.6%
Households	91,240	109,064	19.5%
Median Income	\$64,826	\$76,482	18%

Data Source: 2000 Census (Base Year), 2006-2010 ACS (Most Recent Year)

The following tables are HUD-generated tables within the IDIS eCon Planning Suite using 2006-2010 CHAS data. HAMFI refers to “HUD Adjusted Median Family Income,” which is the median family income calculated by HUD for each jurisdiction in order to determine Fair Market Rents and income limits for HUD programs.

**Table 6 Number of Households**

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Total Households *	7,005	8,982	15,209	11,181	70,783

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Small Family Households *	2,545	2,985	5,444	4,625	41,904
Large Family Households *	427	607	1,920	1,557	9,051
Household contains at least one person 62-74 years of age	1,062	1,743	3,198	2,083	11,099
Household contains at least one person age 75 or older	1,231	2,226	2,032	1,007	2,876
Households with one or more children 6 years old or younger *	1,142	1,537	3,090	2,396	11,071
* the highest income category for these family types is >80% HAMFI					

Data Source: 2006-2010 CHAS

### Housing Needs Summary Tables

**Table 7 Housing Problems (Households with one of the listed needs)**

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Substandard Housing - Lacking complete plumbing or kitchen facilities	85	64	65	30	244	35	0	34	34	103
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	10	50	15	0	75	0	0	40	60	100
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	110	179	160	120	569	15	55	239	93	402

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 50% of income (and none of the above problems)	2,017	1,165	393	55	3,630	2,767	2,758	3,580	1,308	10,413
Housing cost burden greater than 30% of income (and none of the above problems)	359	1,352	1,728	336	3,775	195	1,415	3,789	3,687	9,086
Zero/negative Income (and none of the above problems)	309	0	0	0	309	451	0	0	0	451

Data 2006-2010 CHAS

Source:

**Table 8 Housing Problems**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	2,227	1,459	633	205	4,524	2,812	2,813	3,881	1,482	10,988
Having none of four housing problems	888	1,935	3,153	1,580	7,556	304	2,728	7,542	7,919	18,493
Household has negative income, but none of the other housing problems	309	0	0	0	309	451	0	0	0	451

Data Source: 2006-2010 CHAS

**Table 9 Cost Burden > 30%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,162	1,171	1,001	3,334	992	1,314	2,989	5,295
Large Related	160	234	260	654	208	294	1,258	1,760
Elderly	476	501	254	1,231	1,219	2,030	1,928	5,177
Other	760	830	693	2,283	598	581	1,385	2,564
Total need by income	2,558	2,736	2,208	7,502	3,017	4,219	7,560	14,796

Data Source: 2006-2010 CHAS

**Table 10 Cost Burden > 50%**

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,039	468	139	1,646	982	1,116	1,482	3,580
Large Related	130	64	10	204	188	279	572	1,039
Elderly	382	318	139	839	1,069	872	961	2,902
Other	611	350	154	1,115	588	509	618	1,715
Total need by income	2,162	1,200	442	3,804	2,827	2,776	3,633	9,236

Data Source: 2006-2010 CHAS

**Table 11 Crowding (More than one person per room)**

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	120	158	130	85	493	15	55	179	99	348
Multiple, unrelated family households	0	45	45	35	125	0	0	99	54	153
Other, non-family households	0	25	0	0	25	0	0	0	0	0
Total need by income	120	228	175	120	643	15	55	278	153	501

Data Source: 2006-2010 CHAS

Please note: No data was provided by HUD for the following table.

**Table 12 Crowding Information – Renters and Owners, Children Present**

	Renter				Owner			
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	Total
Households with Children Present								

Data Source: 2006-2010 CHAS

**Describe the number and type of single person households in need of housing assistance.**

The total number of single person households in need of housing assistance, as quantified by the January 2013 Point-in-Time (PIT) survey, continues to grow. In a pattern that remains constant since the first PIT survey, the number of homeless single person households is almost a third larger than homeless family households. There were 128 persons in households without children counted during the most recent PIT. This is up from 122 based on the 2009 PIT, and represents a large segment (62%) of the homeless population.

In addition, since 1990, there has been an increase in the rate of single-person households (16.8% in 1990 versus 19.9% in 2012). This trend in household types will likely cause a greater demand for smaller units requiring less square footage.

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

In McHenry County, Illinois, among the civilian non-institutionalized population, 8% reported a disability (2012 ACS). The likelihood of having a disability varied by age - from 3% of people under 18 years old, to 6% of people 18 to 64 years old, and 29% of those 65 and over. Disabled persons include the physically and developmentally disabled, severely mentally ill and elderly, particularly the frail elderly. There are an estimated 1,884 persons over the age of 18 with a disability who have poverty level incomes, equivalent to 9.3% of the disabled working population.

Not all persons with disabilities require supportive housing; however, those that cannot live with supportive family or are in need of help in activities of daily living do require supportive housing and/or services. Physically disabled individuals usually require modifications to their living space including the removal of physical barriers. Generally, accommodations are made to adapt the unit for use by wheelchair bound persons. There is no data on accessibility features of private rental units in McHenry County.

For victims of domestic violence, dating violence, sexual assault and stalking, the demand for services and housing has risen over the past five years. According to the 2009 Point-in-Time (PIT) survey, there were 32 victims of domestic violence. This number rose to 55 according to the 2015 PIT. Homeless housing and service providers who work with domestic violence victims indicated that the level of violence has increased greatly in the last few years. Turning Point, the only agency in the County whose mission is to address domestic violence against women and children, has found the demand for services to have increased dramatically in the last few years. Turning Point helped 1,700 victims of domestic violence and issued more than 600 orders of protection for McHenry County residents in 2012. Turning Point has experienced a greater demand for beds and services while providing the same number of emergency shelter beds as five years ago.

**What are the most common housing problems?**

As shown in the previous tables, the most common housing problem in the County is housing cost burden. Given the County's high contract rents and high home values, this is not surprising. Numerically, there are a far greater number of owner-occupied households with cost burden greater than 30%, particularly in the 50%-80% AMI category.

In addition to cost burden, a high number of households (15,512) were experiencing at least one type of housing problem, including overcrowding, lack of kitchen facilities and/or lack of

bathroom facilities. This is particularly true of owner-occupied households in the 50%-80% AMI category. This information is shown in Table 7.

**Are any populations/household types more affected than others by these problems?**

On a percentage and numeric basis, small related owner households were the most likely to experience cost burden >30%. In addition, 40% of all cost burden owner households between 50-80% of AMI were small related households.

In addition, small renter households and other renter households had rates of 30% or higher. Similar trends were noted among households with cost burden >50% with other small owners (38.7%), other renters (40.2%), and elderly owners (31.4%) experiencing rates of 30% or higher. This information is shown in Tables 9 and 10.

**Describe the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance.**

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.

In terms of rapid rehousing assistance, the CoC agencies have shifted their focus to the creation of a Rapid Rehousing Program for families and the addition of new affordable housing to the community. Home of the Sparrow collaborated with the McHenry County Planning Department and a CHDO in Cook County to bring 13 new units of housing for formerly homeless women and children to the community. This housing will address approximately 45 individuals annually with attached supportive services. Efforts will continue by CoC organizations through HOME and NSP Programs, as well as additional collaborations. In addition, Home of the Sparrow has been granted a \$300,000 HOME award for the acquisition and rehabilitation of an additional five to six units of affordable housing for formerly homeless women and children to be provided with safe,

decent and affordable housing upon their exit from homelessness. These units will be mainly comprised of foreclosed properties that could potentially become blighted were it not for this program.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

No estimate for at-risk populations is available.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

Family instability, in addition to the fallout from the Great Recession, has resulted in an increased risk of homelessness. The high cost of housing in the County, in addition to the large number of foreclosures and the slow job market has created a challenging environment to reduce homelessness. The majority of homes in the County are single family. The median sales price of \$235,000 makes homeownership unaffordable to more than 75% of County residents.

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

HUD defines a disproportionately greater housing need when a racial or ethnic group experiences housing problems at a rate 10 percentage points or greater than for the income level as a whole. The 2006-2010 CHAS data table below summarizes the percentage of each racial/ethnic group experiencing housing problems by HUD Adjusted Median Family Income (AMFI) levels. Housing problems include:

- Housing units lacking complete kitchen facilities and/or complete plumbing facilities
- Overcrowding (more than one person per room)
- Cost burden greater than 30%

Income classifications are as follows: 0%-30% AMFI is considered extremely low-income, 31%-50% AMI is low-income, 51%-80% AMI is moderate-income, and 81%-100% is middle-income.

The following racial/ethnic household groups experienced disproportionately greater need, for both renters and owners combined, as exemplified by housing problems:

- Hispanic households with incomes at 31-50% and 51-80%
- American Indian, Alaska Native households at 31-50%
- Asian households with incomes at 31-50% and 81-100%

This information is summarized in the following table based on the HUD-generated tables in the subsequent pages.

**Table 13 Summary Table: Population with One or More Housing Problems**

Racial/Ethnic Group	0-30% AMI	31-50%	51-80%	81-100%
White	90.9%	74.4%	59.1%	48.4%
Black/African American	83.3%	50.0%	67.5%	38.5%
Asian	82.1%	<b>93.3%</b>	62.1%	<b>71.6%</b>
American Indian, Alaska Native	100.0%	<b>100.0%</b>	0.0%	0.0%
Pacific Islander	0.0%	N/A	N/A	N/A
Hispanic	97.8%	<b>89.2%</b>	<b>76.0%</b>	48.5%
<b>Jurisdiction as a Whole</b>	<b>91.2%</b>	<b>76.8%</b>	<b>61.2%</b>	<b>48.9%</b>

Source: 2006-2010 CHAS

**Table 14 0%-30% of Area Median Income**

<b>Housing Problems *</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	6,245	603	580
White	5,515	553	485
Black / African American	50	10	0
Asian	69	15	10
American Indian, Alaska Native	10	0	10
Pacific Islander	0	0	0
Hispanic	609	14	74

Data 2006-2010 CHAS

Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

**Table 15 30%-50% of Area Median Income**

<b>Housing Problems *</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	6,922	2,091	0
White	5,652	1,941	0
Black / African American	10	10	0
Asian	139	10	0
American Indian, Alaska Native	19	0	0
Pacific Islander	0	0	0
Hispanic	1,067	129	0

Data 2006-2010 CHAS

Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

**Table 16 50%-80% of Area Median Income**

<b>Housing Problems *</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	9,992	6,336	0
White	8,207	5,668	0
Black / African American	104	50	0
Asian	164	100	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	1,388	439	0

Data 2006-2010 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

**Table 17 80%-100% of Area Median Income**

<b>Housing Problems *</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	5,762	6,020	0
White	4,997	5,333	0
Black / African American	15	24	0
Asian	240	95	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	483	513	0

Data 2006-2010 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

HUD defines a disproportionately greater housing need when a racial or ethnic group experiences housing problems at a rate 10 percentage points or greater than for the income level as a whole. The distinction between housing problems and severe housing problems is the degree of cost burden and overcrowding. Severe housing problems include:

- Housing units lacking complete kitchen facilities and/or complete plumbing facilities
- Overcrowding (more than 1.5 person per room)
- Cost burden greater than 50%

Income classifications are as follows: 0%-30% AMFI is considered extremely low-income, 31%-50% AMI is low-income, 51%-80% AMFI is moderate-income, and 81%-100% AMFI is middle-income.

Based on this definition, the following household types experienced disproportionately greater housing need in McHenry County:

- American Indian, Alaska Native households incomes at 0-30% and 31-50%
- Hispanic households with incomes at 31-50% and 51-80%

This information is summarized in the following table based on the HUD-generated tables in the subsequent pages.

**Table 18 Summary Table: Severe Housing Problems by Race**

Racial/Ethnic Group	0-30% AMI	31-50%	51-80%	81-100%
<b>White</b>	80.0%	39.8%	23.6%	9.9%
<b>Black/African American</b>	73.6%	50.0%	16.2%	0.0%
<b>Asian</b>	82.1%	36.9%	18.9%	0.0%
<b>American Indian, Alaska Native</b>	<b>100.0%</b>	<b>78.9%</b>	0.0%	0.0%
<b>Pacific Islander</b>	N/A	0.0%	N/A	N/A
<b>Hispanic</b>	83.9%	<b>58.5%</b>	<b>46.8%</b>	12.5%
<b>Jurisdiction as a Whole</b>	<b>80.3%</b>	<b>42.4%</b>	<b>25.9%</b>	<b>10.7%</b>

Source: 2006-2010 CHAS

**Table 19 0%-30% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	5,503	1,347	580
White	4,843	1,207	485
Black / African American	39	14	0
Asian	69	15	10
American Indian, Alaska Native	10	0	10
Pacific Islander	0	0	0
Hispanic	523	100	74

Data 2006-2010 CHAS  
 Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

**Table 20 30%-50% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	3,824	5,203	0
White	3,023	4,563	0
Black / African American	10	10	0
Asian	55	94	0
American Indian, Alaska Native	15	4	0
Pacific Islander	0	0	0
Hispanic	703	498	0

Data 2006-2010 CHAS  
 Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

**Table 21 50%-80% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	4,223	12,099	0
White	3,277	10,610	0
Black / African American	25	129	0
Asian	50	214	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	858	975	0

Data 2006-2010 CHAS

Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

**Table 22 80%-100% of Area Median Income**

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	1,260	10,525	0
White	1,025	9,319	0
Black / African American	15	24	0
Asian	90	250	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	124	867	0

Data 2006-2010 CHAS

Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction:

HUD defines a disproportionately greater housing need when a racial or ethnic group experiences housing problems at a rate 10 percentage points or greater than for the income level as a whole. The table below summarizes the percentage of each racial/ethnic group experiencing housing cost burden. Racial/ethnic groups are sub-divided into the percentage of each racial/ethnic group paying less than 30% (no cost burden), between 30%-50% (cost burden), and above 50% (severely cost burden) of their gross income on housing costs. The column labeled no/negative income is the population paying 100% of their gross income on housing costs. This, however, is assuming that these households have housing costs.

Based on this definition, the following household types experienced disproportionately greater housing cost burden in McHenry County:

- American Indian, Alaska Native households with household cost burden paying above 50% (small sample sizes)

This information is summarized from the HUD CHAS data in the table below.

**Table 23 Summary Table: Housing Cost Burden by Race**

Racial/ Ethnic Group	Less than 30%	30-50%	More than 50%	No/ negative income (not computed)
	No cost burden	% with housing cost burden		%
White	65.0%	22.2%	12.8%	0.5%
Black/ African American	63.0%	22.9%	14.1%	0.0%
Asian	62.9%	23.0%	14.1%	0.4%
American Indian, Alaska Native	49.1%	7.0%	<b>43.9%</b>	17.5%
Pacific Islander	100.0%	0.0%	0.0%	0.0%
Hispanic	52.1%	28.4%	19.4%	1.0%
<b>Jurisdiction as a Whole</b>	<b>64.1%</b>	<b>22.6%</b>	<b>13.3%</b>	<b>0.5%</b>

Source: 2006-2010 CHAS

**Table 24 Housing Cost Burden**

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	71,386	25,180	14,765	580
White	64,708	22,067	12,730	485
Black / African American	533	194	119	0
Asian	1,552	567	349	10
American Indian, Alaska Native	28	4	25	10
Pacific Islander	15	0	0	0
Hispanic	4,035	2,198	1,505	74

Data Source: 2006-2010 CHAS

## NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

**Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

Overall, American Indian, Alaska Native households and Hispanic households appear to have a disproportionately greater need for affordable housing compared to other racial or ethnic groups based on CHAS data. While Asian/Pacific Islander and American Indian/Native American households experienced housing problems and severe housing problems across a variety of income categories, it should be noted that these racial groups include small sample sizes. The following is an overall summary of the disproportionately greater needs in McHenry County:

### *Disproportionately Greater Need: Housing Problems*

- Hispanic households with incomes at 31-50% and 51-80%
- American Indian, Alaska Native households at 31-50% (small sample size)
- Asian households with incomes at 31-50% and 81-100% (small sample size)

### *Disproportionately Greater Need: Severe Housing Problems*

- American Indian, Alaska Native households incomes at 0-30% and 31-50% (small sample size)
- Hispanic households with incomes at 31-50% and 51-80%

### *Disproportionately Greater Need: Housing Cost Burden*

- American Indian, Alaska Native households with household cost burden paying above 50% (small sample size)

**If they have needs not identified above, what are those needs?**

The needs are identified above.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

The CDBG program includes a statutory requirement that at least 70% of funds invested benefit low-and moderate-income households. However, because there are so few areas over 50% LMI, HUD set the LMI threshold for McHenry County at 37.12% (2014). HUD 2014 LMI estimates reveal that 42 of the 164 census block groups across McHenry County had at least 37.12% of residents meeting the definition for LMI status. Sixteen of these block groups are located in previously identified areas of racial or ethnic concentration. Areas of McHenry County where LMI block groups and minority concentrations coincide are identified for the purposes of this report as impacted areas.

McHenry County defines areas of racial or ethnic concentration as census tracts where the percentage of a single minority or ethnic group is at least double the County average.

Across McHenry County in 2010, Blacks comprised 1.1% of the population. Therefore, an area of Black concentration would include any census tract where the percentage of Black residents is 2.2% or higher. Of the 58 whole or partial tracts within the County, six meet this criterion. An area of Asian concentration, by the same definition, would include any tract where the percentage of Asian residents is 5.2% or higher. Six tracts meet this criterion. An area of Hispanic concentration includes any tract where at least 22.8% of all residents are of Hispanic ethnicity. Seven tracts qualify. In total, 14 census tracts across the County meet the definition for at least one type of racial or ethnic concentration. Five census tracts qualify as areas of concentration for more than one race/ethnicity. These definitions are consistent with the definitions in the County's 2012 Analysis of Impediments to Fair Housing Choice.

The following figures and maps illustrate the location of LMI block groups, minority concentration, and impacted areas.

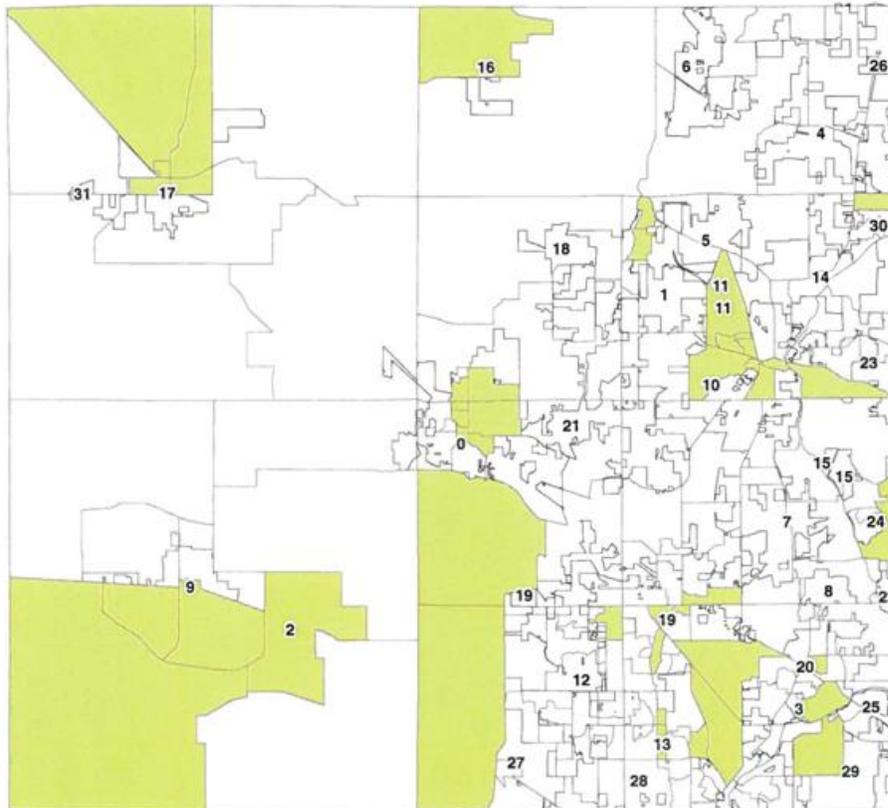
**Table 25 Low-Moderate Income and Impacted Areas of the County, 2014**

Tract	Block Group	% LMI	Concentration
8701.01	4	47.8%	
<b>8703.01</b>	<b>1</b>	<b>46.3%</b>	<b>Hispanic</b>
<b>8703.01</b>	<b>3</b>	<b>50.6%</b>	<b>Hispanic</b>
<b>8703.02</b>	<b>1</b>	<b>48.6%</b>	<b>Hispanic</b>
<b>8703.02</b>	<b>2</b>	<b>41.8%</b>	<b>Hispanic</b>
<b>8703.02</b>	<b>3</b>	<b>67.8%</b>	<b>Hispanic</b>
<b>8704.02</b>	<b>1</b>	<b>38.9%</b>	<b>Black and Hispanic</b>
<b>8704.02</b>	<b>2</b>	<b>50.9%</b>	<b>Black and Hispanic</b>
8705.00	5	48.5%	
8705.00	6	40.7%	
8706.03	1	41.6%	
8706.03	2	48.2%	
8706.05	2	37.1%	
<b>8706.06</b>	<b>1</b>	<b>65.2%</b>	<b>Hispanic</b>
<b>8706.06</b>	<b>2</b>	<b>41.9%</b>	<b>Hispanic</b>
8707.02	3	44.7%	
8707.04	1	49.8%	
8708.08	2	40.7%	
8708.11	3	37.8%	
8708.12	2	47.4%	
8709.02	3	49.9%	
<b>8709.03</b>	<b>1</b>	<b>37.4%</b>	<b>Black and Hispanic</b>
<b>8709.03</b>	<b>2</b>	<b>49.6%</b>	<b>Black and Hispanic</b>
<b>8709.03</b>	<b>3</b>	<b>49.2%</b>	<b>Black and Hispanic</b>
<b>8709.05</b>	<b>1</b>	<b>56.1%</b>	<b>Black and Hispanic</b>
8710.04	1	39.6%	
8710.04	2	44.2%	
8710.04	3	48.1%	
8711.05	2	38.1%	
<b>8712.02</b>	<b>1</b>	<b>64.9%</b>	<b>Hispanic</b>
8712.05	1	37.3%	
<b>8712.07</b>	<b>2</b>	<b>43.0%</b>	<b>Black and Hispanic</b>
8712.09	2	44.4%	
8713.01	1	40.5%	
8713.01	2	51.3%	
8713.05	3	37.2%	
8713.06	4	74.8%	
<b>8713.11</b>	<b>1</b>	<b>44.5%</b>	<b>Black</b>
8714.02	5	46.2%	
8715.00	2	49.4%	
8715.00	3	38.0%	
8716.00	2	39.7%	

Source: 2014 HUD LMI Estimates

Table 26 Low- and Moderate-Income Block Groups, 2014. Map 1

## McHenry County Low- and Moderate- Income (LMI) Areas

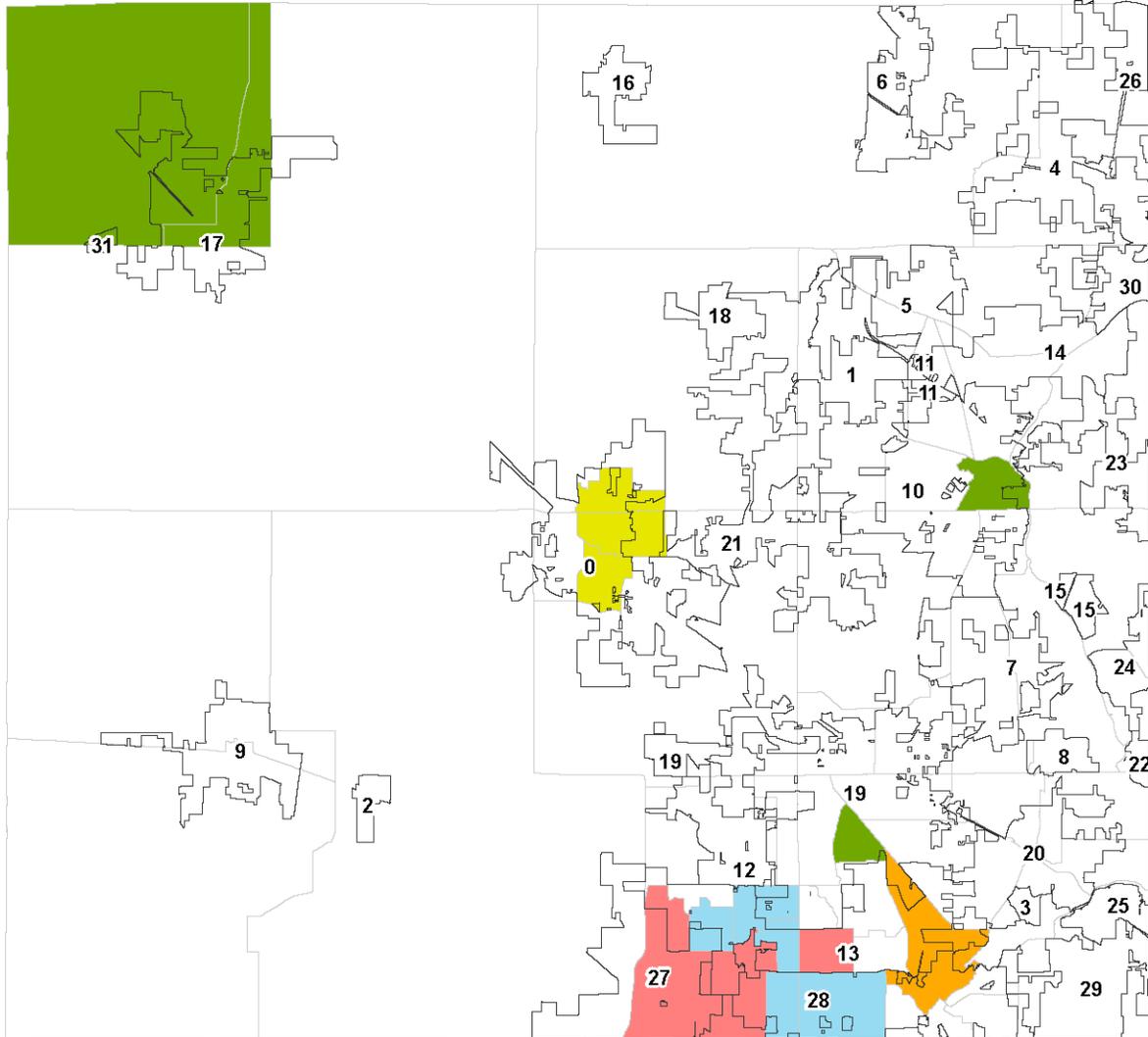


- Block Groups > 37.12% LMI selection
- 2013 Block Groups
- Places
- Census Tracts

**Places Key:**

- |                   |                        |                         |
|-------------------|------------------------|-------------------------|
| 0 - Woodstock     | 11 - McCullom Lake     | 21 - Bull Valley        |
| 1 - Wonder Lake   | 12 - Lakewood          | 22 - Port Barrington    |
| 2 - Union         | 13 - Lake in the Hills | 23 - Lakemoor           |
| 3 - Trout Valley  | 14 - Johnsburg         | 24 - Island Lake        |
| 4 - Spring Grove  | 15 - Holiday Hills     | 25 - Fox River Grove    |
| 5 - Ringwood      | 16 - Hebron            | 26 - Fox Lake           |
| 6 - Richmond      | 17 - Harvard           | 27 - Huntley            |
| 7 - Prairie Grove | 18 - Greenwood         | 28 - Algonquin          |
| 8 - Oakwood Hills | 19 - Crystal Lake      | 29 - Barrington Hills   |
| 9 - Marengo       | 20 - Cary              | 30 - Pistakee Highlands |
| 10 - McHenry      |                        | 31 - Chemung            |

**Table 27 Areas of Concentration, 2012, Map 2**



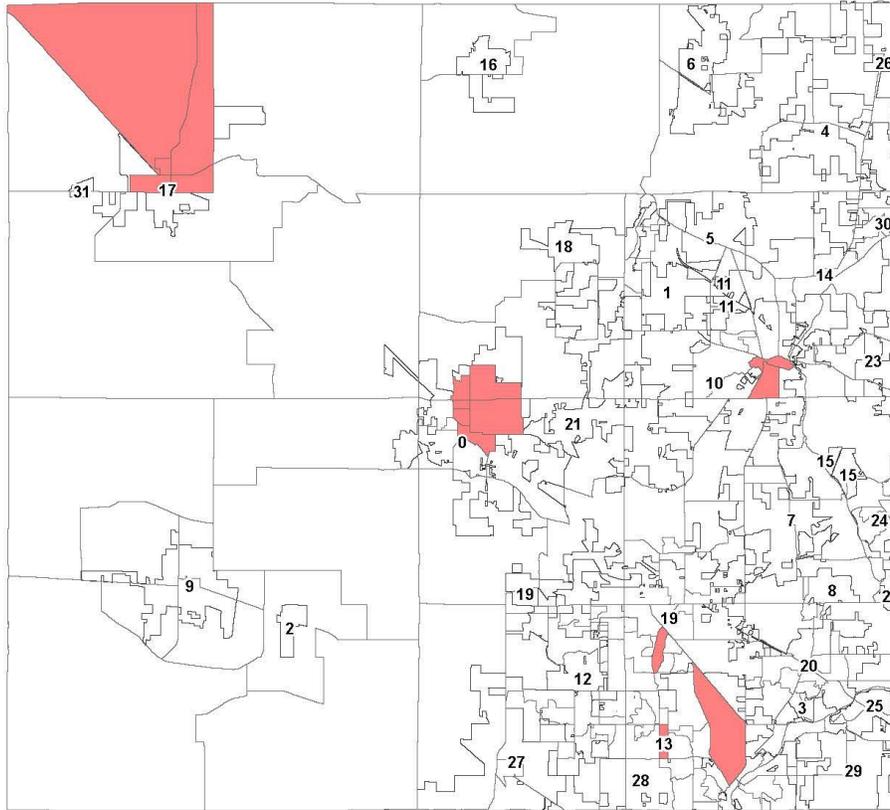
- Places
- Census Tracts
- Black Concentration
- Hispanic Concentration
- Asian Concentration
- Black and Asian Concentration
- Black and Hispanic Concentration

**Places Key:**

- |                   |                        |                         |
|-------------------|------------------------|-------------------------|
| 0 - Woodstock     | 11 - McCullom Lake     | 21 - Bull Valley        |
| 1 - Wonder Lake   | 12 - Lakewood          | 22 - Port Barrington    |
| 2 - Union         | 13 - Lake in the Hills | 23 - Lakemoor           |
| 3 - Trout Valley  | 14 - Johnsburg         | 24 - Island Lake        |
| 4 - Spring Grove  | 15 - Holiday Hills     | 25 - Fox River Grove    |
| 5 - Ringwood      | 16 - Hebron            | 26 - Fox Lake           |
| 6 - Richmond      | 17 - Harvard           | 27 - Huntley            |
| 7 - Prairie Grove | 18 - Greenwood         | 28 - Algonquin          |
| 8 - Oakwood Hills | 19 - Crystal Lake      | 29 - Barrington Hills   |
| 9 - Marengo       | 20 - Cary              | 30 - Pistakee Highlands |
| 10 - McHenry      |                        | 31 - Chemung            |

**Table 28 Impacted Areas of McHenry County, Map 3**

## McHenry County Impacted Areas



- Impacted Areas
- Census Tracts
- Block Groups
- Places

**Places Key:**

- |                   |                        |                         |
|-------------------|------------------------|-------------------------|
| 0 - Woodstock     | 11 - McCullom Lake     | 21 - Bull Valley        |
| 1 - Wonder Lake   | 12 - Lakewood          | 22 - Port Barrington    |
| 2 - Union         | 13 - Lake in the Hills | 23 - Lakemoor           |
| 3 - Trout Valley  | 14 - Johnsburg         | 24 - Island Lake        |
| 4 - Spring Grove  | 15 - Holiday Hills     | 25 - Fox River Grove    |
| 5 - Ringwood      | 16 - Hebron            | 26 - Fox Lake           |
| 6 - Richmond      | 17 - Harvard           | 27 - Huntley            |
| 7 - Prairie Grove | 18 - Greenwood         | 28 - Algonquin          |
| 8 - Oakwood Hills | 19 - Crystal Lake      | 29 - Barrington Hills   |
| 9 - Marengo       | 20 - Cary              | 30 - Pistakee Highlands |
| 10 - McHenry      |                        | 31 - Chemung            |

## NA-35 Public Housing – 91.205(b)

### Introduction

McHenry County’s public housing agency is the McHenry County Housing Authority (MCHA). McHenry County Housing Authority (MCHA) owns and manages 23 units of single-family public housing scattered throughout Harvard, Woodstock, Crystal Lake and Wonder Lake. Additionally, the Authority administers 947 Housing Choice Vouchers, which recipients may use to settle anywhere within or beyond the Authority’s physical jurisdiction. Public housing was obtained with HUD funds. Funds are also received for operational costs.

The following table, provided by the HUD IDIS system, reflects the public housing data submitted to HUD. The data in tables 33 and 34 on the characteristics of the public housing residents and waiting list was provided the McHenry County Housing Authority (November 2013) to reflect updated information on residents in the authority’s units and the waiting list. In addition, the housing authority does not collect information on how many people are requesting ADA modifications. The pre-populated table on the following page makes it appear that 956 families are requesting accessibility features.

**Table 29 Totals in Use: Public Housing by Program Type**

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	23	956	6	940	10	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

**Table 30 Characteristics of Residents**

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	16,143	12,438	21,158	12,427	8,297	0
Average length of stay	0	0	2	5	0	5	0	0
Average Household size	0	0	3	1	2	2	1	0
# Homeless at admission	0	0	0	5	0	4	1	0
# of Elderly Program Participants (>62)	0	0	0	199	1	197	1	0
# of Disabled Families	0	0	4	337	0	331	6	0
# of Families requesting accessibility features	0	0	23	956	6	940	10	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Data Source: PIC (PIH Information Center)

**Table 31 Race of Residents: Public Housing Residents by Program Type**

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	21	892	5	879	8	0	0
Black/African American	0	0	1	58	0	56	2	0	0
Asian	0	0	1	3	0	3	0	0	0

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
American Indian/Alaska Native	0	0	0	2	1	1	0	0	0
Pacific Islander	0	0	0	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0

**\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

**Table 32 Ethnicity of Residents: Public Housing Residents by Program Type**

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	5	64	2	62	0	0	0
Not Hispanic	0	0	18	892	4	878	10	0	0

**\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

The 23 public housing units are all single-family units and are therefore exempt from the provisions of Section 504. One of the units is currently accessible, although no disabled tenants currently live in any of the units. The MCHA and Section 8 offices are handicapped-accessible. MCHA has worked with area owners to modify units for voucher holders in need of modifications.

**What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?**

As of January 2014, there were 84 households waiting for public housing.

A majority of the current households in public housing are extremely low-income (96.4%) and primarily white.

**Table 33 Characteristics of Public Housing Residents, 2014**

	Current Residents		Waiting List Applicants	
<b>Total households</b>	<b>23</b>	<b>100.0%</b>	<b>84</b>	<b>100.0%</b>
<b>Income level</b>				
Extremely low income (30% or less of AMI)	15	65.2%	81	96.4%
Very low income (30.1% to 50% of AMI)	7	30.4%	3	3.6%
Low income (50.1% to 80% of AMI)	1	4.3%	0	0.0%
<b>Household type</b>				
Families	23	100.0%	84	100.0%
Elderly		0.0%	0	0.0%
Member with a disability		0.0%	3	3.6%
<b>Race and ethnicity</b>				
Black	2	8.7%	20	23.8%
White	21	91.3%		0.0%
Asian		0.0%		0.0%
Other race		0.0%		0.0%
Hispanic **	4	-	20	-
<b>Characteristics by bedroom size</b>				
3 Bedroom	23	100.0%		0.0%

Source: McHenry County Housing Authority, 2014

As of December 2014, there were 1,595 households on the waiting list for vouchers. This included 1,004 families and 114 elderly persons waiting to receive Section 8 rental assistance. Ninety-six percent were classified as having extremely low-incomes and 100% were families with children. Over three percent had disabilities. The typical waiting time is 2 ½ to 3 years.

**Table 34 Characteristics of Voucher Households and Waiting List Applicants, 2014**

	Current Voucher Holders		Waiting List Applicants	
<b>Total households</b>	<b>865</b>	<b>100.0%</b>	<b>1,595</b>	<b>100.0%</b>
<b>Household type</b>				
Families	304	35.1%	1,004	62.9%
Elderly	224	25.9%	114	7.1%
Member with a disability	337	39.0%	477	29.9%
<b>Race and ethnicity</b>				
Black	60	6.9%	191	12.0%
White	740	85.5%		0.0%
Asian	2	0.2%		0.0%
Other		0.0%		0.0%
Hispanic **	63	7.3%	159	-
<b>Characteristics by bedroom size</b>				
1 Bedroom	334	38.6%	*	-
2 Bedroom	339	39.2%	*	-
3 Bedroom	139	16.1%	*	-
4 Bedroom	26	3.0%	*	-
STUDIO	18	2.1%	*	-

\* Data unavailable

Source: McHenry County Housing Authority, December 2014

### How do these needs compare to the housing needs of the population at large

The lack of affordable housing is one of the primary issues identified during the development of the Consolidated Plan. The large waiting list, in addition to the increasing number of homeless persons, indicates that the housing needs for persons with disabilities and those with extremely low-incomes are currently unmet. The housing data reflects information from the McHenry County 2030 Comprehensive Plan. According to the Plan, the 3,548 subsidized rental units existing in McHenry County addressed only 16% of the demand for such units. The Heartland Analysis, completed in 2008, determined that only when income nears the \$75,000 mark does the supply of owner and rental housing in the county begin to match the financial capabilities of McHenry County families. There is also a shortage of more specialized affordable housing, such as permanent supportive housing, institutional care, and subsidized housing, particularly for the most vulnerable McHenry County residents including extremely low-income families, people with disabilities, and those with severe mental illness.

## NA-40 Homeless Needs Assessment – 91.205(c)

### 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. 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, Illinois Migrant Council, Thresholds, Veterans Assistance Commission, Veterans Affairs the McHenry County Housing Authority, Crisis Line, Regional Office of Education (Lake-McHenry) and Department of Planning and Development – Community Development Division.

According to the 2013 Point-in-Time survey conducted on January 23, 2013, there were 207 homeless persons in households, with 202 sheltered persons and five unsheltered persons. Of those experiencing homelessness, 19 were chronically homeless individuals, 25 were veterans, 62 were severely mentally ill, 31 were chronic substance abusers, and 35 were victims of domestic violence. Some persons may have been counted in more than one category. The following table highlights the results of the 2013 survey.

**Table 35 McHenry County Point-in-Time Survey, 2013**

Population	Estimate the # of persons experiencing homelessness on a given night		Actual # experiencing homelessness in 2013		Actual # exiting homelessness in 2012	Actual # of days persons experience homelessness in 2012
	Sheltered	Unsheltered	Sheltered	Unsheltered		
Persons in Households w ith Adult(s) and Child(ren)	74	0	62	0	54	180
Persons in Households w ith Only Children	0	0	0	0	0	0
Persons in Households w ith Only Adults	128	5	332	5	40	382
Chronically Homeless Individuals	18	1	46	1	17	180
Chronically Homeless Families	0	0	26	0	0	0
Veterans	27	0	56	0	6	338
Unaccompanied Child	0	0	0	0	0	0
Persons w ith HIV	0	0	0	0	0	0
Severely Mentally Ill	60	2	137	2	43	180
Chronic Substance Abuse	29	2	52	2	22	90
Victims of Domestic Violence	35	0	58	0	19	150

Source: January 23, 2013 McHenry County Point-In-Time Homeless Count. **If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

Data is provided in the table on the previous page.

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

McHenry County's efforts to reduce the number of unsheltered homeless households with dependent children include: 1) a 24-hour Crisis Line that is able to link homeless callers with shelter and service providers, 2) a number of frontline housing providers that work together to access housing through the use of shelter beds, seasonal emergency beds and hotel vouchers, and 3) outreach efforts including providing local police, township offices, food pantries and churches with information about shelter and services available for the homeless, and providing the community with the information necessary for them to assist people in accessing homeless services through educational efforts including a yearly "People in Need" forum.

For families with children, Home of the Sparrow (HOS) provides 18 units of affordable housing (five existing transitional units and 13 recently acquired units). HOS is a CoC funded organization that provides housing to homeless families. The organization coordinates with both the PADS Emergency Shelters and other providers to identify families that are homeless. Transitional services are available with a new Affordable Housing Program for families (permanent housing) that began on April 1, 2013. HOS can house families with children up to age 18 in all of its housing programs and transitional shelter programs. Children as part of families are not denied admission to programs. Presently, the organization is reviewing the possibility of the creation of a rapid re-housing-type project that will focus on the support of more families in need of prevention and interim housing. The number of clients has doubled in the last two years, highlighting a need for more housing and services for families with children. On average, there is a waiting list of 17-25 families for affordable housing, highlighting the need for more affordable housing for families.

To help address housing needs of veterans and their families, the CoC strategy to combat homelessness among veterans is provided through a mutual referral system.

Transitional Living Services (TLS) operates New Horizons, a 20-bed transitional housing facility located in Hebron. The facility houses 30 to 45 veterans annually. The program is funded by the Veteran Administration's Grant & Per Diem program, HUD, ESG and McHenry County Mental Health Board (MHB). The following services and programs are provided:

- TLS-Aftercare, funded by the Mental Health Board, offers case management to New Horizons graduates with an aim to keep enrollees from falling back into old coping patterns and homelessness
- TLS, a local food bank and McHenry County Veterans Assistance Commission (VAC) collaborate to provide monthly food distributions to low-income veterans who otherwise might choose between food or rent

- A veteran drop-in center serves as a hub for a Substance Abuse and Mental Health Services Administration (SAMHSA)-funded initiative that works, among other goals, to reduce veteran homelessness
- The VAC offers financial assistance for basic living expenses to low-income veteran households. The program's cornerstone is an intervention strategy designed to address each veteran's individual needs by providing a comprehensive array of services. TLS' rules and regulations reflect a philosophy of self-help, discipline and reward. Finding sustainable employment is stressed. Staying clean and sober and taking medications as prescribed are requirements.

Eligible TLS clients are encouraged to enroll in education/retraining programs, e.g. the VA's Veterans Retraining Assistance Program for unemployed veterans between ages 35-60. The local emergency shelter has an agreement to refer homeless veterans to the TLS-Homeless Veterans Reintegration Program, funded by the U.S. Department of Labor, for job placement assistance. In addition, a mobile office developed by VAC is available for use by agencies for street outreach activities. Also, TLS is currently working on developing a 24-unit housing development that would provide permanent affordable housing for veterans.

#### **Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

The following racial and ethnicity data was provided by the CoC based on the January 23, 2013 Point-in-Time survey:

- White: 169 (82%)
- Black or African American: 15 (7%)
- American Indian or Alaska Native: 0
- Asian: 0
- Multiple Races: 23 (11%)

Ethnicity:

- Hispanic: 12 (6%)
  - Non-Hispanic: 195 (94%)
- Total: 207

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

According to the 2015 Point-in-Time survey conducted on January 28, 2015, of the 258 homeless persons in households, almost a third of the persons were severely mentally ill, while almost one out of five were victims of domestic violence. Homeless providers stated that the scale of the homeless problem has increased rapidly while the ability to respond with the appropriate number of beds and shelters is limited. Many of the new clients are first-time recipients of assistance. Turning Point indicated that almost 23% of their clients are Hispanic. In addition, the high cost of housing and the slow job market have compounded the problem, resulting in limited options for those with low incomes.

The lack of a year-round shelter and a centralized location not only forces the homeless to find cover during warmer months, but also interrupts the work of case managers and specialists to assist homeless persons and deliver needed services. A permanent shelter would provide a more stable environment. Overnight shelter is currently only available during the colder months of October through April.

## NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

### **Describe the characteristics of special needs populations in your community:**

Persons with special needs include the elderly and frail elderly, persons with severe mental illness, developmentally disabled, physically disabled, persons with alcohol/other drug addictions, and public housing residents. Special housing options for segments of these populations have not been quantified. Many persons with such special needs also have very low incomes. Therefore, their needs may have already been taken into account in estimating the housing needs of persons with very low incomes. However, for some people, supportive housing – housing with supportive services – is needed as they are unable to undertake the activities of daily living (ADL) without assistance.

According to McHenry County Mental Health Board's Three Year Plan 2012-2014, housing is a high priority area for special needs populations. McHenry County sees a need for:

- Continuity of supportive services with permanent housing, such as group homes.
- Transitional housing with supportive services for persons working through stages of recovery alcohol/drug abuse,
- Services that allow the elderly or physically disabled to remain in their own homes.

According to McHenry County Mental Health Board's Three Year Plan 2012-2014, County objectives for the special needs populations include funding, over the next five years, the following:

- Development of at least 25 housing units for persons with special needs,
- Adding at least five medical and/or non-medical facilities, or support service agencies, to increase capacity or efficiency in serving at least an additional 200 persons with special needs,
- Increasing case management services to serve at least an additional 50 victims of domestic violence each year.
- Assisting agencies offering transportation to increase capacity to provide at least an additional 1,000 trips each year for low-income persons, persons with special needs, and the elderly.

### *Elderly and Frail Elderly*

Housing for the elderly was identified as an ongoing need. Demographic data continues to show an increasingly larger proportion of persons over the age of 65 residing in the County. The fastest growing age group has been the 45-65 year olds, increasing from 55,273 persons in 2000 to 89,409 in 2012, a 61.8% increase. In addition, the number of persons aged 65 and over increased from 20,913 to 32,664, a 56.2% increase during the same period. As these households age in place, the over-65 population will create demand for a different kind of housing, most likely smaller units that allow for visitability.

In addition, the number of individuals with disabilities is expected to increase due to an increase in life expectancy and aging baby boomers. The overall rate of disabilities in a population increases with age as 28.6% of seniors 65 and over report having at least one disability.

### *Persons with Mental, Physical, and/or Other Developmental Disabilities*

Severe mental illness includes the diagnoses of psychoses and the major affective disorders such as bipolar and major depression. The condition must be chronic, meaning it has existed for at least one year, to meet the HUD definition for a disability.

McHenry County Mental Health Board's Three Year Plan 2012-2014 provided an overview on current County efforts to address mental health issues. The purpose of the Three-Year Plan is to provide a road map for prioritizing and guiding the Mental Health Board's direction in facilitating the delivery of behavioral health services to residents of McHenry County.

According to 2012 American Community Survey data:

- Among the civilian non-institutionalized population, 7.5% reported a disability.
- The likelihood of having a disability varied by age:
  - 3.2% of people under 18 years old
  - 6.4% of people 18 to 64 years old
  - 28.6% of those 65 and over.

The data shows a higher level of disability for persons 65 and over than all other age groups.

### *Priorities for Persons with Disabilities*

An estimated 5,236 people in McHenry County have a developmental disability. According to data from the Department of Human Services/Division of Disabilities, in McHenry County 76 people currently (as of March 2011) need emergency services, meaning that they need either in

home, day, or out of home supports immediately. Five hundred and five people are in critical need of services, meaning they need supports within one year. Another 644 persons are planning for need, or their needs are more than one year away but less than 5 years away, or their primary caregiver is older than 60 years.

According to the Plan, an estimated 5,742 persons over the age of 20 who suffer from severe and persistent mental illness live in the County. Pioneer Center estimated that only 18%, or 936, or persons with developmental disabilities receive services.

Not all persons with disabilities require supportive housing; however, those that cannot live with supportive family or are in need of help in basic life activities do require supportive housing and/or services. Physically disabled individuals usually require modifications to their living space including the removal of physical barriers.

Priorities were identified as the following:

- Increase the supply of affordable accessible housing for seniors with disabilities
- Continue to support activities that provide persons with disabilities the resources necessary to make improvements to their homes

#### *Persons with Alcohol or other Drug Addictions*

McHenry County Mental Health Board's Three Year Plan 2012-2014 provided an analysis of substance abuse issues in the County. According to the community analysis portion of the document, the following were identified:

- One in five, or 20.7%, of adults were at risk of acute/binge drinking in 2007, slightly higher than the Illinois average
- Prevalence of illicit drug use is highest among 18 to 25 year olds
- In 2008, more than half of high school seniors in the County drank alcohol, and one in five smoked cigarettes and used marijuana.

### *Persons with HIV/AIDS and their families*

The State of Illinois publishes HIV/AIDS Surveillance Reports by county. The most recent report, released in June 2013, provides a snapshot of HIV/AIDS cases in McHenry County. According to the report, there are 59 cases of HIV and 29 cases of AIDS that have been diagnosed since 2006. There are 124 individuals living with HIV or AIDS.

### *Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking*

As noted above, McHenry County Mental Health Board's Three Year Plan identified a need for increased case management services to serve an additional 50 victims of domestic violence each year. This was identified by agencies and staff members who work with victims of domestic violence. The number of homeless women and children has doubled in the past two years with the level of domestic violence reaching higher levels.

### **What are the housing and supportive service needs of these populations and how are these needs determined?**

See above estimates.

### **Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

McHenry County is part of the Chicago MSA. While specific housing needs have not been defined in the County for persons with HIV/AIDS, the AIDS Foundation of Chicago (AFC) completed a Chicago Area AIDS Housing Plan 2008-2012, the most recent comprehensive study available.

According to the Plan, public health sources stated there were 27,770 living cases of HIV/AIDS reported in the Chicago region. AFC calculated that at least 15,000 individuals and households in the Chicago metropolitan area are in need of AIDS housing services. The Plan determined that a minimum of 10% in HIV/AIDS housing was needed annually to keep up with the demand. The full study can be found at the following web site:

[http://www.aidschicago.org/pdf/housing\\_plan\\_2008.pdf](http://www.aidschicago.org/pdf/housing_plan_2008.pdf).

## **NA-50 Non-Housing Community Development Needs – 91.215 (f)**

### **Describe the jurisdiction’s need for Public Facilities:**

Public facilities in the County continue to need upgrades and improvements to meet current needs. This includes rehabilitation of homeless facilities.

### **How were these needs determined?**

Discussions with staff members who work in homeless organizations, in addition to other stakeholders, provided an overview on the extent of the need for public facility improvements.

### **Describe the jurisdiction’s need for Public Improvements:**

The aging infrastructure in many parts of the County, particularly older sections of the communities of Harvard, Crystal Lake, McCullom Lake, Woodstock, and Wonder Lake continue to require ongoing maintenance and upgrades for proper operation. The most recent large infrastructure project was a water treatment facility in the Village of Union.

There are high priority needs in low- and moderate-income neighborhoods in the County for sewer and water, street, sidewalk and storm water drainage improvements.

### **How were these needs determined?**

Discussions with community staff members, in addition to engineers and other stakeholders, has provided an overview on the extent of the need for public infrastructure issues. Due to the topology of the County and some of the housing development patterns around small lakes and bodies of water, many communities have inadequate water and sewer infrastructure and have ongoing problems with flooding and water quality.

### **Describe the jurisdiction’s need for Public Services:**

The demand for public services has increased over the past five years and is likely to continue to increase over the next five years. Homeless services, in addition to providing funding for a food bank and housing counseling/homebuyer education, will constitute the majority of public service funding for the next five years.

**How were these needs determined?**

The need for public services, particularly to maintain and enhance the capacity of the County to address homelessness and provide case management services to victims of domestic violence, will continue to be a high priority for the County. Discussions with social service stakeholders indicated that the need for services continues to grow. Limited federal resources require a strategic and focused use of scarce public dollars for public services.

# Housing Market Analysis

## MA-05 Overview

### **Housing Market Analysis Overview:**

The housing stock in McHenry County consists primarily of single-family owner-occupied units with three bedrooms or more. Only 17% of the housing stock is renter-occupied. The need for more affordable housing, and in particular rental housing, is strong in the County.

### **Cost of Housing:**

The median home value declined 2.6% between 2000 and 2012, most likely due to the fallout from the national housing market crisis. Conversely, the median contract rent rose by 0.4%, reflecting the increased demand for rental units, most likely due to the difficulty households were having in qualifying for a mortgage and the fallout from the rise in foreclosures. There is a great need for more affordable housing, particularly rental housing.

### **Lead-Based Paint Hazard:**

In 2000, HUD estimated that as many as 16,282 housing units built in McHenry County prior to 1970 and occupied by low and moderate income households contained lead-based paint.

### **Public and Assisted Housing:**

McHenry County Housing Authority (MCHA) owns and manages 23 units of single-family public housing scattered throughout Harvard, Woodstock, Crystal Lake and Wonder Lake. Additionally, the Authority administers 947 Housing Choice Vouchers, which recipients may use to settle anywhere within or beyond the Authority's physical jurisdiction.

There are a total of 2,411 units of public housing, rent vouchers or subsidized rental units, and assisted housing options that are available to extremely-low, very low and low-income households/individuals and to persons with disabilities. The types of units include regular rental units, permanent supportive housing for persons with special needs, and Medicaid/Medicare institutional care beds.

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

McHenry County has 108,995 occupied housing units that are primarily owner-occupied, with 82.8% of the units owner-occupied and 17.2% of the units renter-occupied. The 2012 ACS reported 116,270 total housing units (occupied and vacant) in McHenry County. This is an increase of 25.1% housing units from 2000, when 92,908 units were reported. The number of single-family units increased 27.2% while the number of multi-family units increased by 13.7%. One in four multi-family units are located in just two communities: Harvard and Woodstock. The areas of greatest overall housing gain were in Wonder Lake, Richmond, Prairie Grove, Lakemoor and Huntley.

**Table 36 All residential properties by number of units, 2012**

Property Type	Number	%
1-unit detached structure	89,993	78%
1-unit, attached structure	12,208	10%
2-4 units	5,232	4%
5-19 units	6,279	6%
20 or more units	1,977	2%
Mobile Home, boat, RV, van, etc	581	1%
<b>Total</b>	<b>116,270</b>	<b>100%</b>

Data Source: 2010-2012 ACS

### Unit Size by Tenure

A majority of the owner-occupied units have three or more bedrooms (81.9%), while the majority of renter-occupied units have two bedrooms (41.8%). This data reflects the nature of the County's housing market: it is predominantly a single-family, owner-occupied housing stock with three bedrooms or more.

**Table 37 Unit Size by Tenure**

	Owners		Renters	
	Number	%	Number	%
No bedroom	47	0.1%	513	2.7%
1 bedroom	1,129	1.3%	3,869	20.7%
2 bedrooms	15,190	16.8%	7,833	41.8%
3 or more bedrooms	73,895	81.9%	6,519	34.8%
<b>Total</b>	<b>90,261</b>	<b>100%</b>	<b>18,734</b>	<b>100%</b>

Data Source: 2010-2012 ACS

**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

The County will continue to fund the development of affordable units in 2015- 2019 targeted to lower income individuals, as well as those that assist persons with disabilities. The County included in the CDBG and HOME ranking criteria a weighted score for projects based on the threshold of income or special needs for persons served by such projects.

**Other Assisted Housing**

There are a total of 1,441 subsidized units in the County supported by an array of federal and state resources, including multiple funding sources such as HUD Section 211 and HUD Section 202 Elderly, Section 811 Disabled capital grants, USDA Section 515 Rural Housing, Illinois Housing Trust Fund, federal Section 142 Low Income Housing Tax Credits, and McHenry County's CDBG and HOME funds. All these financing programs require all or various minimum percentages of the units (typically 40-60%) to be affordable to low-income and very low-income households (e.g. below 80% or below 50% area median income, respectively, as defined by HUD).

These are affordable units targeted to very low-, low- and moderate-income households (some occupants may be extremely low-income), seniors and special needs households. The table on the following page provides an overview.

**Table 38 Assisted Housing Units, 2013**

Development	Type	Low Income Units
<b>Woodstock</b>		
Mapletree	Family	117
Terrace Springs	Family	110
Renaissance Apts.	Family	8
Woodstock Senior Lane	Senior	37
Woodstock Commons	Family	153
Walden Oaks	Family & Seniors	150
McHenry County Partnership (Garden Valley)	Special Needs	16
Pioneer Wheeler	Special Needs	5
Housing Oppt. Dev. Corp.	Women and Children/Family	11
	<i>Subtotal</i>	<i>607</i>
<b>Crystal Lake</b>		
Crystal Terrace	Family	71
Villager/Briarwood	Family & Seniors	116
Congress Parkway	Supportive Housing	60
	<i>Subtotal</i>	<i>247</i>
<b>McHenry</b>		
Hillcrest	Family	88
McHenry Villa	Family	23
Pioneer Group Home (Ponca)	Special Needs	12
Towerview	Family & Special Needs	44
	<i>Subtotal</i>	<i>167</i>
<b>Harvard</b>		
Harvard Ranch	Seniors	23
Sunset Senior	Seniors	24
	<i>Subtotal</i>	<i>47</i>
<b>Huntley</b>		
Deer Path of Huntley	Special Needs (Ages 22-64)	128
Parkview	Family	24
Greentrees	Seniors	56
McHenry County Partnership	Special Needs	16
	<i>Subtotal</i>	<i>224</i>
<b>Hebron</b>		
The TLS Project	Special Needs	14
Hebron Meadows	Seniors	16
	<i>Subtotal</i>	<i>30</i>
<b>Lake in the Hills</b>		
The Residences of Lake in the Hills	Seniors	82
<b>Richmond</b>		
Silvertrees	Seniors	40
<b>Scattered</b>		
Pioneer Clay Group	Special Needs	8
Pioneer Lawndale Group	Special Needs	5
	<i>Subtotal</i>	<i>13</i>
	<b>GRAND TOTAL</b>	<b>1,441</b>

Source: Illinois Housing Development Authority, 2013

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

No units are expected to be lost from the affordable housing inventory over the next five years.

**Does the availability of housing units meet the needs of the population?**

The limited number of affordable units for both low- and moderate- income households continues to be a large gap in the County housing market. The housing stock remains primarily single family owner occupied housing, with limited rental options. The number of sales homes built in the last 20 years has continued to outpace the level of development of rental housing. Also, the existing rental stock tends to be older and in poorer condition. Finally, while there are vacant rental units available in more distant areas of the County, such as Harvard, the lack of transportation options limits the number of potential renters. Conversely, it is particularly difficult to find affordable housing in the southeastern area of the County, which is closer to job centers and downtown Chicago, with more available transportation options.

According to the County's 2010 Comprehensive Plan, approximately one in three homeowners and one in two rental households were living in homes they could not afford. There continues to be a great need for affordable housing within the County.

**Describe the need for specific types of housing:**

The need for more affordable housing, and in particular rental housing, is strong in the County. Multi-family housing, which makes up a small proportion (11.6%) of the current housing stock, could be developed to allow for more affordable housing. According to the County's Comprehensive Plan, additional multifamily housing would allow the County to achieve higher densities in town centers and suburban areas and accommodate future growth without the need to expand considerably into exurban and rural areas. In addition, multifamily housing development should be an important part of any future countywide workforce housing initiative. Also, due to the high cost of housing, it has become increasingly difficult for young, first-time homebuyers to purchase in the County. Older residents who may be looking for a smaller unit would find a limited supply of suitable units, with only 5% of the housing stock containing a one-bedroom unit. Over 30% of the housing units contain four bedrooms or more.

In addition, the McHenry County Economic Development Corporation (MCEDC) stated that businesses also want more affordable housing, which is currently expensive for local workers, especially in the southern area of the County.

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

The median home value declined 2.6% between 2000 and 2012, most likely due to the fallout from the national housing market crisis. Conversely, the median contract rent rose by 0.4%, reflecting the increased demand for rental units, most likely due to the difficulty households were having in qualifying for a mortgage and the fallout from the rise in foreclosures.

In addition, the recent 2012 ACS data reveals the increasing gap in housing affordability. The data shows that 45.5% of households are paying 35% or more of household income in gross rent, an increase from 41.6% of households in 2009.

For owner households with a mortgage, 32% of the households are paying 35% or more of household income on selected monthly housing costs, an increase from 31.2% of households in 2009. Reflecting the impact of the Great Recession on the sales housing market, housing values declined by 17.4%, from \$256,400 in 2009 to \$218,400 in 2012.

While the median gross rent also declined during the same period, the rate was much slower, with a decline of 3.7%. This is likely due to the increased demand for rental housing, which rose from 15.7% to 17.2% of housing tenure from 2009 to 2012, while the rate of owner occupancy declined.

A recent study conducted by the Illinois Housing Development Authority (IHDA) looked at the number of affordable rental units by census tract based on the 2011 ACS data. The study found that in areas of the southern portion of the County fewer than 20% of the units were affordable to households at 80% of Area Median Income (AMI), while in areas to the north and east, primarily those areas identified as “impacted areas,” the number of rental units available to households at 80% of AMI was over 75%. These areas tended to be in locations with few public transportation options.

**Table 39 Cost of Housing, 2000-2012**

	<b>Base Year: 2000 (in 2012 Dollars)</b>	<b>Most Recent Year: 2012</b>	<b>% Change</b>
Median Home Value	224,127	218,400	-2.6%
Median Contract Rent	1,014	1,018	0.4%

**Data Source:** 2000 Census (Base Year), 2010-2012 ACS (Most Recent Year)

In McHenry County, the number of units renting for less than \$500 fell 53% between 2000 and 2012. During the same time, the number of units renting for more than \$1,000 per month increased almost 234%. The data does not provide a distinction between units that were actually lost from the inventory (through demolition, etc.) and those for which rents were increased. Still,

the data shows the dramatic increase in higher priced rental units and the decline in more affordable rental housing units.

**Table 40 Rent Paid, 2000-2012**

Units Renting for:	2000	2012	Change	
			#	%
Less than \$500	2,100	986	-1,114	-53.0%
\$500 to \$699	3,514	1,300	-2,214	-63.0%
\$700 to \$999	5,757	6,202	445	7.7%
\$1,000 or more	2,704	9,032	6,328	234.0%

Sources: U.S. Census Bureau, Census 2000 (SF3, H62), 2010-12 American Community Survey (B25063)

**Table 41 Rent Paid**

Rent Paid	Number	%
Less than \$500	2,755	15.7%
\$500-999	8,836	50.4%
\$1,000-1,499	4,621	26.3%
\$1,500-1,999	892	5.1%
\$2,000 or more	442	2.5%
<b>Total</b>	<b>17,546</b>	<b>100.0%</b>

Data Source: 2006-2010 ACS

Housing affordability remains a key issue. Minimum-wage and single-income households cannot afford a two-bedroom housing unit renting for the HUD fair market rent of \$966. Persons with disabilities receiving a monthly SSI check for \$698 as their sole source of income cannot afford a one-bedroom unit renting at the fair market rate of \$853.

The table below shows the number of affordable units available to households with various income levels according to the HUD IDIS data. The table shows that there are only 13,793 rental units available for households earning 0-80% of HAMFI. For owner households, the number of units available is even fewer, with 9,754. This is in a County where the number of owner-occupied households is close to 84% of the total housing stock, leaving few options for low-income households.

**Table 42 Housing Affordability**

% Units affordable to Households earning	Renter	Owner
30% HAMFI	1,013	No Data
50% HAMFI	2,954	893
80% HAMFI	9,826	8,861
100% HAMFI	No Data	18,950

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
<b>Total</b>	<b>13,793</b>	<b>28,704</b>

Data Source: 2006-2010 CHAS

The County’s median rent of \$1,018 (2012 median gross rent) is higher than the HOME Rents/FMR for most of the zero to one bedroom units, and comparable to the two bedroom HOME Rent/FMR. This reflects the need for more affordable housing units.

**Table 43 Monthly Rent**

<b>Monthly Rent (\$)</b>	<b>Efficiency (no bedroom)</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
Fair Market Rent	717	815	966	1,231	1,436
High HOME Rent	766	869	999	1,231	1,371
Low HOME Rent	663	711	853	985	1,100

Data Source: HUD FMR and HOME Rents

**Is there sufficient housing for households at all income levels?**

The National Low Income Housing Coalition provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and cities in the U.S. for 2013. In McHenry County, the FMR for a two-bedroom apartment is \$966. In order to afford this level of rent and utilities without paying more than 30% of income on housing, a household must earn \$3,220 monthly or \$38,640 annually. Assuming a 40-hour work week, 52 weeks per year, the level of income translates into a Housing Wage of \$18.58.

In McHenry County, a minimum-wage worker earns an hourly wage of \$8.25. In order to afford the FMR for a two-bedroom apartment, a minimum-wage earner must work 90 hours per week, 52 weeks per year. The NLIHC estimates that 50% of County renters are currently unable to afford the two-bedroom FMR.

In addition, median income increased by 52% between 2000 and 2012, adjusting for inflation. Still, according to the housing study conducted in 2008, one third of all households in the County have incomes below \$50,000, which is the income needed to make ends meet in the County.

**How is affordability of housing likely to change considering changes to home values and/or rents?**

As noted in the above analysis, the continued high price of both owner-occupied and rental housing reduces the ability of low-income households to find affordable housing. The number of apartments renting for less than \$500 decreased 53% between 2000 and 2012. In addition, median gross rents increased by 0.4% from 2000 to 2012, adjusted for inflation, while the median

home value declined by 2.6%, reflecting an increased demand for rental housing by a range of income groups. As a result, the inventory of affordable rental units significantly decreased at the same time that rental rates increased.

**How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

As noted earlier, the County's median gross rent of \$1,018 (2012) is higher than the HOME Rents/FMR for most of the zero- to one- bedroom units, and comparable to the two-bedroom HOME Rent/FMR. This reflects a need for more affordable housing units.

## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Definitions

The following is the definition used by McHenry County based on the 2006 International Maintenance Property Code:

*A structure is unfit for human occupancy whenever the code official finds that such a structure is unsafe, unlawful or, because of the degree to which the structure is in disrepair or lacks maintenance, is unsanitary, vermin- or rat-infested, contains filth and contamination, or lacks ventilation, illumination, sanitary or heating facilities or other essential equipment required by this code, or because the location of the structure constitutes a hazard to the occupants of the structure or to the public.*

### Condition of Units

The HUD table below shows the number of housing units, by tenure, based on the number of conditions or characteristics the unit has. Selected conditions are similar to housing problems in the Needs Assessment and include (1) the lack of complete plumbing facilities, (2) the lack of complete kitchen facilities, (3) more than one person per room, and (4) cost burden greater than 30%. The table also includes the calculations for the percentage of total units that category represents. Due to the nature of the HUD table, no indication is provided concerning which of the four conditions listed above constitutes one of the conditions.

Renter-occupied units have a higher percent of units with a substandard condition; however, most units only have one substandard condition. Few owner or renter-occupied units have more than one substandard condition.

**Table 44 Condition of Units**

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	34,113	36%	8,313	47%
With two selected Conditions	440	0%	508	3%
With three selected Conditions	55	0%	20	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	60,979	64%	8,705	50%
<b>Total</b>	<b>95,587</b>	<b>100%</b>	<b>17,546</b>	<b>100%</b>

Data Source: 2006-2010 ACS

### Year Unit Built

Most of the owner-occupied units built in the County were constructed between 1980 and 1999 during the boom in housing construction. For renter-occupied housing most of the units were constructed between 1950 and 1979. In addition, while 23% of the total owner-occupied units have been built since 2000, only 14% of the total renter-occupied units were built since 2000. This highlights the limited number of available rental units relative to the total number of housing units.

**Table 45 Year Unit Built**

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	22,450	23%	2,500	14%
1980-1999	36,960	39%	5,326	30%
1950-1979	26,912	28%	6,293	36%
Before 1950	9,265	10%	3,427	20%
<b>Total</b>	<b>95,587</b>	<b>100%</b>	<b>17,546</b>	<b>100%</b>

Data 2006-2010 CHAS  
Source:

### Risk of Lead-Based Paint Hazard

HUD has made the elimination of housing units containing lead-based paint a priority. The poisoning of children from contact with lead-based paint has been recognized as a major public health problem by the Center for Disease Control (CDC). According to the CDC, lead is the number one environmental health hazard to American children. It is estimated that 10-15% of all preschoolers in the United States are affected. Lead poisoning causes IQ reductions, reading and learning disabilities, decreased attention span, hyperactivity, and aggressive behavior. Lead-based paint was banned from residential paint in 1978. All homes built prior to that time may contain lead-based paint. The McHenry County Housing Authority (MCHA) home rehabilitation coordinator who manages lead paint abatement estimated that 85% of the structures built before 1950 have lead paint. According to the State of Illinois Lead Program 2011 Annual Surveillance Report, the most recent report available, 42% of the housing units in the County built before 1978 contain lead-based paint. This is one of the lowest percentages in the state, most likely due to the large number of newer housing units. This percentage is not broken down by the income of the occupants. Of the 1,953 children tested for the first time in 2010, nine had elevated blood levels. This is considered to be a low rate of lead paint elevation.

Using data provided by HUD, it is possible to approximate the number of housing units that may contain lead-based paint and are occupied by LMI households. The significance of this data is that LMI owner households who are cost-burdened may not have the resources to abate lead-based paint in their homes. LMI renter households may not even be aware that their leased units

contain lead-based paint, or they may be hesitant to ask their landlord to abate the problem for fear of being evicted or having their rent increased. The following tables provide an estimate of the number of housing units in McHenry County estimated to contain lead-based paint by income level of households. This data is matched against the number of units built before 1970 to estimate the number of units that potentially contain lead-based paint.

**Table 46 McHenry County: Lead-Based Paint Estimate, 2000**

Housing Units by Affordability	Renter-Occupied Units	Owner-Occupied Units	Total Units
<b>0%-&lt;30% of MFI</b>			
Occupied Units	1,878	N/A	1,878
Built Prior to 1970	907	N/A	907
<b>Estimated # of Units 0-30% w/Lead-based Paint</b>	<b>680</b>	<b>N/A</b>	<b>680</b>
<b>30%-&lt;50% of MFI</b>			
Occupied Units	3,798	2,672	6,470
Built Prior to 1970	2,594	1,649	4,243
<b>Estimated # of Units 30%-&lt;50% w/Lead-based Paint</b>	<b>1,946</b>	<b>1,236</b>	<b>3,182</b>
<b>50%-&lt;80% of MFI</b>			
Occupied Units	8,085	26,571	34,656
Built Prior to 1970	3,646	12,914	16,560
<b>Estimated # of Units 50%-&lt;80% w/Lead-based Paint</b>	<b>2,735</b>	<b>9,685</b>	<b>12,420</b>
<b>Total Estimated Lead-Based Paint Units</b>	<b>5,361</b>	<b>10,922</b>	<b>16,282</b>

Note: HUD CHAS data is not available for housing units built from 1970-1978.

Source: U.S. Census Bureau; U.S. Department of HUD, SOCDs Data

In 2000, HUD estimated that as many as 16,282 housing units built in McHenry County prior to 1970 and occupied by low and moderate income households contained lead-based paint. The following analysis is based on the above table.

0%-<30% of MFI

Of the 1,878 housing units occupied by households below 30% of MFI, 907 were built prior to 1970. Of these, 680 (75%) are estimated to contain lead-based paint. No data was available for owner-occupied units.

30%-<50% of MFI

Of the 6,470 owner- and renter-occupied housing units occupied by households between 30% and 50% of MFI, 4,243 were built prior to 1970. Of these, 3,182 (75%) are estimated to contain lead-based paint.

50%-<80% of MFI

Of the 34,656 owner- and renter-occupied housing units occupied by households between 50% and 80% of MFI, 16,560 were built prior to 1970. Of these, 12,420 (75%) are estimated to contain lead-based paint.

The following HUD IDIS-generated table provides data on owner-occupied and renter-occupied units built before 1980 with children present. The data is not available by income category.

**Table 47 Risk of Lead-Based Paint Hazard**

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	36,177	38%	9,720	55%
Housing Units build before 1980 with children present	2,870	3%	53,348	304%

Data 2006-2010 ACS (Total Units) 2006-2010 CHAS (Units with Children present)

Source:

The following HUD IDIS-generated table on vacant units contained no data and cannot be modified manually

**Table 48 Vacant Units**

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

**Need for Owner and Rental Rehabilitation**

The older communities in the County, including Harvard and Woodstock, in addition to the homes built as cottage homes near lakes and other bodies of water, are in need of rehabilitation. Wonder Lake, for instance, is an area of the County that has made a number of requests for CDBG funds to finance housing rehabilitation (in addition to the infrastructure issues of failing sewer and water systems). The area is currently a “target area” for the HOME rehabilitation program. Over 20% of the housing stock in the County was built before 1950, and much of the building stock in the older core areas was constructed prior to 1939. As noted earlier, 47% of the renter-occupied units have one selected condition compared to 36% for owner-occupied units.

The overall housing stock in the County is in good condition. One hundred and twenty-six owner-occupied housing units in the County lack complete plumbing facilities, compared to 120 rental units. For kitchen facilities, 202 owner occupied housing units lack complete kitchen facilities, compared to 295 rental units.

**Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards**

In 2000, HUD estimated that as many as 16,282 housing units built in McHenry County prior to 1970 and occupied by low and moderate income households contained lead-based paint.

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

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

**Table 49 Totals Number of Units by Program Type**

	Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers						
				Total	Project - based	Tenant - based	Special Purpose Voucher			
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *	
# of units vouchers available			23	947				0	0	0
# of accessible units										

**\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

McHenry County Housing Authority owns and manages 23 units of single-family public housing scattered throughout Harvard, Woodstock, Crystal Lake and Wonder Lake. Additionally, the Authority administers 947 Housing Choice Vouchers, which may be used to settle anywhere within or beyond the Authority's physical jurisdiction.

### Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

See above. MCHA was able to continue with its modernization efforts of its public housing units with additional funds allocated from the American Rapid Recovery Act, and was able to concentrate on some energy efficiency improvements, including installing energy efficient furnaces and windows.

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

**Table 50 Public Housing Condition**

<b>Public Housing Development</b>	<b>Average Inspection Score</b>
McHenry County Housing Authority	<b>90</b>

**Describe the restoration and revitalization needs of public housing units in the jurisdiction:**

McHenry County Housing Authority will continue ongoing maintenance and upkeep of the housing units to maintain a decent standard of occupancy.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

The McHenry County Housing Authority 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.

In addition, MCHA is a member of the Chicago Regional Housing Choice Initiative (CRHCI) and the Regional Housing Initiative (RHI). CRHCI is a program funded by HUD to determine if housing counseling will help place people in areas of greater opportunity, or “opportunity areas” as defined by HUD, with good schools, employment opportunities, and transportation. The Regional Housing Initiative (RHI) supports the development, rehabilitation and preservation of quality rental homes near these opportunity areas. To achieve this goal, RHI provides operating subsidies in the form of project-based vouchers to owners of rental buildings in Cook, DuPage, Lake, and McHenry counties, and the cities of Chicago, Joliet, Oak Park and Waukegan.

Each year, the RHI publishes notices and accepts applications from owners and developers of housing developments requesting project-based assistance. These applications are evaluated and scored by the RHI participating housing authorities prior to acceptance. MCHA anticipates awarding project based voucher assistance to developments in McHenry County that have been approved by the RHI partnership.

Woodstock Commons, located in Woodstock, received seven vouchers in 2010. In addition, MCHA will allocate seven project-based vouchers to a new workforce housing apartment complex in Crystal Lake (Congress Park Apartments) in 2014-2015 and will administer another

eight vouchers allocated through RHI as part of its efforts to address housing needs. The apartments are located within one mile of the Crystal Lake Metra station.

MCHA will continue working with the Regional Housing Initiative (RHI) and the other regional housing authorities and may allocate future vouchers based on the RHI competition.

## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

McHenry County has a mix of facilities available for emergency, transitional, and permanent beds. The County’s emergency housing includes PADS (Public Action to Deliver Shelter) church sites, PADS emergency shelter facility and hotel vouchers provided by the Housing Authority, Salvation Army, Township Offices and others (including faith-based organizations). Transitional housing includes PADS, Home of the Sparrow, and Transitional Living Facilities, while permanent supportive housing is provided by Pioneer Center and Thresholds, Inc.

The following table provides data on the facilities and housing targeted to homeless households.

**Table 51 Facilities and Housing Targeted to Homeless Households**

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	24	0	89	0	0
Households with Only Adults	11	40	52	26	0
Chronically Homeless Households	0	0	0	10	0
Veterans	0	0	20	10	0
Unaccompanied Youth	0	0	0	0	0

**Source:** McHenry County Continuum of Care Housing Inventory Chart, 2013

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

The McHenry County Continuum of Care (CoC) plans to reach out and assess the needs of individuals experiencing homelessness through a “Coordinated Intake and Assessment” system that is currently under development. The CoC plans to employ the use of best practices in other Continuums and an assessment of community needs in order to develop an approach that best meets the needs of McHenry County.

The Continuum is focused on more coordination of support services over the next five years. Case management is 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 discussed the development of a Strategic Plan that would provide a framework for homeless housing and service delivery. This would be similar to a 10-year Plan to End Homelessness.

The identified objectives from the Continuum of Care include funding for the following:

- Development or rehabilitation of at least 10 emergency or transitional housing facilities or units,
- Creation of at least two year-round emergency shelter facilities,
- Work with the Continuum of Care on development of the plan, and
- Increase in case management capacity and/or supportive services for at least an additional 100 homeless families or individuals over five years.

The goal is to provide homeless individuals and families with the necessary shelter and supportive services to enable them to move from homelessness to permanent housing and then live as independently as possible while maintaining stable permanent housing. McHenry County’s Continuum of Care strategy includes a number of components, including: information and referrals (I/R) as well as outreach, prevention, supportive services and shelter (emergency, transitional, permanent supportive and permanent).

**Information and Referrals**

- The McHenry County Continuum of Care Crisis Line - A 24-hour toll free number staffed by crisis line professionals providing targeted referrals to appropriate assistance, including homeless prevention and related services.

- Provider's Care Network (PCN) - The PCN is McHenry County's Continuum of Care Homeless Management Information System (HMIS) linking housing and service providing agencies together in an on-line network.
- Networking: Human Services Network (HSN) - A number of McHenry County Continuum of Care housing and service provider agencies are also members of the HSN, a formal consortium of agencies who have developed a linkage agreement that provides a coordinated effort to meet the needs of persons requiring services; and informal networking - agencies providing rental assistance and other homeless prevention services are all part of an informal network of governmental and non-profit service agencies that has developed partly through the efforts of the Continuum to expand the Continuum of Care system and promote public awareness of homelessness.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

There were 202 available beds in the County, representing a combination of beds in emergency shelter, transitional housing and permanent supportive housing for a variety of types of households that range from single adults, single-parents and families with children, and persons with special needs. In addition there are some additional emergency shelter beds available either on a seasonal basis or through vouchers for hotel rooms. These beds were distributed as follows:

- Emergency shelter: 35 year-round beds (also 40 beds in cold weather provided by 7 churches on a rotating basis and an average of 8 beds daily through hotel vouchers)
- Transitional housing: 139 beds
- Permanent supportive: housing 28 beds

**The following is more specific information on facilities for the homeless:**

The Continuum of Care Exhibit 1 and the Housing Inventory Chart includes general information on the chronically homeless. The January 2015 Housing Survey Point-in-Time survey reported no persons in the sheltered or unsheltered categories reporting having HIV/AIDS.

## Emergency Shelter Housing

Emergency shelter is provided with a combination of hotel vouchers, emergency shelters and, in cold weather months, overnight accommodations with meals at seven participating churches. However, there is only one permanent emergency shelter facility located in McHenry County having 14 year-round beds. Due to the nature of the PADS system the number of beds ranges from 14 in the spring and summer to 40 or more beds during the winter when each of the seven churches open their doors one night a week from 7 pm to 7 am from October-April. Each church site offers a warm evening meal, a safe place to sleep, morning breakfast and case management. All church sites are run and operated by volunteers. In addition, on a daily basis an average of eight beds are provided through hotel vouchers. These are available through several different agencies or units of government. The charts below provide detailed information.

**Table 52 Emergency Shelter Beds**

Year-round Beds/ Agency	Type	No. of Beds Individuals	No. of Beds Families	Total
Pioneer Center – PADS	PADS Emergency	4	6	10
Turning Point		6	15	21
<b>Total:</b>		<b>10</b>	<b>21</b>	<b>31</b>
<b>Other Beds Not Year Round</b>				
Salvation Army	Hotel Vouchers	8		8
McHenry Co. townships & churches	Hotel Vouchers	2		2
MCHA	Hotel Vouchers	4		4
Pioneer Center – PADS	Church Sites	65		65
<b>Other Totals:</b>		<b>79</b>		<b>79</b>

## Transitional Shelter Beds

The Continuum of Care's January 2015 electronic Housing Inventory Chart listed 121 transitional housing beds.

**Table 53 Transitional Shelter Beds**

Agency	Type	No. of Beds Individuals	No. of Beds Families	Total
Home of the Sparrow	Crystal Lake Shelter	0	13	13
	Ringwood Shelter	3	27	30
	Waukegan Road	1	4	5
	Transitional to Permanent	12	4	4
	Sparrow's Point Transitional Shelter	0	7	7
Pioneer Center – PADS	Kishwaukee Valley	12	4	20
Pioneer Center	Transitional Apts.	11	11	22
Transitional Living Servi	New Horizons	20	0	20
<b>Totals:</b>		<b>59</b>	<b>70</b>	<b>121</b>

## Permanent Supportive Housing

Currently there are 26 subsidized units for formerly homeless special needs populations.

**Table 54 Permanent Supportive Housing Beds**

Agency	Type	No. of Beds Individuals	No. of Beds Families	Total
Pioneer Center	Law ndale Group Home	5	0	5
	Home	8	0	8
Thresholds	AMI House	7	0	7
	House	6	0	6
<b>Totals:</b>		<b>26</b>	<b>0</b>	<b>26</b>

The following data provides an overview on the changes in beds between 2010 and 2015 by type of housing and beds provided, according to recent HMIS data:

- Permanent Supportive Housing (PH) – Reported an increase of 2 beds with the start of the TLS’ PSH program. (28)
- Street Count – Reported slight increase (from 5 to 9) over the past two years (there was no street count conducted in 2014).
- Transitional Housing (TH) – Over the past six years the number of beds has fluctuated from a low of 113 to a high of 139, while the reported inventory has decreased from 177 to 139 due to following:
  - Rebekah’s House closed (loss of five beds) in 2011
  - MCHA Apartments program was discontinued (loss of nine beds) in 2011
  - The overall decrease in the TH bed inventory was offset by the addition of seven beds due to the opening of the HOS/TP Sparrow’s Point facility in 2011.
  - NASA was not included (loss of 29 beds) in 2013
  - Turning Point’s inventory was moved from the Transitional Housing to Emergency Housing in 2014-resulting in a loss of 21 beds in the TH inventory.
  - The expansion of Home of the Sparrow McHenry Shelter resulted in a gain of 20 beds in the 2015 inventory.
  - Each year there have been slight changes in the TH shelter bed inventory that occurred based on the make-up of the families and/or individual households in the facility on the PIT date.
- Emergency Housing (EH) – The reported inventory has changed over the 2010-2015 PIT Counts mainly due to increases or decreases in vouchers. The beds in use have changed over the 2010-2015 PIT Counts due to three factors:
  - PADS church site reported fewer beds in use (from 65 to 32 last year)
  - EH number of vouchers fluctuates mainly depending on funding and/or need –in 2014 the vouchers were used to provide housing for victims of 1/21/14 fire at Riverside Hotel apartments. Vouchers accounted for an increase of 26 in the overall bed inventory for 2014. In 2015 there were 12 voucher beds.
  - Turning Point’s inventory was moved from the TH to EH in 2014- resulting in 21 additional beds
- Rapid Re-Housing (RRH)- This category was added to the PIT Count in 2014. The\_RRH beds accounted for an increase of 17 in the overall bed inventory.
- Permanent Housing (PH) This category was added to the PIT Count in 2014

Note: EH inventory/bed includes “overflow” and “voucher” beds-“overflow” beds are the number of PADS church shelter sites beds that are available on a temporary basis during the night in response to demand that exceeds the 40 bed capacity. “Voucher” beds are located in a hotel or motel and made available by a homeless assistance program provider through a voucher or other form of payment. The number of ‘overflow’ beds in the inventory is based on past PIT Counts and PADS shelter reports, while estimates of the number of voucher beds in the inventory had been based on the total number (nights) of voucher beds (as reported by providers) over the past year, divided by 365 (in 2010 and 2011), or as reported available by provider on the PIT Count night (in 2012-2015).

## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

As described in NA-45, needs are generally determined by the social service and housing agencies most directly in contact with special needs populations in McHenry County.

According to McHenry County Mental Health Board's Three Year Plan 2012-2014, housing is a high priority area for special needs populations. McHenry County sees a need for:

- Continuity of supportive services with permanent housing, such as group homes
- Transitional housing with supportive services for persons working through stages of recovery alcohol/drug abuse
- Services that allow the elderly or physically disabled to remain in their own homes

According to the McHenry County Mental Health Board's Three Year Plan 2012-2014, County objectives for the special needs populations include funding, over the next five years, the following:

- Development of at least 25 housing units for persons with special needs
- Adding at least five medical and/or non-medical facilities, or support service agencies, to increase capacity or efficiency in serving at least an additional 200 persons with special needs
- Increasing case management services to serve at least an additional 50 victims of domestic violence each year
- Assisting agencies offering transportation to increase capacity to provide at least an additional 1,000 trips each year for low-income persons, persons with special needs, and the elderly

Providers of services to disabled persons report an increased housing need for their clients. Housing experts report an increasing demand for units accessible to seniors and people with physical disabilities. Currently, one provider has 13 group homes and another provider has two group homes. One multi-family apartment building supplies 25% of its units to people with disabilities. Homeless providers surveyed report that having a disability is a significant cause of homelessness.

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

There is an inadequate supply of affordable, accessible, and supportive housing for populations with special needs within McHenry County. A few of the existing services include the Pioneer Center for Human Services for persons who are in need of supportive housing. Pioneer Center provides services for children and adults with disabilities. Pioneer Center supports thirteen group homes, eight of which are for individuals with developmental disabilities and five of which are for people who have a mental illness. Both CDBG and HOME funds have been used to acquire and rehabilitate the group homes.

NAMI of McHenry County also provides for persons who are in need of supportive housing and concentrates on persons with severe mental illness. NAMI owns two group homes in McHenry County and CDBG funds have been utilized for necessary rehabilitation activities at one of their group homes. Turning Point assists women that are victims of domestic violence by providing services; CDBG funds have been used to assist their operations. Family Alliance assists the County's elderly population. Additionally, County HOME and CDBG funds are used to develop and rehab units for disabled and special needs persons in the County on an annual basis.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

The Continuum of Care Committee is developing written discharge protocols with agencies in four institutional areas: foster care, health care, mental health and corrections. There are regular informal contacts between these agencies and CoC members to give priority for emergency shelter and transitional housing beds to these populations when they exit these institutions:

Foster care:

For over five years, McHenry County has benefited from a Family Care grant through the Substance Abuse and Mental Health Services Administration (SAMHSA). In particular, the group was able to identify transition-age youth as a priority; programs were developed through this grant that continues to support children in foster care situations. CoC organizations create effective programming inclusive of wrap-around and recovery-oriented services. Such services seek to engage clients to remain active in programming based on ability. In some instances, a client who is asked to leave a program is provided with a 30-60 day time frame (or as otherwise

mandated) and corresponding additional support to obtain housing. Clients who enter into substance abuse programs, incarceration or temporary mental health/nursing home supports are offered the opportunity to return to their program slot within a 30-day time frame. Clients who will be gone longer than 30 days will be provided with a preference for program entry if a slot is available for them when they are able to re-enter.

#### Health:

CoC members work closely with Centegra Hospital (two community locations), Northern Illinois Medical Center and Mercy Health Systems to coordinate care for individuals exiting health care programs. Centegra also manages the community crisis line and coordinates with regional providers; this effort results in a wide array of service opportunities for clients, particularly those with special needs. This system of care, at times, results in a client admission 50 miles away or more, as specialty services tend to be more available in nearby Chicago.

#### Mental Health:

Elgin Mental Health Center and Centegra Specialty Hospital have a formally implemented protocol that focuses on community resources, entitlements, and referrals to appropriate housing and supportive services before discharge. Discharge planning begins prior to release and involves establishing a point of contact with a community provider, ensuring continuity of medications to the community and other specialty services required to help integrate the individuals into the community. Planning occurs through long-term relationships that Thresholds, PADS, Home of the Sparrow, Youth Service Bureau, Turning Point and TLS have with mental health stakeholders.

#### Corrections:

McHenry County Circuit Court, McHenry County Drug Court, McHenry County Sheriff's Department, McHenry County Housing Authority and all 17 Townships are responsible. The Sheriff/Court system already offers discharge planning for veterans who are incarcerated.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

The County will continue to fund social service programs to address the housing and supportive service needs of persons who are not homeless but have other special needs. This will be based on the priorities established by the County review committee to select activities that have the greatest impact on improving the lives of County residents.

Individuals with special needs will be assisted with CDBG funds. Programs in FY 2015 may include funds for case management services to increase capacity.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

This doesn't apply to McHenry County.

## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

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

A few of the key barriers include limited zoning for multi-family development, the high cost of land and construction, and the lack of public financing incentives to reduce these costs. While affordability/income is not a protected class under the Fair Housing Act, the County recognizes the interchangeable nature of fair housing and affordability issues, and therefore will evaluate conditions accordingly when appropriate.

In addition, McHenry County's employment opportunities and lack of transportation are barriers that affect the location of affordable housing. These barriers can prevent development and force lower income households to live far from job opportunities. This home-to-work distance makes it more difficult for the unemployed to find work; for the employed, it lengthens the commute, which lowers the quality of life.

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

McHenry County is primarily a bedroom community with the majority of residents employed outside of the County. The County has one of the highest rates of persons who work outside of their county of residence in the Chicago region. As a result, the County has the second highest commute time in the Chicago region. One of the objectives identified in the 2030 Comprehensive Plan is to reduce the number of residents who travel outside of the County for employment.

The largest number of workers who live in the County, according to the Business Activity table below, are employed in the Manufacturing sector, with Education and Health Care Services the second largest. These two sectors alone represent almost one-third of the employment for County residents.

According to the data by occupation, the Management, Business, and Financial sector is the largest, with 37% of County residents working in this sector. This is consistent with the types of employment opportunities available for County residents. Health Care and Manufacturing continue to be the main drivers of the regional economy.

### Economic Development Market Analysis

The following HUD-generated tables contain data pertinent to economic development in McHenry County. Discussion and analysis of the data follows Table 59.

**Table 55 Business Activity**

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	519	445	0	1	0
Arts, Entertainment, Accommodations	12,639	8,195	10	10	1
Construction	6,988	5,188	5	7	1
Education and Health Care Services	18,411	11,274	14	14	0
Finance, Insurance, and Real Estate	9,265	3,077	7	4	-3
Information	2,830	990	2	1	-1
Manufacturing	19,145	15,472	14	20	5
Other Services	5,130	3,247	4	4	0
Professional, Scientific, Management Services	13,370	4,175	10	5	-5
Public Administration	427	395	0	1	0
Retail Trade	18,249	12,164	14	16	2
Transportation and Warehousing	5,409	1,438	4	2	-2
Wholesale Trade	11,118	5,696	8	7	-1

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Total	123,500	71,756	--	--	--

Data 2006-2010 ACS (Workers), 2010 Longitudinal Employer-Household Dynamics (Jobs)

Source:

**Table 56 Labor Force**

Total Population in the Civilian Labor Force	172,739
Civilian Employed Population 16 years and over	159,578
Unemployment Rate	7.62
Unemployment Rate for Ages 16-24	21.42
Unemployment Rate for Ages 25-65	5.10

Data Source: 2006-2010 ACS

**Table 57 Occupations by Sector**

Occupations by Sector	Number of People
Management, business and financial	41,392
Farming, fisheries and forestry occupations	5,558
Service	11,370
Sales and office	28,767
Construction, extraction, maintenance and repair	13,872
Production, transportation and material moving	10,553

Data 2006-2010 ACS

Source:

**Table 58 Travel Time**

Travel Time	Number	Percentage
< 30 Minutes	73,258	50%
30-59 Minutes	46,376	31%
60 or More Minutes	27,834	19%
<b>Total</b>	<b>147,468</b>	<b>100%</b>

Data Source: 2006-2010 ACS

**Education:**

**Table 59 Educational Attainment by Employment Status (Population 16 and Older)**

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	8,022	1,020	2,826
High school graduate (includes equivalency)	32,751	2,711	8,903
Some college or Associate's degree	44,674	3,411	9,289
Bachelor's degree or higher	49,398	1,693	8,478

Data Source: 2006-2010 ACS

**Table 60 Educational Attainment by Age**

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	371	1,248	1,444	1,879	2,017
9th to 12th grade, no diploma	3,051	2,005	1,787	3,505	3,099
High school graduate, GED, or alternative	8,389	7,973	12,290	24,113	12,524
Some college, no degree	7,833	8,635	11,992	22,070	7,032
Associate's degree	1,265	2,956	4,590	7,179	1,180
Bachelor's degree	2,427	9,614	14,022	17,642	4,156
Graduate or professional degree	181	3,262	5,422	9,645	3,048

Data Source: 2006-2010 ACS

**Table 61 Educational Attainment – Median Earnings in the Past 12 Months**

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Data Source: 2006-2010 ACS

**Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?**

The Manufacturing sector employs the largest number of workers, with Education and Health Care Services the second largest. These two sectors alone represent almost one-third of the employment for County residents.

According to the McHenry County Workforce Network 2013 Labor Report, the manufacturing industry contributed to 23% of the County's GRP (Gross Regional Product). Wages from manufacturing jobs also tended to pay above average and offer more benefits. Two manufacturing clusters in the County with the largest number of workers include advanced materials and biotech/biomed, both of which pay above average annual wages.

While these sectors are major employers within the County, the data clearly supports the County as primarily a bedroom community. While the County has 123,500 workers, it provides only 71,756 jobs. This means 58% of employed County residents commute from the County to jobs elsewhere, likely to Chicago and other inner-ring job centers. This assertion is supported by interviews with community stakeholders.

**Describe the workforce and infrastructure needs of the business community:**

Economic development staff stated that one of the biggest challenges is finding employees with the right set of skills to match current job openings. This was particularly true in the manufacturing sector, where employers wanted staff members with mechanical technical skills. The McHenry County Workforce Network has found it difficult to train for specific manufacturing jobs.

Two of the current areas of need include transportation and logistics, in addition to drivers. The County's central location in the Midwest and proximity to major manufacturing centers in the Chicago region has provided a basis for demand in the transportation and logistics fields.

In addition, due to the lingering impact of the recession, there is a large population of 50 to 62 year olds in need of employment. Many are discouraged workers who have been unemployed for a longer period of time. Work Net has received a grant to connect discouraged workers with potential training opportunities. In addition, Work Net has established a "Mature Workers" networking group.

The 2013 Labor Report stated that the aging workforce continues to be a concern in many of the major industries in the County and brings up significant challenges in building a pipeline of

replacement workers. The potential identified impacted industries include real estate, mining, transportation, and manufacturing.

Work Net coordinates with other agencies for services, such as the Department of Rehabilitation Services, to meet specific rehabilitation training needs.

A lack of transportation and affordable housing were identified as two areas of need within the County. The lack of transportation options limits the ability of some residents to access employment centers, while many manufacturing firms in outlying areas have a limited pool of candidates for open positions.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

The County recently completed a Long Range Transportation Plan 2040 to provide a framework for transportation needs within the County. This includes not only road projects but infrastructure projects that may require coordination with other County projects. This could be one area of regional public investment that may impact job and investment growth opportunities in the County.

Also, McHenry County is part of the Chicago Metropolitan Area for Planning (CMAP). The County will be applying to CMAP in 2014 for funding and research assistance to develop a focused economic development and workforce outreach plan to assist the County to outline economic development efforts and plans.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

As noted above, there is a mismatch between the current workforce and employment opportunities. A higher level of skills is required for many positions, in particular skilled manufacturing.

McHenry County Workforce Network is supported by the Workforce Investment Board (WIB). The WIB, in its recent report, found that the local workforce system will continue to meet workforce challenges through the following:

- Ensuring training programs are aligned with area demand occupations and industries, through training activities that will develop the skills of workers and a pipeline of qualified employees for area businesses
- Focusing on enhancing strengths, identifying and addressing gaps
- Workforce and Economic Development partners seeking input from area employers on their current and future needs
- Developing integrated strategies that not only improve business attraction and retention strategies but also enhance career pathways of workers through collaboration with industry, education, McHenry County Workforce Network and McHenry County Workforce Investment Board
- Seeking greater effectiveness of area resources by linking workforce development with traditional economic development strategies
- Developing strategies to attract emerging industries and workers' skills for those industries

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

McHenry County College serves as a resource center for the County. It provides training on computer operations, mock interviews, referrals, job training, etc. Funding for programs is limited since most programs are earmarked for re-training. Identified needs included areas with job growth potential, a welding boot camp, and medical training. Logistics was also identified as a need. In addition, some companies will help to pay for training. A need for GED training exists. A need exists for high level manufacturing skills, including welders, people with medical skills, agri-tech, and logistics.

In addition, a new registered nursing program has been popular and has been designed to meet the growing need for trained medical personnel in the County.

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

The County does not have a CEDS, although members of Work Net and others in the County economic development field have recently talked about developing a comprehensive economic development strategy. Attempts are currently underway to fund a CEDS, which will most likely occur in the next five years.

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

According to the McHenry County Long Range Transportation Plan 2040, there is the potential to link public works and infrastructure projects with transportation improvement projects, such as projects to eliminate barriers, such as links from one roadway system/street to another system. The County could identify key road and drainage infrastructure projects and “piggy-back” with County transportation projects to maximize public investment resources and minimize duplication of infrastructure projects, resulting in greater impact.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

Areas of the County where concentrations of households with multiple housing problems exist include the older areas of the following communities: Harvard, McHenry, Woodstock, and Wonder Lake. Harvard and McCullom Lake also have areas of concentration of low- and moderate-income (LMI) residents. The greatest need in these areas is for infrastructure improvements and rental housing rehabilitation programs.

More than half of the County residents identified as low- and moderate-income live within the cities of Woodstock, Harvard and McHenry and the Village of Wonder Lake. These areas are mainly in the older sections of the towns and sometimes extend into the surrounding unincorporated areas. In addition, HUD has allowed McHenry County to identify areas where at least 37.12% (2014) of the residents are low-and-moderate income. These LMI areas are located in the cities of Crystal Lake and Marengo, as well as in the villages of Hebron, Greenwood, McCullom Lake, Lake-in-the-Hills and Union. There are also some subdivision developments in unincorporated areas of McHenry and Nunda townships where at least 37.12% of the residents are low- and moderate- income.

McHenry County does not limit investment to these areas, but generally tends to direct projects to address local need, which is greatest in these areas. Wonder Lake has been a recent target area for the HOME rehabilitation program.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

The CDBG program includes a statutory requirement that at least 70% of funds invested benefit low-and moderate-income households. However, because there are so few areas over 50% LMI, HUD set the LMI threshold for McHenry County at 37.12% (2014). McHenry County defines areas of racial or ethnic concentration as census tracts where the percentage of a single minority or ethnic group is at least double the County average.

There are 14 census tracts of minority concentration within the County, five of which are concentrations of more than one race/ethnicity. These areas are found in Algonquin, Chemung, Crystal Lake, Harvard, Huntley, Lake in the Hills, McHenry and Woodstock. Thirteen block groups within those census tracts include concentrations of both low-moderate income persons and minorities. Impacted areas, or areas of minority concentration and LMI, are located in Chemung, Crystal Lake, Harvard, McHenry and Woodstock (See Map 3).

### **What are the characteristics of the market in these areas/neighborhoods?**

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. Most of the calls for the weatherization program, in addition to the housing rehabilitation program, are from these areas of the County. 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. Many of these units are located in areas without municipal water and sewer services, and often suffer from ongoing flooding issues.

**Are there any community assets in these areas/neighborhoods?**

Many of the communities, in particular McHenry and Woodstock, have vibrant downtown areas with strong business districts offering an array of amenities. These downtown areas have experienced recent reinvestments into the building stock. In addition, many social service agencies are located in these two communities, providing easy access for those in need of services. The Metra system provides easy access to downtown Chicago in addition to neighborhoods throughout the region. The school districts in McHenry County are highly rated, providing an array of educational opportunities.

**Are there other strategic opportunities in any of these areas?**

There are opportunities to better link the transportation system with not only the minority concentration and LMI areas but throughout the County. Harvard, for instance, contains a large number of vacant rental units that could be rehabilitated and occupied. Stakeholders noted that it was difficult to get Section 8 voucher holders to move to Harvard due to the limited number of available transportation options.

# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

#### *Geographic Priorities*

The County will focus its resources in areas of the County that are in greatest need of improvement. The County will focus the majority of funds in the defined LMI areas.

#### *Priority Needs*

The County has identified infrastructure improvements, affordable housing, community development, economic development, homelessness, and special needs populations as priority needs for the next five years. High priorities for 2015-2019 include the following:

- Infrastructure improvements (water/sewer improvements)
- Affordable housing
- Public facility improvements, including homeless facility upgrades
- Assistance to the homeless organizations and fair housing initiatives
- Other public services that the County may deem necessary to enhance the quality of life for residents

#### *Influence of Market Conditions*

An inadequate supply of affordable housing, in addition to the high cost of housing in the County for low-income persons (paying more than 30% of household income for housing), is the major housing problem in McHenry County.

#### *Anticipated Resources*

The County anticipates receiving \$6,600,000 in CDBG and \$2,100,000 in HOME entitlement funding over the next five years.

#### *Institutional Delivery Structure*

The County relies on a network of public sector, private sector, and non-profit organizations to implement the Strategic Plan, particularly to address homelessness and special needs. The County works closely with the PADS system and others to address homelessness.

## **Goals**

The following are the goals over the next five years:

- Infrastructure improvements: assist 5,000 persons
- Housing Repairs (CDBG): assist 125 housing units
- Public Facilities: construct or improve 3 facilities
- Affordable Housing (HOME Program):
  - Rental Housing Units Acquired or Rehabilitated: 25 Units
  - Owner-Occupied Housing Rehabilitated: 25 Units
  - Homebuyer Downpayment Assistance: 10 Units
  - Tenant Based Rental Assistance (TBRA): 25 Units
  
- Public Services: Assist 3,000 persons

## **Public Housing**

McHenry County will continue to support the efforts of MCHA to supply affordable housing to County residents.

## **Barriers to Affordable Housing**

An Analysis of Impediments to Fair Housing Choice (AI) was completed in 2012. The County is working to address the issues identified in the AI related to both fair housing and the barriers to affordable housing. The County will use the recommendations from the Fair Housing Action Plan as a tool for policy decisions.

## **Homelessness Strategy**

The County works closely with the McHenry County Continuum of Care (CoC) to provide homeless services and emergency, transitional, and permanent housing for homeless individuals and families, including veterans, those with special needs, the disabled, HIV/AIDS, and victims of domestic violence. County Planning and Development staff members participate in the CoC.

## **Lead-based Paint Hazards**

The County works with MCHA to address lead-based paint hazards. No County funded lead-based paint program exists. Instead, the funding comes from the State of Illinois. The McHenry County Health Department refers low-income persons with elevated blood lead levels to MCHA. This agency has funding to address lead-based paint hazards.

### ***Anti-Poverty Strategy***

The County's efforts to address poverty are based on partnerships with other organizations that are involved in working to address the underlying causes of poverty. Poverty has risen to new levels, with 24,568 people living in poverty in McHenry County, a 2011 estimate that jumped 9.8% over the previous year. The County would like to leverage its existing CDBG and HOME allocations with other resources, including local, state, and federal, in addition to private funds, to address the issue of poverty.

### ***Monitoring***

The County provides performance monitoring for all sub-recipients of CDBG and HOME funding. The purpose of the monitoring is to ensure that federal funds are used effectively and as intended. Ongoing technical assistance and training are also offered to enhance the administrative and management capacities of sub-recipients. The County has established monitoring guidelines, policies and performance measures for all of its various types of sub-recipients. This includes the enhanced monitoring requirements as part of the 2013 HOME Final Rule regulations.

## SP-10 Geographic Priorities – 91.215 (a)(1)

### General Allocation Priorities

The County primarily focuses on areas of the County that are 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 has received funding for a large infrastructure project, while Wonder Lake has received attention due to failing water and sewer systems. The community is also a target for the HOME rehabilitation program.

The County is working to develop a system for prioritizing goals and scoring for local 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 would be used. See SP-25 for more details.

## SP-25 Priority Needs - 91.215(a)(2)

### Priority Needs

The following is a framework for the priorities needs and the goals to address the specified need over the next five years (FY 2015-2019). The final determination on funded activities will occur during the review process for the prioritization of projects.

The County has determined that in order to strategically focus limited public resources it would need to establish clear criteria for funded activities. In the past, projects were funded on an “as needed” basis depending on the current crisis or need. While this may be necessary in cases of an immediate threat to the public health and safety of residents, the desire exists to prioritize the goals and scoring for applications for funding that maximizes the outputs and results in leveraged activities that benefit that largest number of County residents, particularly in low- and moderate- income areas.

The criterion for selecting projects includes the following:

- The correction of public safety and health issues (flood mitigation, contaminated wells), preventative measures (mental health counseling, legal assistance, rental assistance), crisis intervention (legal assistance, 24/7 crisis counseling), meeting basic needs (food banks), and community development.
- The County will continue with the two-step application review. The first would be to determine that an application meets the basic eligibility criteria (LMI benefit, eligible activity) and addresses one of the County's stated goals in the CP.
- The County will have target areas where large costly public infrastructure projects in a single location need to be phased in over several years in order to receive sufficient funding. Projects should be completed in 2-3 phases and be shovel-ready upon submission of the funding application. Applicants with infrastructure projects must pay for engineering design and construction oversight. Engineering costs will be counted as leveraging (percent of the total cost) when reviewing the application. The County encourages mid-range planning among municipalities and municipalities can engage engineering services earlier rather than later. This arrangement would also enable municipalities to begin leveraging additional funding from other sources to supplement CDBG funds.
- Target areas are defined as “Impact Areas” as defined in the Consolidated Plan. These are areas with a concentration of LMI households and minority concentration. Many of the communities in these areas need infrastructure improvements in addition to housing rehabilitation.

- Leveraged projects will score higher. Projects must have a minimum of 10% leveraging for the CDBG grant with more points given for higher levels of leveraging.
- Projects must be a minimum of \$20,000 in total cost.
- The ability to complete a project or a practical phase of a project within the CDBG Program Year will score higher.

The following are the overall objectives for the HOME program over the next five years:

- Improve affordable rental opportunities for extremely-low, very-low, low- and moderate-income households by providing rental assistance, rehabilitation of rental units, and supporting the production of affordable rental units, including those for large families and persons with disabilities.
- Increase the number of permanent housing units for homeless persons, possibly combining other funds (CDBG) for services.
- Owner occupied rehabilitation for extremely-low and very-low income households in specific areas designated most in need or high minority-low income areas (impacted areas). Health and safety repairs and handicapped modifications will be the priorities. Funds will be combined with CDBG funds to stabilize an area.
- Fund the acquisition/down payment assistance program, in addition to rehabilitation for homebuyers.
- Incorporate incentives to leverage and increase the percentage of loans vs. grants for HOME funded activities.
- Continue to further fair housing in the County through enforcement and compliance with fair housing laws.

**Table 62 Priority Needs Summary**

Priority Need Name	Priority Level	Population	Goals Addressing
<b>Infrastructure: Public Improvements</b>	High	Extremely Low Low Moderate	Infrastructure: Road Improvements Infrastructure: Water/Sewer/Sanitary Sewer Improvements
<b>Affordable Housing: Rental</b>	High	Extremely Low Low Large Families Families with Children Elderly Individuals Homeless	Affordable Housing: a) Rental housing development or acquisition/rehabilitation/rental assistance

			b) Tenant Based Rental Assistance (TBRA)
<b>Public Services</b>	High	Homeless	Public Services: Homeless populations
<b>Affordable Housing: Non-Rental</b>	Low	Extremely Low Low Large Families Elderly	a) Owner Housing Repairs b) Homebuyer Activities/Downpayment Assistance
<b>Public Service</b>	Low	Extremely Low Low Large Families Families with Children Elderly Individuals Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Domestic Violence Victims Unaccompanied Youth Persons with Mental/Physical/Developmental Disabilities	Public Services: Non-Homeless populations
<b>Public Facility Improvements</b>	Low	Extremely Low Low Moderate Large Families Families with Children Elderly Individuals	Facility: Medical facilities Non-medical facilities

## SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

**Table 63 Influence of Market Conditions**

<b>Affordable Housing Type</b>	<b>Market Characteristics that will influence the use of funds available for housing type</b>
Tenant Based Rental Assistance (TBRA)	The lack of affordable rental housing influenced the decision to provide TBRA in McHenry County.
TBRA for Non-Homeless Special Needs	The lack of affordable rental housing influenced the decision to provide TBRA in McHenry County, potentially for non-homeless special needs.
New Unit Production	The limited number of affordable units for both low- and moderate- income households continues to be a gap in the County housing market. The housing stock remains primarily single family owner occupied housing, with limited rental options. The lack of affordable housing in the County has prompted the County to develop new affordable housing.
Rehabilitation	The number of sale homes built in the last 20 years has continued to outpace the level of development of rental housing. As a result, the existing rental stock tends to be older and in poorer condition, requiring rehabilitation to maintain affordability.
Acquisition, including preservation	The 2012 ACS data reveals the increasing gap in housing affordability. The data shows that 45.5% of households are paying 35% or more of household income in gross rent, an increase from 41.6% of households in 2009. For owner households with a mortgage, 32% of the households are paying 35% or more of household income on selected monthly housing costs, an increase from 31.2% of households in 2009. Acquisition of existing units for permanent supportive housing has been one tool the County will continue to use over the next five years.

**SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)**

**Introduction**

The following table displays the anticipated resources broken down by program type. Projections are made for FY 2015 and the remaining four years of the Consolidated Plan.

**Table 64 Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>CDBG</b>	Public - federal	Admin and Planning					5,346,284	CDBG funds will be used to address community housing and non-housing community development needs.
		Acquisition						
		Emergency Housing						
		Repairs						
		Housing	1,336,571	0	0	1,336,571		
Public Improvements								
Public Services								
Homeless Services								
<b>HOME</b>	Public - federal	Homebuyer Assistance				433,030	1,732,120	HOME funds will be used to address community housing needs, including homeless and special needs.
		Multifamily Construction and Rehabilitation	433,030	0	0			
		Owner Occupied						
		Rehabilitation						

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

The allocation of federal HUD funds is essential to McHenry County subrecipients. Most agencies, municipalities and not-for-profit groups depend on funds from more than one source. The availability of HUD funds allows subrecipients to use federal funding to leverage additional state, local and private resources to accomplish projects of greater magnitude than what could be done with local funding only.

The HOME program statutorily requires at least a 25% match for projects except Community Housing Development Organization (CHDO) operating expenses and administration/planning projects. McHenry County asks each subrecipient and sub-grantee to contribute the required 25% match. Source and amount of match is reported for each project on a quarterly-basis and may include donations of materials or labor, the use of volunteers to help administer the project, or funding from state or local grants.

In addition, through the County's updated funding application process, a new County policy requires a minimum of 10% leveraging for CDBG funds with more points given for projects that provide a higher match percentage.

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

Not applicable.

## SP-40 Institutional Delivery Structure – 91.215(k)

**Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.**

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.

Two locally appointed commissions support HUD programming. The CDBG Commission, composed of governmental officials, citizens and not-for profit service agencies, is an advisory commission that meets monthly to oversee the execution of grant programs, with a specific focus on the CDBG grant.

The Housing Commission is composed of government officials, housing industry representatives, housing and service providers and the general public, and is divided into a voting bloc and ex-officio bloc to utilize the capacity of certain professionals while preventing conflict of interest issues. Further, the Housing Commission works with development of the HOME program grant, and two sub-committees meet monthly to execute educational and outreach programming to further the understanding of best practices, policies, and planning for housing in the County.

Other partnerships exist to deliver services in the County. The Continuum of Care meets monthly on projects and issues related to the homeless. McHenry County Housing Authority 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.

**Table 65 Institutional Delivery System**

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
McHenry County Community Development Division	Department of Planning and Development	<ul style="list-style-type: none"> <li>➤ Coordinate community development and housing activities in the County using CDBG and HOME funds</li> <li>➤ Coordinate the two Commissions responsible for making funding recommendations and community development and housing policies and recommendations</li> <li>➤ Participate in the CoC</li> </ul>	Countywide
McHenry County Housing Authority (MCHA)	Public housing authority	<ul style="list-style-type: none"> <li>➤ Provides public housing within the County</li> <li>➤ Provides leadership on affordable housing issues in the County</li> </ul>	Countywide
McHenry County Continuum of Care (CoC)	Homeless provider	<ul style="list-style-type: none"> <li>➤ Coordinates the CoC activities and HMIS oversight.</li> <li>➤ Conducts annual Point-in-Time (PIT) count.</li> </ul>	Countywide
McHenry County Workforce Network Board	Economic development and job training	<ul style="list-style-type: none"> <li>➤ Oversees the job development activities in the County</li> <li>➤ Coordinates economic</li> </ul>	Countywide

## Assess of Strengths and Gaps in the Institutional Delivery System

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.

## Availability of services targeted to homeless persons and persons with HIV and mainstream services

**Table 66 Homeless Prevention Services Summary**

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	
Legal Assistance			
Mortgage Assistance			
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
<b>Street Outreach Services</b>			
Law Enforcement			
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	X
Transportation	X	X	X
<b>Other</b>			
Other			

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

McHenry County's efforts to reduce the number of unsheltered homeless households with dependent children include: 1) a 24-hour Crisis Line that is able to link homeless callers with shelter and service providers, 2) a number of frontline housing providers that work together to access housing through the use of shelter beds, seasonal emergency beds and hotel vouchers, and 3) outreach efforts including providing local police, township offices, food pantries and churches with information about shelter and services available for the homeless, and providing the community with the information necessary for them to assist people in accessing homeless services through educational efforts, including a yearly "People in Need" forum. Provider agency and Crisis Line staff workers also update each other on available shelter and services as well as new unsheltered clients in need during regular meetings and through caseworker communications.

Transitional Living Service's (TLS) received a Supportive Services for Veteran Families (SSVF) grant in 2013. The HUD grant for a small, soon-to-be-implemented program will provide permanent supportive housing to chronically homeless veterans with serious, persistent issues such as mental illness and addictions. HUD funding will go toward rental assistance. Peer-mentoring and case-management services will be provided through the veterans' drop-in center and employment coaching through TLS-HVRP. The CoC has signed a Memorandum of Understanding (MOU) to work with TLS to meet reporting requirements in HMIS.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

As noted earlier, the CoC is aware of gaps in the service delivery system and they are working to develop a strategic plan that will provide a framework and guidance for the homeless programs and services over the next five to ten years. According to the most recent CoC application, coordination of services comes in various forms. For instance, the HUD-VASH Program, managed by the Lovell Federal Health Care Center, participates in the CoC and coordinates with other CoC members. Veterans with HUD-VASH vouchers are invited to and participate in food distributions for low-income veterans sponsored by Transitional Living Services (TLS).

Home of the Sparrow is continuing its collaboration with a CHDO partner to develop additional affordable housing through NSP dollars, with anticipated new housing in early 2014. The

McHenry County Department of Planning, through both the CDBG Commission and the Planning Commission, works with community providers, including CoC organizations, to develop strategies from its Annual Action Plan.

The CoC has also implemented a ranking procedure for organizations funded through the ESG program. This ranking procedure will be enhanced by the new planning program being implemented by HUD, with the intention that data provided consistently to the Ranking Committee of the CoC will result in clearly defined programs for the community.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

A gap in services identified in the 2013 McHenry County Continuum of Care application included the lack of reliable and adequate public and private transportation or transportation assistance, job placement and employment related trainings, adequate services to address the growing problem of transitional age youth homelessness, and access to medical care including inpatient treatment. It was also agreed that a well-designed and formalized coordinated centralized assessment system would probably help the CoC better utilize its present service system and provide data that could be used to determine the specific service needs for the future.

As discussed earlier, with the onset of a new set of bylaws in the fall of 2012, the McHenry County CoC reformulated its committee structures to better develop strategies for ending homelessness in McHenry County. This resulted in the establishment of a Strategic Planning Committee that was able to prioritize seven different objectives. In turn, procedures were identified to ensure that households at imminent risk of homelessness get the right services at the right time and at the right level. Included is a strategy to help 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.

## SP-45 Goals Summary – 91.215(a)(4)

**Table 67 Goals Summary Information**

	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
<b>1</b>	Infrastructure Improvements	2015	2019	Non-Housing Community Development	Water Treatment, Sewer, Storm water, Drainage, Sidewalks, Streets, Curbs and Gutter Improvements	CDBG: \$2,200,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted
<b>2</b>	Housing Repairs: CDBG	2015	2019	Affordable Housing	Affordable Housing: Owner-Occupied	CDBG: \$825,000	125 Housing Units Assisted
<b>3</b>	Public Facilities	2015	2019	Non-Housing Community Development	Public Facility Improvements	CDBG: \$550,000	3 Public Facilities

	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
4	Increase the availability or sustainability of affordable housing: HOME	2015	2019	Affordable Housing	Affordable Housing: Acquisition/rehabilitation of rental units; owner-occupied rehabilitation; First-Time Homebuyer program; TBRA	HOME: \$1,800,000	Rental Housing Units Acquired or Rehabilitated: 25 Units  Owner-Occupied Housing Rehabilitated: 25 Units  Homebuyer Purchase/Rehabilitation and Downpayment Assistance: 10 Units  Tenant Based Rental Assistance (TBRA): 25 Units
5	Public Services	2015	2019	Public Services	Public Services: Services low-to moderate-income persons	CDBG: \$825,000	Number of persons assisted: 3,000

**Table 68 Goal Descriptions**

1	<b>Goal Name</b>	Infrastructure Improvements
	<b>Goal Description</b>	Fund infrastructure improvement projects that benefit households in low- and moderate-income areas.
4	<b>Goal Name</b>	Affordable Housing
	<b>Goal Description</b>	Fund the development or acquisition/rehabilitation of rental units for extremely low-, very low-, low-income or elderly households/fund the rehabilitation of housing units occupied by extremely low-, very low income or elderly homeowners to meet McHenry County Rehabilitation Standards; Fund homebuyer projects that allow low-and moderate-income people to own a home; Fund Tenant Based Rental Assistance (TBRA).

<b>5</b>	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Fund support service agencies to increase capacity or efficiency of services to serve homeless populations; fund service agencies to increase services or maintain existing level of service for non-homeless, extremely low- to moderate-populations.
<b>2</b>	<b>Goal Name</b>	Housing Repairs
	<b>Goal Description</b>	Fund repairs to housing units occupied by extremely low-, very low-income or special needs populations within McHenry County Rehabilitation Standards.
<b>3</b>	<b>Goal Name</b>	Public Facilities
	<b>Goal Description</b>	Fund the rehabilitation of a public facility for a documented structural damage resulting in a health safety issue or causing inherent danger excluding any lack of maintenance or neglect; Fund the expansion of a public facility when documentation can support the likelihood that expansion or rehabilitation will increase the number of low- and moderate-income or limited clientele persons served.

**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 91.315(b)(2)**

Over the next five years, 90 units will be provided using HOME funds to low- and moderate-income households.

The following are estimates for each housing activity by income category for the 90 units:

TBRA:

- 25 Extremely low-income

Purchase/Rehab/ Downpayment Assistance:

- 10 moderate-income

Owner-occupied rehab:

- 45 extremely low-income
- 50 low-income
- 55 moderate income

Rental:

- 18 low-income
- 7 moderate-income

## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

McHenry County Housing Authority (MCHA) is not required by a Section 504 Voluntary Compliance Agreement to increase the number of accessible units.

### **Activities to Increase Resident Involvements**

As stated in MA-25, McHenry County Housing Authority 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.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

MCHA is not designated as a troubled housing authority.

### **Plan to remove the ‘troubled’ designation**

N/A

## SP-55 Barriers to affordable housing – 91.215(h)

### Barriers to Affordable Housing

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.

### Strategy to Remove or Ameliorate the Barriers to Affordable Housing

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

**Table 69 Fair Housing Action Plan (2012 AI)**

	Planned Action Year					Responsible Entity
	2012	2013	2014	2015	2016	
<b>Goal: Strengthen institutional structure to address fair housing issues at the local level</b>						
Task: The County will further fair housing with activities such as education and annual outreach		•	•	•	•	DPD, County Board
<b>Goal: Eliminate local government barriers to affordable housing development</b>						
Task: Provide one-on-one technical assistance to local governments aimed at identifying and overcoming procedural and regulatory barriers to affordable housing. Local elected officials, planning commission members and zoning hearing board members should receive training, which should be mandatory for local units of government receiving CDBG or HOME funds.			•	•	•	Planning Commission, DPD
Task: Review remaining municipal ordinances prior to the next CDBG/HOME funding cycle to identify the existence of any provisions inconsistent with the FHA	•					DPD
Task: Establish a formal policy of refusing to grant CDBG or HOME funds to municipalities determined to be engaging in unlawful discrimination	•					DPD
Task: Continue requiring all CDBG and HOME recipients to certify compliance with a series of laws related to equal opportunity and non-discrimination	•	•	•	•	•	DPD
Task: Closely monitor and advise local government zoning and land use practices. Promote the use and adoption of model ordinances, especially as they relate to the removal of barriers to affordable housing and accommodating group homes for persons with disabilities	•	•	•	•	•	Planning Commission

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<b>Goal: Address the growing unmet need for affordable rental housing</b>						
Task: In order to meet existing demand and the future need for affordable rental units identified in the Comprehensive Plan, create, incentivize and/or facilitate affordable housing at a rate far beyond the Consolidated Plan target of 30 units over five years		•	•	•	•	DPD, County Board
Task: Develop an affordable housing setaside requirement for residential developments that occur where public water and sewer are in place		•	•	•	•	DPD, County Board
Task: Enact the proposed Tenant-Based Rental Assistance initiative, which would provide affordable housing for up to 25 households for two years		•	•	•	•	DPD, County Board
<b>Goal: Amend policy and program documents to affirmatively further fair housing</b>						
Task: Amend CDBG and HOME application documents to specify a policy of affirmatively furthering fair housing and rejecting funding for developers who are non-compliant		•				DPD
Task: Continue to invest housing funds outside impacted areas		•	•	•	•	DPD, County Board
<b>Goal: Increase access to Department programs for persons with limited English proficiency</b>						
Task: Complete four-factor analysis of needs and language access plan according to HUD's LEP guidance		•				DPD, MCHA
<b>Goal: Continue to work toward effectively using transit as a tool to connect affordable housing with jobs</b>						
Task: Continue to collaborate with Pace and Metra to negotiate ways to meet the needs of residents, such as the expansion of the Pace shuttle service area	•	•	•	•	•	DPD, Planning Commission
Task: Seek ways to expand MCRide for local residents commuting to jobs	•	•	•	•	•	DPD, Planning Commission, County Board
Task: Identify and incentivize opportunities around existing areas of public transit for the development of medium-density and high-density affordable multi-family housing	•	•	•	•	•	DPD, Planning Commission
<b>Goal: Address the concentration of voucher holders in impacted areas</b>						
Task: Continue participation in regional voucher mobility initiatives to encourage the integration of affordable voucher units in communities of opportunity and promote the distribution of tenant-based voucher households across a wider variety of neighborhoods	•	•	•	•	•	MCHA
<b>Goal: Increase participation by members of the protected classes on appointed housing boards and commissions</b>						
Task: Recruit member of the protected classes to apply for appointments to County boards and commissions dealing with housing issues	•	•	•	•	•	DPD, Planning Commission, County Board

## **SP-60 Homelessness Strategy – 91.215(d)**

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

McHenry County's efforts to identify and engage persons routinely sleeping in the street include: 1) a 24-hour Crisis Line that is able to link homeless callers with shelter and service providers, 2) the PADS Day Service Center and Thresholds serve as daily drop-in centers where staff people are available to help homeless clients access services and shelter, 3) staff from service provider agencies go out and engage homeless people living in the street (as observed by staff or reported by clients and community), 4) a mobile office developed by the Veterans Assistance Commission that is available for use by agencies for street outreach activities, 5) a number of front-line housing providers that work together to access housing through the use of shelter beds, seasonal emergency beds and hotel vouchers, and 6) outreach efforts with local police, township offices, food pantries and churches about homeless people identified in their areas.

The lack of a systematic analysis of the CoC's methods of accessing mainstream benefits, the lack of CoC wide training on how to identify eligibility and program changes for mainstream programs were identified as needs. It was also agreed that a well-designed, formalized coordinated centralized assessment system would probably help the CoC assist its clients more quickly in accessing eligible mainstream benefits now and provide data that could be used to determine how to more efficiently access mainstream benefits in the future.

## **Addressing the emergency and transitional housing needs of homeless persons**

A few of the key issues to address the emergency and transitional housing needs of homeless persons includes the lack of a 24-hour permanent site year-round emergency shelter, the need for additional transitional shelter (or rapid re-housing) beds and facilities for families with children (especially large families), beds for transitional age youth, crisis respite beds, the decline in the number of vouchers available and the need for more overall affordable housing opportunities. It was also agreed that a well-designed, formalized and coordinated centralized assessment system would help the CoC better utilize its present housing facilities and provide data that could be used to determine the specific housing needs for the future.

**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.**

As stated earlier, McHenry County's efforts to reduce the number of unsheltered homeless households with dependent children include: 1) a 24-hour Crisis Line that is able to link homeless callers with shelter and service providers, 2) a number of frontline housing providers that work together to access housing through the use of shelter beds, seasonal emergency beds and hotel vouchers, and 3) outreach efforts including providing local police, township offices, food pantries and churches information about shelter and services available for the homeless, and providing the community with the information necessary for them to assist people in accessing homeless services through educational efforts including a yearly "People in Need" forum. Provider agency and Crisis Line staff workers also update each other on available shelter and services as well as new unsheltered clients in need during regular meetings and through caseworker communications.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

Pioneer Center for Human Services operates a Runaway and Homeless Youth (RHY) Basic Center Program (BCP) that provides emergency shelter placement, crisis intervention and reunification counseling to homeless or at-risk youth and families. The Pioneer Center RHY BCP will fund short term emergency placement when needed for the homeless youth. Youth and families may self-

refer or may also be referred by police, schools, and other provider agencies. All runaway and homeless youth up to age 25 may be eligible for assistance. Pioneer Center also conducts community outreach as well as prevention related activities to reduce the incidence of runaways in the service area and to increase the number of homeless runaway and at-risk youth referred to them for counseling services. As the other CoC agencies are seeing an increase in homelessness among the transitioning youth population, they have begun working with the RHY BCP program staff and through the CoC to develop strategies to address this issue.

## **SP-65 Lead based paint Hazards – 91.215(i)**

### **Actions to address LBP hazards and increase access to housing without LBP 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, 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 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 became certified.

Recently, the McHenry County Department of Health, along with the Centers for Disease Control and Prevention, the U.S. Environmental Protection Agency, and the U.S. Department of Housing and Urban Development, participated in National Lead Poisoning Prevention Week. Outreach programs to enhance awareness of lead-based paint and testing will occur in FY2015-2019.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

The owner-occupied housing rehabilitation program offers lead abatement as one aspect of the rehabilitation program. Staff members who operate the program estimate that up to 85% of the structures built before 1950 have lead paint. The community of Harvard (in addition to other older communities in the County) is estimated to have a housing stock with high levels of lead.

According to the Illinois Department of Public Health's 2011 Annual Surveillance Report, An estimated 19,984 children were tested for the first time and six had elevated lead content. Relative to other counties in Illinois, this is a relatively low rate. Elevated blood lead levels have been decreasing steadily over the past 20 years, even while the number of persons tested has increased.

### **How are the actions listed above integrated into housing policies and procedures?**

Most of the owner-occupied housing rehabilitations are for older, single, or disabled residents.

This program assists in keeping housing affordable for those most vulnerable County residents. In addition, the County requires lead testing and, if necessary, abatement prior to any construction activity.

## **SP-70 Anti-Poverty Strategy – 91.215(j)**

### **Jurisdiction Goals, Programs and Policies for reducing 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 existing housing stock and helping citizens build assets of all kinds: human, social, financial, and physical.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

In addition to the above, there is a desire to allocate future HOME allocations based on access to economic interests and transit opportunities for affordable and mixed-rate housing developments that exist currently, or are planned for in the County's 2030 Comprehensive Plan. Housing development is also desired in infill areas of major municipalities or areas with connectivity to necessary services. HOME projects that include employer-assisted or workforce housing initiatives in these areas will be a priority for the County.

## **SP-80 Monitoring – 91.230**

**Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

The County has specific written monitoring guides with evaluation checklist and review forms for each Program to ensure regulatory compliance and execution efficiency. Each organization that is monitored receives an oral and written report of the monitoring findings and concerns along with required corrective actions. Division staff assists organizations in resolving issues as to maintain program compliance.

Since McHenry County depends on subrecipients for implementation, the County plans to annually assess the performance of subrecipients and categorize organizations as high, moderate, or low risk to monitor and assist accordingly. Additionally, the risk assessment will serve as an additional tool in determining funding capacity. Performance assessment will consist of review of timely submission of reports and documentation of expenditures, adequate on-site documentation of the eligibility of beneficiaries and compliance with other HUD program requirements.

Project eligibility and compliance with CDBG National Objectives and HOME affordability period, match and other requirements are determined at the time of application review.

### **HOME Monitoring**

Each HOME project recipient is monitored on an annual basis, with unit rentals monitored according to total units and periods of affordability. The monitoring guide developed by the Division is composed of six sections:

- Section One – HOME Program overview
- Section Two – Procedures and Monitoring
- Section Three – Monitoring Preparation
- Section Four – Monitoring Checklists
- Section Five – Monitoring Schedule
- Section Six – HOME Project Checklists

The goal of program monitoring is to ensure contract compliance, livability standards, and that correct income verification, leasing, and rent procedures are followed. The County monitors

tenant selection and compliance with fair housing laws. Based on the program and/or project type, there are specific objectives for monitoring. Major types and goals are:

- For home-buyer assistance programs: ensure the homebuyer maintains primary occupancy during the terms of the compliance period; if the home is sold, ensure proper recapture and/or resale methods are in place so as to preserve the HOME investment;
- For homeowner occupied rehabilitation: enforce compliance periods if determined per the written agreement (not required per HOME regulations);
- For rental projects: enforcement of HOME-assisted units by ensuring a proper mix of tenants by AMI as per the written agreement – HOME units have HOME-qualified tenants; income verification is completed on an annual basis by the manager; rents collected do not exceed the HOME rent requirements and are in accordance with utility restrictions and/or additional subsidy requirements as applicable; the units are in compliance with local code and County/municipal standards; following the units if the development is sold to ensure the new owner follows the HOME regulations as per the agreement for the terms of affordability.

Each section outlines specifics to the administration and monitoring of the HOME Program. Further guidance and monitoring is available and conducted in accordance with the HOME Monitoring CPD Manual, the HOME Final Rule 24 CFR Part 92 and other applicable OMB and HUD regulations.

### **CDBG Monitoring**

Each subrecipient construction project is evaluated by inspectors prior to completion of the bid process to ensure that specifications for work are cost reasonable. Pre-construction conferences to review contract requirements and prevailing wage are conducted by the County with subrecipients and contractors. Projects are inspected during and post-construction prior to reimbursement. For service projects, organizations are monitored to observe actual number of clients served versus reporting. All CDBG projects are monitored through review of mandatory quarterly reports and supporting documentation for reimbursement. Contracts with subrecipients contain specific expenditure requirements and timelines, and are monitored on a monthly basis.

## Expected Resources

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

#### Introduction

#### Anticipated Resources

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	\$1,336,571	0	0	\$1,336,571	\$5,346,284	CDBG funds will be used to address community housing and non-housing community development needs.

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	\$433,030	0	0	\$433,030	\$1,732,120	HOME funds will be used to address community housing needs, including special needs.

Table 1 - 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**

The allocation of federal HUD funds is essential to McHenry County subrecipients. Most agencies, municipalities and not-for-profit groups depend on funds from more than one source. The availability of HUD funds allows subrecipients to use federal funding to leverage additional state, local and private resources to accomplish projects of greater magnitude than what could be done with local funding only.

The HOME program statutorily requires at least a 25% match for projects except Community Housing Development Organization (CHDO) operating expenses and administration/planning projects. McHenry County asks each subrecipient and sub-grantee to contribute the required 25% match. Source and amount of match is reported for each project on a quarterly-basis and may include donations of materials or labor, the use of volunteers to help administer the project, or funding from state or local grants.

In addition, through the County's updated funding application process, the CDBG program policy requires a minimum of 10% leveraging for CDBG grants with more points given for projects that provide a higher match percentage.

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

Not applicable.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
<b>1</b>	Infrastructure Improvements	2015	2016	Non-Housing Community Development	Water Treatment, Sewer, Storm water, Drainage, Sidewalks, Streets, Curbs and Gutter Improvements	CDBG: \$653,771	Infrastructure Activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted
<b>2</b>	Housing Repairs: CDBG	2015	2016	Affordable Housing	Affordable Housing: Housing Rehab	CDBG: \$175,000	20 Housing Units Assisted
<b>3</b>	Public Facilities	2015	2016	Non-Housing Community Development	Public Facility Improvements	CDBG: \$0	0 Public Facilities

	Goal Name	Start Year	End Year	Category	Needs Addressed	Funding	Goal Outcome Indicator
4	Increase the availability of sustainability of affordable housing: HOME	2015	2016	Affordable Housing	Affordable Housing: Acquisition/rehab of rental units; owner-occupied rehab; First-Time Homebuyer program; TBRA	HOME: \$389,727	Rental Housing Units Acquired or Rehabilitated: 6 Units  Owner-Occupied Housing Rehabilitated: 1 Unit  Homebuyer Purchase/Rehabilitation and Downpayment Assistance: 0 Units  Tenant Based Rental Assistance (TBRA): 0 Units
5	Public Services	2015	2016	Public Services	Public Services: Services low- to moderate- income persons :priority to the homeless population	CDBG: \$200,485	Number of persons assisted: 700

Table 2 – Goals Summary

**Goal Descriptions**

1	<b>Goal Name</b>	Infrastructure Improvements
	<b>Goal Description</b>	Fund infrastructure improvement projects that benefit households in low- and moderate-income areas.

<b>2</b>	<b>Goal Name</b>	Housing Repairs
	<b>Goal Description</b>	Fund repairs to housing units occupied by extremely low-, very low-income or special needs populations within McHenry County Rehabilitation Standards.
<b>3</b>	<b>Goal Name</b>	Public Facilities
	<b>Goal Description</b>	Fund the rehabilitation of a public facility for a documented structural damage resulting in a health safety issue or causing inherent danger excluding any lack of maintenance or neglect; Fund the expansion of a public facility when documentation can support the likelihood that expansion or rehabilitation will increase the number of low- and moderate-income or limited clientele persons served.
<b>4</b>	<b>Goal Name</b>	Affordable Housing
	<b>Goal Description</b>	Fund the development or acquisition/rehabilitation of rental units for extremely low-, very low-, low-income or elderly households/fund the rehabilitation of housing units occupied by extremely low-, very low-income or elderly homeowners to meet McHenry County Rehabilitation Standards; Fund homebuyer projects that allow low-and moderate-income people to own a home; Fund Tenant Based Rental Assistance (TBRA).
<b>5</b>	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Fund support service agencies to increase capacity or efficiency of services to serve homeless populations; fund service agencies to increase services or maintain existing level of service for non-homeless, extremely low- to moderate- income populations.

## Projects

### 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.

#### Projects

#	Project Name
1	Planning & Administration: Consolidated Plan
2	Infrastructure Improvements
3	Affordable Housing
4	Public Services
5	Housing Repairs
6	Public Facilities

Table 3 - 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.

## **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 areas of the County that are 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 has received funding for a large infrastructure project, while Wonder Lake has received attention due to failing water and sewer systems. The community is also a target for the HOME rehabilitation program.

The County has developed a system for prioritizing goals and scoring for local 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 would be used.

### **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. Most of the calls for the weatherization program, in addition to the housing rehabilitation program, are from these areas of the County. 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. Many of these units are located in areas without municipal water and sewer services, and often suffer from ongoing flooding issues.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	0
Non-Homeless	27
Special-Needs	0
Total	0

**Table 4 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	0
The Production of New Units	6
Rehab of Existing Units	1
Acquisition of Existing Units	0
Total	7

**Table 5 - One Year Goals for Affordable Housing by Support Type**

## **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.

## **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. 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, Illinois Migrant Council, Thresholds, Veterans Assistance Commission, Veterans Affairs the McHenry County Housing Authority, Crisis Line, Regional Office of Education (Lake-McHenry) and 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 McHenry County Continuum of Care (CoC) plans to reach out and assess the needs of individuals experiencing homelessness through a "Coordinated Intake and Assessment" system that is currently under development. The CoC plans to employ the use of best practices in other Continuums and an assessment of community needs in order to develop an approach that best meets the needs of 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. Case management is 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 discussed the development of a Strategic Plan that would provide a framework for homeless housing and service delivery. This would be similar to a 10-year Plan to End Homelessness.

The identified objectives from the Continuum of Care include funding for the following:

- Development or rehabilitation of at least 10 emergency or transitional housing facilities or units,
- Creation of at least two year-round emergency shelter facilities,
- Work with the Continuum of Care on development of the plan, and
- Increase in case management capacity and/or supportive services for at least an additional 100 homeless families or individuals over five years.

The goal is to provide homeless individuals and families with the necessary shelter and supportive services to enable them to move from homelessness to permanent housing and then live as independently as possible while maintaining stable permanent housing. McHenry County's Continuum of Care strategy includes a number of components, including: information and referrals (I/R) as well as outreach, prevention, supportive services and shelter (emergency, transitional, permanent supportive and permanent).

**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**

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.

**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 creation of a Rapid Rehousing Program for families and the addition of new affordable housing to the community. Home of the Sparrow collaborated with the McHenry County Planning Department and a CHDO in Cook County to bring 13 new units of housing for formerly homeless women and children to the community. This housing will address approximately 45 individuals annually with attached supportive services. Efforts will continue by CoC organizations through HOME and NSP Programs, as well as additional collaborations. In addition, Home of the Sparrow has been granted a \$300,000 HOME award for the acquisition and rehabilitation of an additional five to six units of affordable housing for formerly homeless women and children to be provided with safe, decent and affordable housing upon their exit from homelessness. These units will be mainly comprised of foreclosed properties that could potentially become blighted were it not for this program.

## 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:

	Planned Action Year					Responsible Entity
	2012	2013	2014	2015	2016	
<b>Goal: Strengthen institutional structure to address fair housing issues at the local level</b>						
Task: The County will further fair housing with activities such as education and annual outreach		•	•	•	•	DPD, County Board
<b>Goal: Eliminate local government barriers to affordable housing development</b>						
Task: Provide one-on-one technical assistance to local governments aimed at identifying and overcoming procedural and regulatory barriers to affordable housing. Local elected officials, planning commission members and zoning hearing board members should receive training, which should be mandatory for local units of government receiving CDBG or HOME funds.			•	•	•	Planning Commission, DPD
Task: Review remaining municipal ordinances prior to the next CDBG/HOME funding cycle to identify the existence of any provisions inconsistent with the FHA	•					DPD
Task: Establish a formal policy of refusing to grant CDBG or HOME funds to municipalities determined to be engaging in unlawful discrimination	•					DPD
Task: Continue requiring all CDBG and HOME recipients to certify compliance with a series of laws related to equal opportunity and non-discrimination	•	•	•	•	•	DPD
Task: Closely monitor and advise local government zoning and land use practices. Promote the use and adoption of model ordinances, especially as they relate to the removal of barriers to affordable housing and accommodating group homes for persons with disabilities	•	•	•	•	•	Planning Commission

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<b>Goal: Address the growing unmet need for affordable rental housing</b>						
Task: In order to meet existing demand and the future need for affordable rental units identified in the Comprehensive Plan, create, incentivize and/or facilitate affordable housing at a rate far beyond the Consolidated Plan target of 30 units over five years		•	•	•	•	DPD, County Board
Task: Develop an affordable housing setaside requirement for residential developments that occur where public water and sewer are in place		•	•	•	•	DPD, County Board
Task: Enact the proposed Tenant-Based Rental Assistance initiative, which would provide affordable housing for up to 25 households for two years		•	•	•	•	DPD, County Board
<b>Goal: Amend policy and program documents to affirmatively further fair housing</b>						
Task: Amend CDBG and HOME application documents to specify a policy of affirmatively furthering fair housing and rejecting funding for developers who are non-compliant		•				DPD
Task: Continue to invest housing funds outside impacted areas		•	•	•	•	DPD, County Board
<b>Goal: Increase access to Department programs for persons with limited English proficiency</b>						
Task: Complete four-factor analysis of needs and language access plan according to HUD's LEP guidance		•				DPD, MCHA
<b>Goal: Continue to work toward effectively using transit as a tool to connect affordable housing with jobs</b>						
Task: Continue to collaborate with Pace and Metra to negotiate ways to meet the needs of residents, such as the expansion of the Pace shuttle service area	•	•	•	•	•	DPD, Planning Commission
Task: Seek ways to expand MCRide for local residents commuting to jobs	•	•	•	•	•	DPD, Planning Commission, County Board
Task: Identify and incentivize opportunities around existing areas of public transit for the development of medium-density and high-density affordable multi-family housing	•	•	•	•	•	DPD, Planning Commission
<b>Goal: Address the concentration of voucher holders in impacted areas</b>						
Task: Continue participation in regional voucher mobility initiatives to encourage the integration of affordable voucher units in communities of opportunity and promote the distribution of tenant-based voucher households across a wider variety of neighborhoods	•	•	•	•	•	MCHA
<b>Goal: Increase participation by members of the protected classes on appointed housing boards and commissions</b>						
Task: Recruit member of the protected classes to apply for appointments to County boards and commissions dealing with housing issues	•	•	•	•	•	DPD, Planning Commission, County Board

## **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 with an estimated 40-50 contractors becoming 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.

### **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.

Two locally appointed commissions support HUD programming. The CDBG Commission, composed of governmental officials, citizens and not-for profit service agencies, is an advisory commission that meets monthly to oversee the execution of grant programs, with a specific focus on the CDBG grant.

The Housing Commission is composed of government officials, housing industry representatives, housing and service providers and the general public, and is divided into a voting bloc and ex-officio bloc to utilize the capacity of certain professionals while preventing conflict of interest issues. Further, the Housing Commission works with development of the HOME program grant, and two sub-committees meet monthly to execute educational and outreach programming to further the understanding of best practices, policies, and planning for housing in the County.

Other partnerships exist to deliver services in the County. The Continuum of Care meets monthly on projects and issues related to the homeless. 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.

**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.

## Program Specific Requirements

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

**Introduction:**

**Community Development Block Grant Program (CDBG)  
Reference 24 CFR 91.220(I)(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

None.

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(I)(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. The County is implementing procedures on
- 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. 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:

Home Investment per-unit	Minimum period of affordability in years
Under \$15,000	5

\$15,000 to \$40,000	10
Over \$40,000	15

- 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.
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.