

## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

Project Name	AID Group Home renovations for safety, accessibility and energy efficiency
Applicant	The Association for Individual Development (AID)
Project Description	Bonnie Lane, Roberts Lane, Kingsway, and Gerten group home renovations.
Determination of Project Eligibility	Eligible
Total Project Cost	\$99,590.00
Funds from Other Sources	\$10,000.00
Com. Dev. Funds Requested	\$89,590.00

### Responsiveness to Evaluation Criteria:



EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>	●	Project involves the rehabilitation of existing units of special-needs housing. It will help maintain, but not expand, the county's supply of such housing for developmentally disabled adults.
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>	○	Applicant proposes to cover 10% of the total project cost with funds from other sources. This is a poor leverage of Community Development funds.
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>	◉	The applicant has site control and does not face unresolved zoning or environmental issues. However, other funding is not yet committed, and the project budget is incomplete (Gerten property is not included). Most importantly, however, the budget lacks any funding for design work, which must be completed before rehab work can be let for bid.
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>	◉	Two properties included in the application have already received assistance. (The county has invested a total of \$221,622 in the Bonnie Lane and Kingsway group homes.) Applicant would benefit from having a comprehensive rehab plan in place for each property to avoid repeat submittals. Of the work included in the application, however, the HVAC work at Roberts Lane is of a more-critical nature, given that a failure of the system could jeopardize the health/safety of the occupants. (Note: Matching funds for the HVAC work may be available from the Weatherization Program, administered in our area by Community Contacts.)

### Staff Recommendation:

Approve/Disapprove Application	Approve
Amount Recommended	\$12,000
Condition(s)	Funding provided is for Roberts Lane HVAC work. Applicant must provide written evidence that all funding necessary to complete such work is in place and committed on/before 12/31/2011.

**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: AID Group Home renovations for safety, accessibility and energy efficiency

Project Location: 3N370 Bonnie Lane, St. Charles; 426 Roberts Lane, Batavia; 540 Kingsway Road, Aurora; 800/802 Gerten Street, Aurora

Applicant Name: Association for Individual Development

FEIN #: 36-2472748

Applicant Address: 309 W New Indian Trail Court

City, State, Zip: Aurora, IL 60506

DUNS #: 074573700

Contact Name and Title: Christie Plotzke

Phone: ( 847 ) 931 - 2292

Fax: ( 847 ) 888 - 6079

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

The purpose of the project is to renovate 4 AID group homes to increase safety, accesibility and energy efficiency. AID is committed to providing safe, accesible, permanent housing to individuals with disabilities living in Kane County.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                 |
|---|-----------------|
| 1. Total cost of project identified above:                      | <u>\$99,590</u> |
| 2. Total funds available (or to be secured) from other sources: | <u>\$10,000</u> |
| 3. Amount requested from Kane County Community Development Fund | <u>\$89,590</u> |

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

## PROJECT TIMELINE

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Attach a schedule for completing the project. Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## PROJECT ELIGIBILITY

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Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### Benefit to Low- or Moderate-Income Persons

- ☐ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: \_\_\_\_\_  
Number of low- or moderate-income individuals to be served by this project: \_\_\_\_\_  
Percent of individuals to be served by this project which are low- or moderate-income: \_\_\_\_\_  
Source of the above statistics: ☐ Census Bureau ☐ Income Survey (Prior approval required.)
- ☒ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: 17
- ☐ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: \_\_\_\_\_

### Prevent or Eliminate Slum or Blight Conditions

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☐ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

## APPLICANT CERTIFICATION

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Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national origin; and that they are duly authorized by board resolution to cause this document to be executed.

Lynn O'Shea  
Signature

Lynn O'Shea  
Name (Printed)

17 December 2010  
Date

President/CEO  
Title (Printed)

## AFFORDABLE HOUSING SERVICES QUESTIONNAIRE

### Project Questions

1. *Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

The AID Group Home renovation proposal will benefit 17 individuals with disabilities living in Aurora, Batavia and St. Charles. The primary goal of the AID residential program is to provide safe, affordable, energy efficient, accessible living for individuals with diverse disabilities. Renovation and rehabilitation is often required to provide optimal living conditions. The Bonnie Lane group home is in need of a concrete stairway leading out from the basement. Residents cannot currently utilize the basement without this safety and fire code requirement installed. The residents of Roberts Lane house in Batavia are in great need of a new, energy efficient furnace. The residents at Kingsway need more bathroom space and thus we propose to renovate the basement to add another bathroom for accessibility. Gerten House is the newest AID group home and is a duplex. Currently, 2 individuals are living there and eventually there will be four residents. In order to ensure the safety of the individuals 24 hours per day, a staff office/sleeping room is required. With this room, staff can be onsite without hindering individual independence and privacy. Promoting and fostering independence is important but is second to the safety of the residents. The basement will also have a window egresses installed for easy escape in case of emergency.

2. *Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

AID owns and operates 27 group homes in the Fox Valley Area as well as several public facilities. Several of the AID group homes are HUD projects. AID has been responsible for the planning, construction and/or rehabilitation and renovation of nearly all homes and buildings. The Director of Maintenance, Purchasing, Building Projects and Transportation has many years of experience in working with architects, contractors and laborers. We have received Kane County CDBG funds for several years. We are also the past and current recipient of Elgin and Aurora CDBG funding.

3. *Is this project/program a collaborative effort with other entities? If so, please elaborate.*

No

4. *Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

An estimated 20 individuals will work on this project including a contractor, architect, consultant, subcontractors and tradesmen.

5. *Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

n/a

6. *Explain how will you measure and document the performance of the project/program.*

Once the project is quoted and bid upon and a contractor has been chosen, the Director of Maintenance, Purchasing, Building Projects and Transportation is responsible for ensuring that all work be completed in a timely manner and within original budget. AID will follow all guidelines set forth by all entities involved in funding the project. All construction/rehabilitation will be inspected and approved upon completion. At the completion of the project, all invoices will be submitted to funders for reimbursement.

## **Organization Questions**

1. *Briefly describe your organization and its history.*

For nearly fifty years, The Association for Individual Development (AID) has served individuals with developmental, physical and/or mental disabilities, those who have suffered a trauma and those at risk. Vital, life-enriching services include: children's services; respite care; permanent housing; in-home support; developmental and vocational training; job placement and on-the-job coaching services; crisis intervention; victims services; community education; mental health treatment; behavioral intervention and advocacy. With more than 20 programs operating in 45 communities, AID is a leading provider of services that address the unique needs of individuals throughout every stage of their lives. A person-centered approach coupled with innovative practices ensures the highest level of accomplishment. Our mission is to empower individuals with disabilities, mental illness and special needs to achieve independence and community inclusion. AID is a United Way partner agency and accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF).

2. *Who are the people or groups your organization serves?*

AID annually serves more than 5,400 individuals of all ages who have developmental, physical and/or mental disabilities or those who have suffered a trauma or those at risk. Individuals with developmental disabilities come to AID through the children's program, or after graduation from the public school system as adults. They are typically diagnosed with DD before the age of 18 and have a desire to learn activities of independent living and community participation and inclusion through various AID programs. Individuals with mental health issues are those who are experiencing an acute or long-term decrease in role functioning directly related to the effects of a diagnosable mental health condition. Such conditions include major depressive disorder, bipolar disorder, schizophrenia, anxiety, and others. We provide 24-hour crisis intervention and Victims Services for any individual in crisis, trauma, or who has been the victim of a crime.

3. *What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

AID strives to provide all individuals with appropriate, meaningful services that will enhance and/ or enrich quality of life. We also strive to provide safe, affordable, permanent housing for those who are very low income persons. We will keep all residential facilities up to standard and code and we will provide a safe, energy efficient, accessible living environment for the 5 individuals who reside at Roberts Lane House in Batavia, the 5 who reside on Bonnie Lane in St. Charles, the 5 who reside at Kingsway House in Aurora and the 2 who currently reside at Gerten in Aurora. Unlike many of us, these individuals will likely live in these houses for the duration of their lives, which is much longer than most people own a home.

## APPLICATION CHECKLISTS

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In order to be considered for funding, applicants should submit a properly completed application form, the applicable questionnaire, and a variety of supporting documents, depending on the type of project or program proposed. A checklist of the required documents for each type of activity is provided below.

### Affordable Housing Services

- ☒ Completed application form
- ☒ Completed Affordable Housing Services Questionnaire
- ☒ Project/program budget (itemize all project expenses and funding sources)
- ☒ Documentation of other funding sources
- ☒ Project/program timeline
- ☒ Resumes for key personnel
- ☒ Board resolution authorizing the application for funds and execution of all necessary documents
- ☒ Copy of current IRS 501(c)(3) certification (non-profit applicants only)
- ☒ Copy of audit or certified financial statement (non-profit applicants only)

### Neighborhood Infrastructure Projects

- ☐ Completed application form
- ☐ Completed Neighborhood Infrastructure Questionnaire
- ☐ Project budget (itemize all project expenses and funding sources)
- ☐ Construction estimate
- ☐ Documentation of other funding sources
- ☐ Project timeline
- ☐ Plans/specifications (if available)
- ☐ Environmental assessment (if available)
- ☐ Board resolution authorizing the application for funds and execution of all necessary documents

### Public Facility Improvement Projects

- ☐ Completed application form
- ☐ Completed Public Facilities Questionnaire
- ☐ Project budget (itemize all project expenses and funding sources)
- ☐ Construction estimate
- ☐ Documentation of other funding sources
- ☐ Project timeline
- ☐ One-year facility operating budget (new/expanded facility projects only)
- ☐ Documentation of site control
- ☐ Documentation of proper zoning
- ☐ Plans/specifications (if available)
- ☐ Environmental assessment (if available)
- ☐ Board resolution authorizing the application for funds and execution of all necessary documents
- ☐ Copy of current IRS 501(c)(3) certification (non-profit applicants only)
- ☐ Copy of audit or certified financial statement (non-profit applicants only)

# AID KINGSWAY, ROBERTS and BONNIE LANE RENOVATION PROJECT

## PROJECT BUDGET for KINGSWAY

Renovate basement bathroom	\$15,385
Construct office/sleeping room (left basement)	\$ 35,990
Install egress window system (right basement)	\$ 2,990
Total	\$54,365

## PROJECT BUDGET for ROBERTS

Install two-stage high efficiency furnace	\$17,475
Total	\$17,475

## PROJECT BUDGET for BONNIE

Install concrete exterior basement stairway	\$27,750
Total	\$27,750

## PROJECT FUNDING SOURCES

	<u>Amount</u>	<u>Status</u>
AID fundraising efforts (Telethon)	\$10,000	pending (2/2011)
Kane County CDBG	\$89,590	
Total	\$99,590	

## PROJECT SCHEDULE

(Schedule based on possible June 2011 award)

Concept Engineering: Underway  
Engineering Plans/Specifications: Underway  
Publish Notice to Bidders: June 2011  
Open Bids: July 2011  
Award Construction Contract: July 2011  
Start Construction: August 2011  
Construction Substantially Complete: September 2011  
Complete restoration/Final Acceptance: October 2011  
Project Completion Date: October 2011



# DRIESSEN

*Construction Co.*

GENERAL CONTRACTORS SINCE 1924

Association for Individual Development  
309 West New Indian Trail Court  
Aurora, IL 60506

Oct 26, 2010

Re: Bonnie Ln

Attn: Mike Miller

We propose to furnish all materials and perform all labor necessary to complete the following:

## Exterior Basement Stairs:

Perform selective demolition required for new exterior basement stairs. Form, pour, and finish concrete footings, retaining walls, stairs and landing, provide area drain tied into existing perimeter foundation drainage system. Furnish and install tubular galvanized steel handrails and guard assembly. Provide new hollow metal door frame and door (galvanized, 30 minute with closer). Work includes relocation of existing HVAC condensing unit (10' towards east) and round concrete stepping stones (12 stones) arranged to lead away from top of steps.

All of the above work to be completed in a substantial and workmanlike manner for the sum of Twenty Seven Thousand Seven Hundred and Fifty Dollars (\$27,750.00)

Payments made each month as the work progresses to the value of        (100%) percent of the work completed. The entire amount of the contract to be paid within 30 days after completion.

Any alteration or deviation from the above specifications involving extra cost of material or labor will only be executed upon written orders for the same, and will become an extra charge over the sum mentioned in this contract. All agreements must be made in writing.

The Contractor agrees to carry Workmen's Compensation and Public Liability Insurance, also pay all Sales Taxes, Old Age Benefit and Unemployment Compensation Taxes upon the material and labor furnished under this contract, as required by the United States Government and the State in which this work is performed.

This proposal for acceptance under the terms set forth in this Proposal and Acceptance is good for 30 days.

Respectfully submitted,

\_\_\_\_\_  
Signature

J.W. Driessen

Printed Name and Title

Date Oct 26, 2010

## Acceptance

You are hereby authorized to furnish all materials and labor required to complete the work mention in the above proposal, for which the undersigned agrees to pay the amount mentioned in said proposal, and according to the terms thereof. Interest will be charged on overdue accounts at the rate of 18% annually. If the account is referred to collection, I agree to pay all costs of collection including but not limited to reasonable attorney's fees.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

**ARTLIP and SONS, Inc.**230 South Broadway  
Aurora, Illinois 60505

(630) 896-1560

Fax (630) 896-1198

www.artlipandsons.com

**PROPOSAL**

SPECIFICATIONS AND ESTIMATE

NO. 20430 Revised

ATTN: Mike Miller

PAGE NO. 1 OF 1 PAGES

PROPOSAL SUBMITTED TO A.I.D.		PHONE 966-4000	FAX	DATE Oct. 25, 2010
STREET 309 W. Indian Trail Court		JOB NAME 426 Roberts, Batavia		
CITY, STATE AND ZIP CODE Aurora IL 60506		JOB LOCATION Same		
ARCHITECT	DATE OF PLANS			JOB PHONE

**We hereby propose to furnish materials and labor necessary for the completion of:**

We will provide and install a Lennox G61MP36B-071 two-stage high efficiency furnace rated at 95% AFUE along with a Lennox CR33-36 evaporator coil and a Lennox XC13-030 condensing unit rated at 13 SEER. Installation will include removal of the existing forced air equipment in the east section of the house, setting the new equipment, tying in utilities, new refrigeration piping, opening the crawl space wall between the east and west part of the house, installing a lintel for support in the crawl space wall and then proceeding to install a supply air trunk line and supply air leads to the kitchen, living room, bathroom, and each bedroom. We will add return air vents for each bedroom across the attics that will tie into the furnace return air plenum, as well as, utilize the existing return air line in the living room.

PRICE: \$13,975.00

**NOTES:**

- 1) Ten years heat exchanger warranty.
- 2) Five years compressor warranty.
- 3) One year parts and labor provided by Artlip and Sons, Inc.
- 4) We will keep the hot water system in tack as long as possible for heat on the west part of the house.
- 5) Demo of the hot water system including removal of the boiler, radiators, and piping in crawl space.

PRICE: \$3,500.00

**WE PROPOSE** hereby to furnish material and labor — complete in accordance with above specifications, for the sum of:

Sum of options chosen \_\_\_\_\_ dollars (\$ \_\_\_\_\_ ).

Payment to be made as follows: Net 30

Any amount due under this agreement which is not paid when due shall bear interest at the rate of 1-1/2 percent per month from the date such amount was due until paid upon acceptance of this proposal. In the case of default in meeting terms of payment, owner agrees to pay all costs and reasonable attorney's fees if action is brought to collect the amount due upon acceptance of this proposal.

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to the specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized  
Signature  
Tom KellerNote: This proposal may be  
withdrawn by us if not accepted within 30 days.

**ACCEPTANCE OF PROPOSAL** The above prices, specification and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

**CREATIVE****CARPENTRY****Remodelers, Inc.**

434 Wilder Street

Aurora, IL 60506

(630) 892-0720

Fax: (630) 892-0776

[www.creativecarpentry.net](http://www.creativecarpentry.net)[ccremodelers@ymail.com](mailto:ccremodelers@ymail.com)

August 30, 2010

Mike Miller,

Following are the budgetary numbers for the bathroom projects. More discussion will be necessary in order to determine exactly what will be done for each project.

1617 Kenilworth - \$ 8,838.00

540 Kingsway (main floor) - \$15,547.00

→ 540 Kingsway (basement) - \$15,385.00

1770 Violet (basement) - \$13,366.00

7 S. 299 Barnes (bathroom/laundry)

Option #1 - add door to dining room wall - \$2,928.00

Option #2 - add door in place of window - \$9,664.00

Feel free to call me with any questions.

Mike Holmes, C.R.

# VanDuzor Construction Co., Inc.

GENERAL & CARPENTRY CONTRACTING



2212 ROCKWELL ROAD  
AURORA, ILL. 60506  
(630) 896-3387 FAX (630) 896-3390

NOVEMBER 19, 2010

ASSOCIATION FOR INDIVIDUAL DEVELOPMENT  
309 W. NEW INDIAN TRAIL COURT  
AURORA, IL. 60506

ATTN: MR. MIKE MILLER , Director- Maintenance , Purchasing, Building Projects & Trans.

## **PRELIMINARY COST ESTIMATES**

### 1. 800/802 GERTEN, AURORA

◆ Left basement: construction of staff office/sleeping room

To include:

- framing
- new egress window system
- electrical
- hvac
- vinyl flooring and vinyl base

TOTAL LABOR AND MATERIALS.....\$33,000

◆ Left basement: install new egress window system

TOTAL LABOR AND MATERIALS.....\$2,990



DECEMBER 3, 2010

ASSOCIATION FOR INDIVIDUAL DEVELOPMENT  
309 W. NEW INDIAN TRAIL COURT  
AURORA, IL. 60506

ATTN: MR. MIKE MILLER , Director- Maintenance , Purchasing, Building Projects & Trans.

**PRELIMINARY COST ESTIMATES**

1. 800/802 GERTEN, AURORA

- ◆ Right basement: install new egress window system

TOTAL LABOR AND MATERIALS.....\$2,990

## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

Project Name	Kane County Foreclosure Response
Applicant	Mercy Housing Lakefront
Project Description	Support of the 2011 objectives: Continue rehab of NSP phase 1 homes, rehab NSP 2 homes, establish a CHDO, and undertake market research.
Determination of Project Eligibility	Eligible
Total Project Cost	\$606,734.00
Funds from Other Sources	\$581,734.00
Com. Dev. Funds Requested	\$25,000.00

### Responsiveness to Evaluation Criteria:



EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>	●	In concept, project addresses affordable housing needs.
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>	⦿	Applicant proposes to cover 96% of the total project cost with funds from other sources. While this would normally be considered an excellent leverage, applicant does not identify specific funding sources, nor do they indicate their status.
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>	○	Project appears to be at the conceptual stage. Few specifics are offered by applicant, especially regarding housing projects for which public funding and/or tax credits will be sought. Without this information, staff is unable to determine whether projects are feasible and likely to proceed.
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>	●	Project addresses timely and urgent needs. However, project primarily involves personnel costs for an organization not yet located in Kane County. Neighborhood Stabilization Program work is already underway, and fully funded by Kane County.

### Staff Recommendation:

Approve/Disapprove Application	Disapprove
Amount Recommended	\$0
Condition(s)	N/A

**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: Kane County Foreclosure Response

Project Location: Aurora, North Aurora, Carpentersville, Elgin, South Elgin, and St. Charles

Applicant Name: Mercy Housing Lakefront

FEIN #: 363453183

Applicant Address: 120 South LaSalle Street, Suite 1850

City, State, Zip: Chicago, Illinois 60603

DUNS #: 615994642

Contact Name and Title: Julio Guerrero, Resource Development Manager

Phone: ( 312 ) 447 - 4545

Fax: ( 877 ) 228 - 5662

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

The economic recession, job losses, and foreclosures have hit Kane County hard. In response, MHL worked with the County and cities in the Fox River Valley to create a seven-year strategy to address this by 1) developing catalytic housing sites and 2) acquiring/redeveloping vacant foreclosed homes. As part of this strategy, MHL is working Kane County Department of Development and Community Services to form a Community Development Housing Organization (CHDO). The CHDO and MHL will leverage new federal funds (HOME, CDBG, NSP) and Tax Credit Equity to invest in communities, create jobs, eliminate blight, and reoccupy foreclosures. The project can create 1,000 full-time jobs over seven years. MHL seeks funds to support the strategy's 2011 objectives.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                   |
|---|-------------------|
| 1. Total cost of project identified above:                      | <u>\$5606,734</u> |
| 2. Total funds available (or to be secured) from other sources: | <u>\$581,734</u>  |
| 3. Amount requested from Kane County Community Development Fund | <u>\$25,000</u>   |

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

## PROJECT TIMELINE

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Attach a schedule for completing the project. Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## PROJECT ELIGIBILITY

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Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### Benefit to Low- or Moderate-Income Persons

- ☐ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: \_\_\_\_\_  
Number of low- or moderate-income individuals to be served by this project: \_\_\_\_\_  
Percent of individuals to be served by this project which are low- or moderate-income: \_\_\_\_\_  
Source of the above statistics: ☐ Census Bureau ☐ Income Survey (Prior approval required.)
- ☐ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: \_\_\_\_\_
- ☒ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: 1000

### Prevent or Eliminate Slum or Blight Conditions

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☐ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

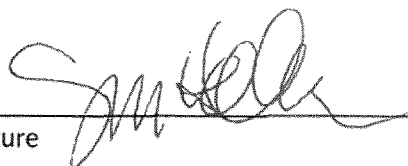
## APPLICANT CERTIFICATION

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Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national origin; and that they are duly authorized by board resolution to cause this document to be executed.



Signature

A handwritten signature in black ink, appearing to read 'Cindy Holler', written over a horizontal line.

Cindy Holler

Name (Printed)

12/17/2010

Date

President

Title (Printed)

## **AFFORDABLE HOUSING SERVICES QUESTIONNAIRE**

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### **Project Questions**

*1. Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

Kane County has been hit hard the economic recession. Foreclosures, unemployment, and underemployment are on the rise. All of these are causing land values and individual wealth to decrease. Mercy Housing Lakefront and Kane County officials have created a housing strategy to address these pressing economic challenges. The strategy stems from research and recommendations from county officials and regional mayors/town presidents on sites that, if redeveloped, could stabilize aging river towns in Aurora, North Aurora, Carpentersville, Elgin, South Elgin, and St. Charles. The overall structure of the housing strategy is to acquire and redevelop an entire area that contains one large anchor project that is close to a community with a high concentration of foreclosures.

In Carpentersville, for example, MHL is working with a major the Kane County to purchase, rehab, and reoccupy seven foreclosures in close proximity to each other utilizing neighborhood stabilization funds. Once MHL and its partners are able to transition the homes into the hands and care of new working families, the organization will use the proceeds from the sales of the homes to purchase another set of homes, rehab them, and eventually reoccupy them with working families. Through this neighborhood revitalization strategy, Mercy Housing is 1) saving communities devastated by foreclosures from further deterioration, 2) preventing additional mortgage defaults by demonstrating value to existing and prospective homeowners, and 3) creating local jobs through the home rebuilding and reoccupation process.

In other communities along the Fox River Valley, the organization looks to leverage equity from tax credits, donations tax credits, and other funding programs to purchase large buildings/properties that currently represent blight in the community and redevelop them into rental housing that meets the needs of working families and adults. Through this approach, the organization can inject investment into communities that will create jobs, prevent further mortgage defaults by demonstrating value to existing homeowners, and encourage additional private investment from new homeowners and private developers.

MHL's approach is to function as direct developer of larger project sites and as the master developer of foreclosed homes that it purchases. Through this approach, MHL can maximize local employment opportunities by contracting with smaller local for-profit and not-for-profit developers to complete the foreclosure work. In Carpentersville for example, Mercy Housing Lakefront is working with local builders to redevelop a series of foreclosures that are creating jobs and tax revenues in the County.

MHL is exploring a pipeline of opportunities (described in the full proposal narrative). The estimated economic activity and benefit to the community is tremendous. The organization has the potential to leverage more than \$166 million in community investments over the next seven years to develop or preserve up to 1,000 units of housing to meet the County's needs. Through this approach, the organization can create nearly 1,000 jobs in the housing industry and help the city and state levy more than \$8.3 million in tax revenues .

In addition, MHL and Mercy Portfolio Services are preparing to launch the Mercy Mortgage Resolution Fund. This fund will be utilized to purchase distressed mortgages in the seven-county metropolitan region. The fund will purchase distressed mortgages in Kane County, reduce principal amounts, connect homeowners to counseling agencies, and ultimately help families keep their homes.

Mercy Housing Lakefront needs support from the Riverboat Fund and other philanthropic partners in order to complete the 2011 project goals. Contributions from the Riverboat Fund would allow Mercy Housing Lakefront to staff, consultants, architects, and other real estate firms to evaluate opportunities and secure the funding and financing to start and complete the projects. The real estate professionals will work within the county, with city governments, and with local corporations and nonprofits to develop community assets that lead to job creation and quality housing opportunities.

Over the coming year, Mercy Housing Lakefront will utilize a grant from the Riverboat Fund to accomplish the following key goals:

- 1) continue implementing Kane County's NSP 1 program by completing construction on the programs initial eight houses and reoccupy those homes with families;
- 2) utilize the proceeds from the sale of the eight NSP homes to purchase additional foreclosures over the coming year that will allow the organization to work towards its goal of rehabbing and reoccupying 30 total foreclosures;
- 3) further establish the recently incorporated Kane County-based Community Housing Development Organization (CHDO) by recruiting the board of directors, finalizing the by-laws, holding board meetings, and working to leverage new federal dollars (HOME, CDBG, etc.) to invest in the county and create jobs; and
- 4) continue to undertake predevelopment activities (market studies, land use plans, community relations, environmental studies, tax credit applications, etc.) that will allow MHL to convert large properties/buildings (that are blighted, underutilized, or abandoned) into rental housing opportunities for working families and adults.

*2. Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

Established in 1986, Mercy Housing Lakefront (MHL) is the Midwest's premier nonprofit developer of affordable and workforce housing. Housing is the primary tool by which MHL accomplishes its mission—to create stable, vibrant, and healthy communities. MHL does this by developing, financing, and operating affordable, program-enriched housing for families, seniors and people with special needs and through partnerships with other nonprofits, government and the private business sector.

Through the years, MHL has become the partner-of-choice for the government, private, and nonprofit sectors because of the organization's successful community development approach, expertise at green design, and housing and services track record. The organization has received numerous awards for its effectiveness in ending homelessness and stewardship of the environment from organizations such as the United States Department of Housing and Urban Development, Fannie Mae Foundation, National Alliance to End Homelessness, Chicago Neighborhood Development Awards, and the Local Initiatives Support Corporation.

MHL is one of six regional business centers that comprise Mercy Housing (MH), the nation's largest nonprofit developer of affordable housing. Nationally, MH has participated in the development, preservation and/or

financing of more than 38,000 affordable homes, both rental and single family, serving more than 127,000 people across the country on any given day.

MH is the only affordable housing organization that has formal partnerships with nine major health systems across the nation. MH and its Strategic Health Care Partners collaborate to increase access to affordable housing and health care in the communities they serve. These health systems provide MH with financial support, connections to community leaders, and a link to local and federal funding sources. To date, these partnerships have helped MH leverage resources to develop and preserve 11,700 homes worth more than \$1.19 billion. For example, Mercy Housing Colorado worked with Mercy Hospital in Durango, Colorado to develop the 66-unit Pinon Terrace Apartments. The project, which was developed on the hospital campus, provides housing that is affordable for Mercy Hospital employees. MHL has an active partnership with Provena Health to evaluate housing needs and similar development opportunities in the Fox River Valley.

In 2009, Mercy Housing Lakefront increased its capacity to respond to the housing, employment, and foreclosure crisis. MHL launched a campaign to work with partners to leverage \$1 billion community investments to:

- Develop or preserve 5,000 affordable apartments;
- Facilitate the acquisition, rehab, and reoccupation of 2,250 foreclosed homes;
- Board-up and protect 4,500 vacant homes;
- Create 8,000 jobs; and
- Preventing or ending homelessness for over 10,000 people.

To implement these strategies, MHL sponsored the creation of two new companies, Mercy Portfolio Services (MPS) and Cleanslate Property Services (CSPS). MPS is a nationally recognized leader in neighborhood stabilization. It is the sub-grantee for the City of Chicago's \$153 million program to acquire, rehab, and reoccupy over 2,000 foreclosures. MPS has already acquired and started development on over 200 foreclosures. In addition, MPS is the co-creator of Community Central, a state-of-the-art IT platform that is utilized to manage NSP funding around the country. CSPS was created in partnership with The Cara Program to provide transitional employment for hard-to-serve individuals who are boarding-up and protecting vacant properties throughout Chicago. Today, Mercy Housing Lakefront's foreclosure response initiatives are leading examples nationally and regionally.

*3. Is this project/program a collaborative effort with other entities? If so, please elaborate.*

This project is a collaborative effort with other entities. In order to respond to the housing and foreclosure crisis in Kane County, Mercy Housing Lakefront is working closely with government community development offices throughout the Fox River Valley to ensure that its projects are in alignment with community plans at county and municipal levels. In addition, Mercy Housing Lakefront is working with Kane County-based businesses and not-for-profits to maximize local capacity. For example, as Mercy Housing Lakefront implements portions of Kane County's NSP1 program, the organization has formed relationships and at times formal work relationships with the following groups:

Mercy Portfolio Services: Agreed to identify, negotiate, and facilitate the sale of vacant REO's within targeted areas. The organization will also provide HUD Compliance expertise with subcontractors and provide HUD reporting to Kane County through its IT Platform—Community Central.

NHS of the Fox River Valley: They agreed to provide free homeownership classes to NSP homeowners (in English and Spanish), and consultation / pre-approval services for home purchases. They will also qualify end purchasers and help Mercy Housing Lakefront design new types of financing for end purchasers.

Self Help Ventures: Agreed to help Mercy Housing Loan Fund and Mercy Housing Lakefront design "lease-to-purchase" and "contract for-sale" end financing for NSP homes.

Joseph Corporation: Agreed to own, rehab, and sell or find occupants for single-family homes anywhere in Kane County. In the event that the home is sold on a "lease to purchase" basis, the Joseph Corporation has also agreed to provide property management services until the mortgages are assumed by the owner occupant.

Otto Engineering and Tom Roeser: Agreed to own, rehabilitate, and sell or find occupants for single-family homes in Carpentersville.

Housing Continuum Inc.: Agreed to provide rehab and construction management services to Mercy Housing Lakefront in the event that a house is purchased that is not owned by the Joseph Corporation or Otto Engineering or its affiliates.

*4. Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

Through this project, Mercy Housing Lakefront can have a tremendous economic impact on the county. MHL has the potential to leverage more than \$166 million to invest in communities across the Fox River Valley over the next seven years to reoccupy foreclosures and create more than 1,000 quality units of rental housing of rental housing to encourage additional development. The National Homebuilders Association produced an a study that measures the economic impact of homebuilding. Utilizing this model, Mercy Housing Lakefront predicts that it can create nearly 1,000 jobs in the housing industry and help the city and state levy more than \$8.3 million in tax revenues.

*5. Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

The National Homebuilders Association estimates that every unit of affordable rental housing produced creates 1.16 jobs in the housing industry and every \$100,000 invested in the production or rehab of single family homes can produce 1.11 full time jobs in the housing industry. Mercy Housing Lakefront has a pipeline of more than 800 rental housing opportunities and currently investing \$1.2 million of the County's NSP 1 funds to rehab purchase, rehab, and reoccupy foreclosed single family homes. Using this model, we estimate that we will create nearly 1,000 jobs in the county (965 jobs through the rental housing production and 13 through the NSP work.

*6. Explain how will you measure and document the performance of the project/program.*

Over the coming seven years, MHL's Affordable Rental Housing Campaign will have a major outcomes and impact in the region. The organization will: Leverage \$900 million in community investments for rental housing projects; Create or preserve 5,000 units of affordable apartments; and Generate more than 6,000 job opportunities.

Over the next twelve months, Mercy Housing Lakefront will use the grant to as part of its seven-year plan to leverage more than \$166 million in community investments in Kane County to create nearly 1,000 housing opportunities nearly 1,000 jobs. We will measure our progress by whether or not we are able to meet the following milestones on our timeline.

## **Organization Questions**

### *1. Briefly describe your organization and its history.*

Established in 1986, Mercy Housing Lakefront (MHL) is the Midwest's premier nonprofit developer of affordable and workforce housing. Housing is the primary tool by which MHL accomplishes its mission—to create stable, vibrant, and healthy communities. MHL does this by developing, financing, and operating affordable, program-enriched housing for families, seniors and people with special needs and through partnerships with other nonprofits, government and the private business sector.

Through the years, MHL has become the partner-of-choice for the government, private, and nonprofit sectors because of the organization's successful community development approach, expertise at green design, and housing and services track record. The organization has received numerous awards for its effectiveness in ending homelessness and stewardship of the environment from organizations such as the United States Department of Housing and Urban Development, Fannie Mae Foundation, National Alliance to End Homelessness, Chicago Neighborhood Development Awards, and the Local Initiatives Support Corporation.

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### *2. Who are the people or groups your organization serves?*

Mercy Housing Lakefront serves people across the region including the following groups: working low- and moderate- income families, senior citizens, and individuals with special needs (those were formerly homeless, have disabilities, and struggle with chronic illnesses. In Kane County, Mercy Housing Lakefront is developing housing products to meet local needs. In Carpentersville, for example, Mercy Housing Lakefornt is working to convert foreclosed single family homes into housing that is affordable to low- and moderate- income working

families. In Aurora, in addition to meeting the needs to working low- and moderate- income working families, the organization is also looking to develop housing that meets the needs of seniors.

*3. What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

Mercy Housing Lakefront's mission is to to create stable, vibrant, and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities. Our Kane County Foreclosure Response project is an important part of our mission. Foreclosures threatened the health of communities. By converting foreclosures and blighted buildings into quality housing opportunities, Mercy Housing Lakefront is meeting its mission of creating stable, vibrant, and health communities.

**Project:** Kane County Foreclosure Response  
**Organization:** Mercy Housing Lakefront

**Project Budget**

Personnel	\$	539,564
Rent	\$	20,000
Office Equipment	\$	690
Postage	\$	1,400
Supplies and Materials	\$	3,150
Travel and Lodging	\$	5,190
Professional Development	\$	5,250
Consultants, Architects, Etc.	\$	30,000
Miscellaneous	\$	1,490
<b>Grand Total</b>	<b>\$</b>	<b>606,734</b>

**Project Revenue Sources**

Foundations	\$	150,000
Corporations	\$	142,500
Government	\$	25,000
In-Kind	\$	89,234
New Sources	\$	175,000
Kane County Com. Dev Fund	\$	25,000
<b>Grand Total</b>	<b>\$</b>	<b>606,734</b>

**Project Schedule**

**Target Completion Date**

Complete rehab on first 8 NSP homes	2/15/2011
Sell first NSP homes and start acquiring second phase of foreclosures	Goal: Within 3 months of MLS listing or sooner
Complete rehab on second phase of foreclosures	Goal: Six to seven months after acquisition.
Complete pre-tax-credit application due diligence on multi-family site	3/31/2011
Submit Tax Credit Application	5/15/2011
Continue due diligence on multi-family site	9/1/2011
Receive decision on tax credit application	9/31/2011
Secure financing for multi-family site	12/31/2011







## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

<b>Project Name</b>	NHS of the Fox Valley Homeownership Education and Counseling
<b>Applicant</b>	NHS of the Fox Valley
<b>Project Description</b>	Homeownership education and individual counseling services, pre-purchase, post-purchase, and foreclosure prevention counseling and intervention.
<b>Determination of Project Eligibility</b>	Eligible
<b>Total Project Cost</b>	\$323,537.00
<b>Funds from Other Sources</b>	\$283,537.00
<b>Com. Dev. Funds Requested</b>	\$40,000.00

### Responsiveness to Evaluation Criteria:



EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>		Program addresses Consolidated Plan need. Education and counseling services compliment the HOME Program's First-Time Homebuyer Program and the Neighborhood Stabilization Program. Program helps area homeowners avoid predatory lenders and foreclosure.
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>		Applicant proposes to cover 88% of the total project cost with funds from other sources. This is an excellent leverage of Community Development funds.
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>		Applicant has a long and highly successful track record of providing homeownership services. Key personnel are very well qualified to implement the program.
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>		Program is timely, given the ongoing foreclosure crisis. Education and counseling services will be available to all residents from the applicant's Elgin-based office, as well as other locations as needed.

### Staff Recommendation:

<b>Approve/Disapprove Application</b>	Approve
<b>Amount Recommended</b>	\$34,000
<b>Condition(s)</b>	

**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: NHS of the Fox Valley Homeownership Education and Counseling

Project Location: Elgin, Illinois

Applicant Name: NHS of the Fox Valley

FEIN #: 36-3133793

Applicant Address: 163 E. Chicago Street

City, State, Zip: Elgin, Illinois, 60120

DUNS #: 077046464

Contact Name and Title: Johnny Placeres

Phone: ( 847 ) 695 - 0399

Fax: ( 847 ) 695 - 7011

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

NHS of the Fox Valley provides homeownership education and individual counseling (pre-purchase, post-purchase and foreclosure prevention counseling and intervention) to residents of Kane County at no cost to the client. These services help Kane County residents make informed decisions about buying their first home, fixing up their home or avoiding the loss of their home to foreclosure. Sustainable homeownership is the key to stable communities and the foreclosure crisis remains a threat. In Kane County, through the first three quarters of 2010, there were 4,501 new foreclosure filings, as compared to 3,492 new foreclosure filings through the first three quarters of 2009, an increase of nearly 30 percent (Woodstock Institute). NHS believes the response to this crisis is twofold -- help as many families as possible avoid foreclosure through loan modifications while also preparing the next wave of homebuyers to transform vacant properties into occupied homes again. The Kane County Community Development Fund will support the following services: our 8-hour four part pre-purchase classes designed to create long-term, sustainable homeowners; individual pre-purchase counseling for prospective homebuyers; periodic outreach workshops for homebuyers or to help existing homeowners understand their options to avoid foreclosure; and individual counseling and intervention with loan servicers for homeowners facing mortgage default or foreclosure.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                  |
|---|------------------|
| 1. Total cost of project identified above:                      | <u>\$323,537</u> |
| 2. Total funds available (or to be secured) from other sources: | <u>\$283,537</u> |

3. Amount requested from Kane County Community Development Fund

\$40,000

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

## **PROJECT TIMELINE**

**Attach a schedule for completing the project.** Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## **PROJECT ELIGIBILITY**

Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### **Benefit to Low- or Moderate-Income Persons**

- ☐ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: \_\_\_\_\_  
Number of low- or moderate-income individuals to be served by this project: \_\_\_\_\_  
Percent of individuals to be served by this project which are low- or moderate-income: \_\_\_\_\_  
Source of the above statistics: ☐ Census Bureau ☐ Income Survey (Prior approval required.)
- ☒ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: 300 families accessing at least one of the services provided by NHS of the Fox Valley.
- ☐ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: \_\_\_\_\_

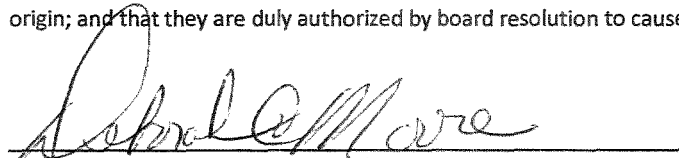
### **Prevent or Eliminate Slum or Blight Conditions**

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☐ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

## **APPLICANT CERTIFICATION**

Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national

origin; and that they are duly authorized by board resolution to cause this document to be executed.



Signature

DEBORAH C. MOORE

Name (Printed)

12-16-2010

Date

Associate DIRECTOR, NEIGHBOR-

Title (Printed)

HOOD STRATEGY

# **AFFORDABLE HOUSING SERVICES QUESTIONNAIRE**

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## **Project Questions**

*1. Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

The primary strategy that NHS of the Fox Valley employs to create sustainable, healthy communities is homeownership education and counseling -- for both renters considering buying their first home and current homeowners at risk of foreclosure. With funding from Kane County, NHS of the Fox Valley will provide homeownership education and counseling services to residents of Kane County at no cost to the client. The services available through this program include:

(1) Homebuyer Education classes -- the homebuyer education classes allow renters to both assess their readiness for homeownership and provides them the education so that they know how to protect themselves through every step of the homebuying process and become 30 year homeowners instead of 2 year homeowners. The curriculum, developed by NeighborWorks America, is delivered over 8 hours, divided into 4 classes, offered weekly in both English and Spanish. Since opening its doors, 455 Kane County residents have attended NHS homebuyer education classes (August 1, 2007 -- September 30, 2010).

(2) Periodic Outreach workshops -- these outreach workshops are divided into two categories: pre-purchase and foreclosure prevention. The pre-purchase outreach workshops give participants an overview of the homebuying process, strategies on how to avoid missteps in buying a home, and information about programs available for low- and moderate-income first-time homebuyers, such as the Kane County Homebuyer Assistance Program. The foreclosure prevention outreach workshops give homeowners an overview of the foreclosure legal timeline, warnings of scams to avoid, information on their rights and options as a homeowner in Illinois, and details on working with an NHS housing counselor to avoid foreclosure. NHS of the Fox Valley hosted a Keep Your Home event on October 4, 2010, that was attended by nearly 200 at risk homeowners who were each able to apply for a loan modification.

(3) Individual counseling for prospective homebuyers -- To augment the 8-hour homebuyer education curriculum, many homebuyers also desire to sit down one-on-one with a housing counselor to review and discuss specific credit issues, assess affordability and also weigh various loan options and ask questions about loan documents, lender requirements and homeowner responsibilities. The individual counseling can be provided in one or more sessions of one to two hours each and can be made during regular business hours. Bi-lingual staff are trained to provide these services in English and Spanish. NHS of the Fox Valley has created 19 new homeowners in the last 12 months ending September 30, 2010.

(4) Individual counseling for existing homeowners facing mortgage default or foreclosure. During these counseling sessions, NHS housing counselors work with the borrower and their lender to explore all options available to help keep the owner in the home with an affordable, sustainable payment. With the continued increases in foreclosures in Kane County, this service remains a critical tool for sustaining healthy communities. From August 1, 2007 through September 30, 2010, NHS of the Fox Valley provided individual foreclosure prevention counseling to 557 families at risk of foreclosure and saved 134 families from foreclosure (56 in the last 12 months ending September 30, 2010) through a combination of loan modifications, repayment plans, affordable refinance loans and forbearance agreements.

NHS of the Fox Valley will market its workshops, classes and counseling services through partnerships with other non-profits throughout the county and Kane County government to help draw clients from various communities in Kane County. NHS' counseling services are available to individuals regardless of income, however they are marketed to families and communities at or below 80 percent of AMI. From past experience, more than 3/4 of NHS' clients will be at or below 80 percent of AMI.

*2. Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

NHS of Chicago, the parent organization of NHS of the Fox Valley, has over 35 years of experience offering affordable housing resources, counseling and education services. Since 1975, NHS has created over 3,600 new homeowners, saved over 3,200 families from foreclosure (since 2003) and educated nearly 30,000 prospective homebuyers. In addition, NHS of Chicago's Home Ownership Preservation Initiative (HOPI) has received national recognition as a model for effective, community based solutions to the foreclosure crisis. The staff responsible for delivering this program include: James Wheaton, Deputy Director of Programs (NHS of Chicago), Deborah Moore, Associate Director for Neighborhood Strategy (NHS of Chicago), Karen Woods, Director of Homeownership (NHS of Chicago), Johnny Placeres, Neighborhood Director (NHS of the Fox Valley), Erika Chavez, Customer Service Specialist (NHS of the Fox Valley), Celena Santiago, Homeownership Consultant (NHS of Chicago), and Norma Hommrich, Administrative Assistant for counseling (NHS of the Fox Valley).

*3. Is this project/program a collaborative effort with other entities? If so, please elaborate.*

NHS of the Fox valley is an affiliate of and managed by NHS of Chicago. While the counseling and education is not specifically a collaborative effort, NHS of the Fox Valley continues to employ a grass roots marketing approach through collaborations with other organizations serving Kane County. This strategy to create effective cross-referrals between service organizations informs residents about NHS programs and services, but also informs residents of services and resources provided by our partner organizations seeking to strengthen communities and assist families in need. NHS client referrals come from various types of partnerships ranging from real estate agents and partner banks, to non-profits such as Community Contacts and Centro de Informacion, to local government such as Kane County and City of Elgin and Carpentersville. Many referrals come from former clients as well.

*4. Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

Each time a foreclosure is averted, there is one less vacant, boarded property in a Kane County community. An often cited 2005 study by Harvard's Joint Center for Housing Studies estimated that each vacant property averted saves municipal governments \$34,199 in lost revenue and increased costs to deal with problems associated with vacant properties. The 134 foreclosures prevented by NHS translates into \$4.58 million in savings to local governments. Vacant, boarded properties also bring down the value of nearby properties and can create a contagion effect of neighborhood decline. Homeowners do not make the decision to stay and fight to keep their home in a vacuum, they take into consideration the long term health of their block and community -- few homeowners fight to stay in their home if their block is filled with abandoned, boarded properties. In terms of job creation, the results are less apparent, but as NHS also increases the number of new homeowners created, some

of them buying and rehabbing vacant properties, new jobs will be created or preserved in the housing sector as they fix up and move into their new homes.

*5. Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

The expectation is that NHS' efforts to both prevent unnecessary foreclosures and prepare the next wave of homebuyers will hasten the end of the foreclosure crisis that is dragging down the housing sector -- robust economic growth will not resume until the foreclosure crisis is behind us.

*6. Explain how will you measure and document the performance of the project/program.*

NHS of the Fox Valley staff will evaluate the effectiveness of the program based on the number of individuals who received each of the four types of services -- the number of individuals who attend homebuyer classes, the number of clients who attend homebuyer and/or foreclosure prevention outreach workshops, the number of homeowners who receive individual foreclosure prevention counseling and the number of individuals who receive individual pre-purchase counseling. But beyond these numbers, NHS of the Fox Valley will also track the results of these services as measured by the number of families saved from foreclosure and the number of new homeowners created. These results will be measured quarterly and reported to NHS management. For pre-purchase counseling and education, NHS of the Fox Valley and NHS of Chicago use client counseling tracking software developed by Fannie Mae (Home Counselor On-Line or HCO) and for foreclosure prevention counseling both entities use client counseling tracking software developed by Neighborhood Housing Services of America, Best Fit. Using these tracking softwares, NHS managers analyze the make up of our clientele and effectiveness of staff delivering these services. In addition, each NHS homeownership counselor is assigned specific goals for positive counseling outcomes which are measured monthly and staff are provided regular coaching and training on the latest counseling tools, as well as direct training through the national NeighborWorks America Training Institute.

## **Organization Questions**

*1. Briefly describe your organization and its history.*

Neighborhood Housing Services of Chicago formed in 1975 in response to a need for affordable housing services and access to credit in disinvested Chicago neighborhoods. Over the years, NHS has expanded its direct lending, counseling and education services to serve the entire city of Chicago. NHS has also completed its targeted neighborhood revitalization work in several "graduated" communities in Chicago and currently has programs targeting seven low- and moderate-income neighborhoods with a broad range of neighborhood strategy, planning and leadership efforts. In 2007, NHS expanded its services outside the city of Chicago when the former NHS of Elgin became NHS of the Fox Valley, a newly formed NHS of Chicago affiliate. Through this affiliation, NHS provides homebuyer education and counseling and foreclosure prevention education and counseling for residents throughout Kane County. NHS of Chicago is a charter member in good standing with NeighborWorks America, a national housing intermediary, as well as a certified Community Development Financial Institution (CDFI) and HUD-certified housing counseling agency. NHS of Chicago's non-profit mortgage lending affiliate, Neighborhood Lending Services, Inc. is a CDFI in its own right and an Illinois Residential Mortgage Licensee.

*2. Who are the people or groups your organization serves?*

NHS of Chicago services are available to residents of the city of Chicago and NHS of the Fox Valley provides services to residents of Elgin and Kane County. NHS does not limit its services to low- and moderate-income families; however, a large majority of NHS customers are low- to moderate-income (a sampling of NHS loan customers revealed 85% to be below 80% of the area median income) and minority residents ( a similar sample of NHS loan clients was 64% African American, 18% Latino, 10% Caucasian, 7% Asian and 1% "other"). NHS' typical clients are low- to moderate-income homeowners who wish to improve the condition of their home affordably or avoid foreclosure, as well as renters who wish to purchase their first home.

*3. What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

NHS' goal is to create opportunities for people to live in affordable homes, improve their lives and strengthen their neighborhoods. By expanding homeownership education and counseling services to reach more residents of Kane County communities, NHS will empower and assist more families to achieve the goal of affordable and sustainable homeownership.



Neighborhood Housing Services of the Fox Valley  
FY 2011 Budget  
(April 1, 2010 Through March 31, 2011)

Salaries and Related Expenses	\$ 242,405
Seminars, Staff Development & Training	300
Travel	1,600
Professional Services	1,427
Marketing	15,000
Board Cost/Annual Meeting/Trustee	400
Occupancy	22,500
Utilities	3,295
Communications-Telephone	8,648
Supplies & Postage	1,538
Dues & Subscriptions	620
Maintenance	4,583
Equipment (Capital & Non-Capital)	10,553
Printing	100
Insurance	599
Other Expenses	9,969
<b>Total Operating Expenses</b>	<b>\$ 323,537</b>

**Neighborhood Housing Services of the Fox Valley**

FY 2011 Budget

(April 1, 2010 Through March 31, 2011)

Funding Sources

Foundations	25,000	(EFS, Bersted)
Corporations	5,000	(State Farm)
Government Contracts	79,850	(Elgin)
Earned Income	72,929	(Lending)
Sub-total	<u>182,779</u>	
Funds anticipated	<u>100,758</u>	(Charter One, PNC, Kane County Riverboat)
Total Sources	283,537	

Kane County CDGB Request     \$     40,000

**TOTAL SOURCES                     \$     323,537**



## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

<b>Project Name</b>	Owner Occupied Housing Rehabilitation Program
<b>Applicant</b>	Community Contacts
<b>Project Description</b>	Project funds will be used to rectify code violations, lead based paint hazards, maintain the home's integrity and address substandard living conditions on eligible homes in the Kane County CDBG program area.
<b>Determination of Project Eligibility</b>	Eligible
<b>Total Project Cost</b>	\$400,000.00
<b>Funds from Other Sources</b>	\$0.00
<b>Com. Dev. Funds Requested</b>	\$400,000.00

### Responsiveness to Evaluation Criteria:



Excellent    Good    Fair    Poor

EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>	●	Project involves the rehabilitation of existing units of affordable housing. It will help maintain, but not expand, the county's supply of affordable housing stock.
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>	○	Program leverages no other funding, but does generate income. (Interest-free loans are repaid upon sale or transfer of property.)
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>	●	Applicant has a long and successful track record of delivering rehabilitation assistance to area homeowners. Key personnel are very well qualified to implement the program.
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>	●	Program addresses substandard housing conditions throughout the county's program area. All program beneficiaries are low- or moderate-income homeowners. This housing rehab service is critical given the current economic conditions. Program is estimated to sustain 15-20 construction jobs.

### Staff Recommendation:

<b>Approve/Disapprove Application</b>	Approve
<b>Amount Recommended</b>	\$180,000 (Or up to \$210,000, depending on funding available.)
<b>Condition(s)</b>	None

**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: Kane County Housing Rehabilitation Program

Project Location: CDBG Program Area Kane County

Applicant Name: Community Contacts Inc.

FEIN #: 362977001

Applicant Address: 100 S. Hawthorne

City, State, Zip: Elgin, IL 60123

DUNS #: 11-396-6691

Contact Name and Title: Lowell Tosch Associate Director

Phone: ( 847 ) 697 - 8800

Fax: ( 847 ) 697 - 1673

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

Project funds will be used to rectify code violations, lead based paint hazards, maintain the home integrity and address substandard living conditions on eligible homes in the Kane County CDBG Program area.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                  |
|---|------------------|
| 1. Total cost of project identified above:                      | <u>\$400,000</u> |
| 2. Total funds available (or to be secured) from other sources: | <u>\$0</u>       |
| 3. Amount requested from Kane County Community Development Fund | <u>\$400,000</u> |

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

**PROJECT TIMELINE**

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**Attach a schedule for completing the project.** Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## PROJECT ELIGIBILITY

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Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### Benefit to Low- or Moderate-Income Persons

- ☐ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: \_\_\_\_\_  
Number of low- or moderate-income individuals to be served by this project: \_\_\_\_\_  
Percent of individuals to be served by this project which are low- or moderate-income: \_\_\_\_\_  
Source of the above statistics: ☐ Census Bureau ☐ Income Survey (Prior approval required.)
- ☐ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: \_\_\_\_\_
- ☒ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: 15

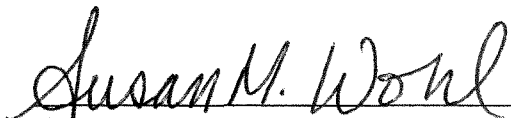
### Prevent or Eliminate Slum or Blight Conditions

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☐ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

## APPLICANT CERTIFICATION

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Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national origin; and that they are duly authorized by board resolution to cause this document to be executed.

  
\_\_\_\_\_  
Signature

Susan Wohl  
Name (Printed)

12/15/10  
Date

Executive Director  
Title (Printed)

# **AFFORDABLE HOUSING SERVICES QUESTIONNAIRE**

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## **Project Questions**

*1. Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

Project funds will be used to rectify code violations and address substandard living conditions on low income single family homes within the Kane County CDBG program area. Additional rehabilitation measures needed to maintain the integrity of the homes would be performed, including addressing any lead based paint hazards discovered. Having identified eligible homes Community Contacts will obtain all necessary file documentation, construction documents and recapture provisions. (see attachment A)

*2. Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

Community Contacts Inc has been administering housing rehabilitation programs for over 20 years. Key staff have several years experience and are licensed lead based paint inspections. (see attached experience sheet and resumes)

*3. Is this project/program a collaborative effort with other entities? If so, please elaborate.*

NA

*4. Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

Community Contacts employs three full time staff dedicated to administering housing rehabilitation programs. All construction services are performed by local area general contractors and their sub contractors. It is estimated that 15-20 construction jobs are supported with these funds

*5. Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

Community Contacts believes this program helps maintain current construction jobs in the local economy and prevents the loss of jobs in an area hard hit by the recent economy.

*6. Explain how will you measure and document the performance of the project/program.*

Performance of the program is based on production and quality. Each home is inspected for quality and homeowner input on the performance of the program is encouraged. Each file has documented costs and results. Performance is also measured by the questionnaire each client is requested to fill out at the end of the project.

## **Organization Questions**

*1. Briefly describe your organization and its history.*

Community Contacts Inc. (CCI) was created in 1974 by the Aurora United Way to plan for and meet the needs of senior citizens. Originally called "Senior Planning and Services". CCI changed its name and gradually redirected its

mission from a broad range of senior services to the area of affordable housing. Since 1981 the organization has effectively worked to respond to the housing needs of low income citizens in Kane and Dekalb Counties. CCI delivers financial assistance for energy costs, weatherization programs, and housing rehabilitation.

*2. Who are the people or groups your organization serves?*

Serving both Kane and Dekalb Counties Community Contacts Inc serves the low income community. Working with both Federal, State and local funding sources we provide several resources for people to maintain the affordable housing stock in our service area.

*3. What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

The need to provide affordable housing is one that has been clearly identified throughout our service area. As responsibility for providing such housing requires interaction at state and local levels, Community Contacts Inc., has dedicated itself to help fill that need. This program helps our goal by providing assistance for income eligible households maintain the affordable housing stock in Kane County.



**CDBG HOME REHABILITATION**

**PROGRAM SCHEDULE**

<b>Project Start Up (Based on funding 6/30/11)</b>	<b>7/01/11</b>
<b>Intake and Processing Begins</b>	<b>7/01/11</b>
<b>Rehabilitation Starts</b>	<b>9/01/11</b>
<b>Rehabilitation Completed</b>	<b>7/01/12</b>
<b>Expenditure of Funds:</b>	
<b>25%</b>	<b>11/01/11</b>
<b>50%</b>	<b>02/15/12</b>
<b>75%</b>	<b>04/15/12</b>
<b>100%</b>	<b>07/01/12</b>

**CDBG HOME REHABILITATION**

**BUDGET BREAKDOWN**

<b>Material &amp; Labor</b>	<b>\$324,050.00</b>
<b>SOFT COSTS</b>	
<b>Homeowner Insurance</b>	
<b>Title Search</b>	<b>\$ 1,750.00</b>
<b>Recording Fees</b>	<b>\$ 800.00</b>
<b>Lab Fees</b>	<b>\$ 3,400.00</b>
 <b>PROJECT DELIVERY</b>	 <b>\$70,000.00</b>
<b>TOTAL</b>	<b>\$400,000.00</b>

## **HOME REHABILITATION PROJECT**

### **PROGRAM DESCRIPTION**

Project funds from the Kane County CDBG Program will be used to rectify code violations and address substandard living conditions on low-income single-family homes in Kane County. Additional rehabilitation measures needed to maintain the housing stock of the homes will be performed. This program is designed not only to improve the housing condition of low-income households, but to improve the quality of life for the people living in these homes. Funds will be distributed as a 0% deferred loan up to \$20,000. In addition up to \$10,000 will be available as a grant for lead based paint hazards. A total of 15 owner-occupied homes is targeted to be rehabilitated in this program.

#### **Outline of Activities**

1. Eligible homes will be identified by Community Contacts Inc., (CCI).
2. Applications will be taken and repair need assessed by CCI staff.
3. All work will be awarded to contractors through competitive bids. Rehabilitation work on homes will be completed by contractors and inspected by CCI staff.
4. CCI will record all program agreements including a Mortgage Agreement.

**Program Cost \$400,000.00**

#### **Target Population and Area:**

The annual gross income of the applicants household must be less than or equal to 80% of the area median family income in 100% of the households. The annual income of the applicant must be less than or equal to the limits established by the U.S. Department of Housing and Urban Development for the appropriate household size. The targeted area of the program is any homeowner within the Kane County CDBG area on a first come first serve basis.







## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

<b>Project Name</b>	Property Acquisition in Kane County
<b>Applicant</b>	Habitat for Humanity of Northern Fox Valley
<b>Project Description</b>	Requesting funds to acquire 5 houses located within the Kane County CDBG Program Area.
<b>Determination of Project Eligibility</b>	Eligible
<b>Total Project Cost</b>	\$600,000.00
<b>Funds from Other Sources</b>	\$525,000.00
<b>Com. Dev. Funds Requested</b>	\$75,000.00

### Responsiveness to Evaluation Criteria:



EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>		Project will increase supply of affordable housing.
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>		Applicant proposes to cover 87% of the total project cost with funds from other sources. This is an excellent leverage of Community Development funds.
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>		Project locations are not yet identified. With proper planning zoning and/or environmental issues should not delay completion of the project. Applicant has a highly successful track record of recruiting skilled volunteer labor.
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>		Project will increase the supply of turnkey ready affordable housing, and reduce the surplus of vacant foreclosed homes and the blight they cause in neighborhoods.

### Staff Recommendation:

<b>Approve/Disapprove Application</b>	Approve
<b>Amount Recommended</b>	\$45,000 (Or up to \$60,000, depending on funding available.)
<b>Condition(s)</b>	Continue to coordinate property selection with future phases of NSP, and the scope of work will be adjusted to reflect the final funding level.

**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: Acquisition, Rehab and Resale of Bank Owned Properties

Project Location: Kane County Community Development Program Area

Applicant Name: Habitat for Humanity of Northern Fox Valley

FEIN #: 36-3742888

Applicant Address: 20 S. Grove, Suite 201

City, State, Zip: Carpentersville, IL 60110

DUNS #: \_\_\_\_\_

Contact Name and Title: Barbara Beckman, Executive Director

Phone: ( 847 ) 836 - 1432

Fax: ( 847 ) 836 - 1495

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

Habitat for Humanity (HFH) of Northern Fox Valley is requesting funding to acquire five foreclosed, bank owned properties located within Kane County's Community Development Program Area. The amount of Community Development Fund assistance requested for each acquisition is \$15,000. HFH of Northern Fox Valley will rehab the properties with its own financial resources and volunteer labor force and will resell the improved properties to qualified homebuyers with household incomes below 60% of Area Median Income. The newly renovated homes will be sold at no profit and financed by Habitat with zero interest loans.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                  |
|---|------------------|
| 1. Total cost of project identified above:                      | <u>\$600,000</u> |
| 2. Total funds available (or to be secured) from other sources: | <u>\$525,000</u> |
| 3. Amount requested from Kane County Community Development Fund | <u>\$75,000</u>  |

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

## PROJECT TIMELINE

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**Attach a schedule for completing the project.** Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## PROJECT ELIGIBILITY

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Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### Benefit to Low- or Moderate-Income Persons

- ☐ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: \_\_\_\_\_  
Number of low- or moderate-income individuals to be served by this project: \_\_\_\_\_  
Percent of individuals to be served by this project which are low- or moderate-income: \_\_\_\_\_  
Source of the above statistics: ☐ Census Bureau ☐ Income Survey (Prior approval required.)
- ☐ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: \_\_\_\_\_
- ☒ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: 5

### Prevent or Eliminate Slum or Blight Conditions

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☒ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

## APPLICANT CERTIFICATION

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Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national origin; and that they are duly authorized by board resolution to cause this document to be executed.

Barbara Beckman

Signature

Barbara Beckman

Name (Printed)

12/13/2010

Date

Executive Director

Title (Printed)



## **AFFORDABLE HOUSING SERVICES QUESTIONNAIRE**

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### **Project Questions**

*1. Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

HFH of Northern Fox Valley's project is the acquisition, rehabilitation and resale of five foreclosed, bank owned properties. Funding is requested for the acquisition of the properties. HFH of Northern Fox Valley will rehab the properties with its own financial resources and volunteer labor force and will resell the improved properties to qualified homebuyers with household incomes below 60% of Area Median Income. The newly renovated homes will be sold at no profit and financed by Habitat with zero interest loans. The goal is to rehab five deteriorating properties, improve the community and provide affordable homes to low-income buyers.

The five properties to be acquired will be located within the Kane County Community Development Program Area. The amount of Community Development Fund assistance requested for each acquisition is \$15,000. The properties will be brought up to code and the mechanical systems (plumbing, electrical, and HVAC) will be updated to meet a standard of requiring minimal maintenance for 10 years. Upon completion, HFH of Northern Fox Valley will sell the improved properties to qualified homebuyers with household incomes below 60% of Area Median Income. The homes will be sold at no profit and financed by Habitat with zero interest loans.

Habitat's target population is first time homebuyers with low-income levels in need of improved housing and unable to qualify for conventional home loans. HFH of Northern Fox Valley's minimum and maximum income guidelines vary by family size, however, household income cannot exceed 60% of Area Median Income. Each property will serve as the homebuyer's primary residence.

The sale price of each property shall be determined using HFH of Northern Fox Valley's Guidelines (see attached), except that the amount of Community Development Fund assistance will be deducted from the final sale price and will not be included in the principal promissory note and mortgage. Rather, at the time of closing, Habitat for Humanity of Northern Fox Valley will execute a second promissory note and mortgage, subordinate to the principal promissory note and mortgage, in the amount of the Community Development Fund assistance, payable to Kane County. In all cases, the Community Development Fund assistance shall be provided as an interest-free, deferred payment loan which will not be due until the home is sold, the title is transferred, or the borrowers no longer occupies the home as their primary residence. The full amount of the loan will be due at that time.

*2. Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

HFH of Northern Fox Valley has extensive experience in the administration of this project. The organization has twenty years of experience in building and rehabbing properties and since its inception, has completed 64 houses. Construction projects are led by volunteers who each have 10-25 years of experience in residential home construction. The Executive Director, Barbara Beckman, holds a Master of Social Work degree and has 17 years of management experience in social services. She has been the Executive Director of HFH of Northern Fox Valley since 2001.

HFH of Northern Fox Valley has capacity in the following areas:

Property Acquisition: HFH of Northern Fox Valley evaluates and acquires land and foreclosed properties.

Builder: HFH of Northern Fox Valley builds and rehabs homes with supervision and direction from project directors who are professional construction workers, but relies heavily on volunteer labor to do the majority of the construction. Obtaining permits and bids, ordering materials, contracting licensed trades people, and scheduling inspections are some of the building activities supervised by HFH of Northern Fox Valley.

Family Selection and Support Services: HFH of Northern Fox Valley recruits, evaluates, and selects families for the homeownership program and follows a nondiscriminatory selection policy. Families are provided support and education throughout the entire process. Families are required to participate in budgeting, financial literacy and home maintenance classes prior to purchase.

Finances: HFH of Northern Fox Valley establishes the budget for the project, raises funds, pays invoices, and monitors expenses.

Mortgage Processing: Upon completion of construction and receipt of occupancy permits, HFH of Northern Fox Valley sells the homes to pre-qualified buyers. Mortgage payments, real estate tax payments, insurance payments and escrow accounts are processed by HFH of Northern Fox Valley.

*3. Is this project/program a collaborative effort with other entities? If so, please elaborate.*

HFH of Northern Fox Valley values, develops and cultivates collaborative relationships. The organization's spirit of collaboration is evidenced by the engagement of thousands of local volunteers, businesses, churches, and individuals in accomplishing its goals.

The organization also collaborates with other nonprofits. One collaborative relationship is with Fellowship Housing whose mission is to transform the lives of homeless or at-risk single moms and their children by providing housing and holistic mentoring to guide them from crisis to long-term stability and independence. Fellowship Housing is an excellent referral source for prospective partner families.

Furthermore, budget classes, financial workshops, and home maintenance classes are provided in collaboration with organizations such as Harris Bank, Community Credit Counseling Services of Elgin and Fehlandt Home Inspection.

*4. Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

Acquiring and rehabilitating bank owned, foreclosed properties and reselling them to low-income buyers at affordable prices has a number of positive impacts for the community. It reduces the surplus of vacant, foreclosed homes and the blight they cause in neighborhoods. Specific economic impacts are seen by real estate agencies, appraisers, home inspectors, lead-based paint inspectors, surveyors, architects, engineers, local

contractors who are awarded bids, and the title companies used to close the deals. The economic impact of these projects reach far and wide.

*5. Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

Not applicable.

*6. Explain how will you measure and document the performance of the project/program.*

For the homes in this project and for all homes, HFH of Northern Fox Valley measures success by using outcome-based evaluation methods and outcome-based evaluation tools, including a Homeowner Satisfaction Survey. Detailed outcomes for the Building and Family Support Services Programs follow.

Target Indicators – Building Program:

Timeliness: 90% of homes will be completed on schedule.

Quality: 100% of homes will pass all local code inspections.

Competence: 90% of homes will not require any repairs in the first year of occupancy.

Targets Indicators –Family Support Services and Programs:

Timeliness: 90% of families will make mortgage payments within 30 days of the due date.

Participation: 100% of families will donate the required number of sweat equity hours.

Consumer Satisfaction: 90% of families will rate their overall experience as “very good.”

## **Organization Questions**

*1. Briefly describe your organization and its history.*

Habitat for Humanity (HFH) of Northern Fox Valley is an affiliate of Habitat for Humanity International. Founded in 1976, Habitat for Humanity International is a nonprofit housing organization consisting of more than 2,000 affiliates in all 50 states of the US and 90 other countries around the world. To date, almost 400,000 homes have been built or renovated for nearly two million people.

Through volunteer labor and tax-deductible donations of money and materials, Habitat for Humanity builds and rehabs homes in partnership with the buyers. Habitat houses are sold to partner families at no profit, financed with affordable, no-interest loans. The homeowners’ monthly mortgage payments are pooled together and used to produce more affordable houses.

Habitat is not a giveaway program. In addition to a down payment and the monthly mortgage payments, homeowners invest hundreds of hours of their own labor, “sweat equity,” into building their houses.

Habitat for Humanity International carries out its mission at the community level through authorized groups called affiliates. Each affiliate raises funds to build homes in its own community. Families in need of affordable housing apply to local affiliates. Families qualify based on their level of need, their willingness to partner with Habitat and their ability to repay the no-interest loan. Every affiliate follows a nondiscriminatory policy of family selection.

HFH of Northern Fox Valley was founded in 1990 and builds/rehabs homes for low-income families in Kane County. To date, the affiliate has completed 64 homes in Carpentersville, Elgin and St. Charles.

Like all affiliates, Northern Fox Valley homes are sold at no profit and no interest is charged on the mortgage. To maintain affordability, HFH of Northern Fox Valley makes certain that no more than 30% of a homeowner's income is spent on housing costs.

*2. Who are the people or groups your organization serves?*

Habitat's target population is first time homebuyers with low-income levels in need of improved housing.

Habitat's family selection criteria further describes the people served by the organization. The first consideration in selecting a partner family is their level of housing need. A family can meet this requirement for various reasons including structural problems in their current residence, living in an unsafe neighborhood, overcrowding, or cost-burdens. The second consideration in the family selection process is the household's financial status. The goal is to select low-income families who cannot obtain conventional financing but have sufficient income to afford monthly mortgage payments, property taxes, insurance and other costs associated with homeownership. HFH of Northern Fox Valley's minimum and maximum income guidelines vary by family size, however, household income cannot exceed 60% of Area Median Income. The third consideration in selecting a family is their willingness to partner with Habitat. This is evaluated by the family completing the application in a timely fashion as well as accepting the down payment and sweat equity terms.

*3. What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

HFH of Northern Fox Valley's goals for FY 2011 include: 1) complete 30 projects, 10 rehabs and 20 A Brush with Kindness projects, 2) sell the 10 newly renovated homes to low-income households, and 3) provide effective financial and homeownership education to all buyers.

Receiving \$15,000 in Community Development Fund assistance for each of 5 projects will help HFH of Northern Fox Valley achieve its goals by filling a funding gap. The other major benefit is for the buyers. The \$15,000 subsidy reduces the monthly principal payment by approximately \$42 on a 30 year loan. This is a significant reduction in monthly payments for households earning less than 60% of Area Median Income.

## Kane County Community Development Fund 2011 Application

### Habitat for Humanity of Northern Fox Valley

#### Sale Price Guidelines

1) An important component of Habitat's ministry is that houses are sold to low-income partner families, not given away. The house should be a blessing to the family not an additional burden. Therefore, affordability is a vital component.

2) In figuring affordability, no more than 30% of a family's monthly income should be spent on housing (this includes mortgage, taxes, and insurance). House payments should reflect affordability to the partner family, rather than market value within a particular real estate market. Habitat mortgage terms are generally 30 years.

3) Habitat for Humanity of Northern Fox Valley has a Rider to the mortgage for 13 years as a method to prevent a windfall profit on the resale of the house.

4) The following formula is used to determine selling price. It's divided into 2 sections: one dealing with the actual construction cost and the other with the cost of site acquisition (land or rehab property) and development.

#### Formula for Construction Cost:

Cost of purchased building materials	\$ _____
Value of donated building materials	\$ _____
Contracted labor	\$ _____
<u>Administrative Costs</u>	<u>\$ 2,500</u>
TOTAL CONSTRUCTION COSTS	\$ _____

#### Formula for Site Acquisition/Development:

Value of donated property and/or services	\$ _____
<u>Cost of purchased property (land or rehab property) and/or services</u>	<u>\$ _____</u>
TOTAL SITE ACQUISITION/DEVELOPMENT COSTS	\$ _____

Add total construction costs and total site acquisition/development to calculate selling price.

Compare this selling price to the price on the affordability range for the selected family. If the selling price is higher than the family can afford, the difference between the selling price and the amount the family can afford can be recovered without appreciation by a second mortgage payable at the time of sale or transfer.

**Kane County Community Development Fund 2011 Application****Habitat for Humanity of Northern Fox Valley****Project Budget and Funding Sources****Project Budget**

<b>Expense</b>	<b>Habitat for Humanity Northern Fox Valley Cash Sources</b>	<b>CDBG Funds</b>	<b>Total</b>
Acquisition of 5 Properties	\$300,000	\$75,000	\$375,000
Permits	\$5,000	0	\$5,000
Rehabilitation	\$220,000	0	\$220,000
	<b>\$525,000</b>	<b>\$75,000</b>	<b>\$600,000</b>

**Project Funding Sources**

<b>Source</b>	<b>Status Requested (Q), Committed (C), Received (R)</b>	<b>Documentation Attached</b>	<b>Amount</b>
Church Partnerships	R	Yes, see #1a, #1b, #1c, #1d	\$180,000
EFS Foundation	Q		\$25,000
Habitat for Humanity of Northern Fox Valley ReStore	R		\$181,900
Kane County CDBG Funds	Q		\$75,000
Lincoln Financial Foundation	R	Yes, see #2	\$5,000
Omron Electronics	R	Yes, see #3	\$20,000
Rice Family Foundation	R	Yes, see #4	\$2,000
Thrivent Financial for Lutherans	C	Yes, see #5	\$76,000
UPS Foundation	R	Yes, see #6	\$5,100
Willow Creek Community Church	R	Yes, see #7	\$10,000
Zurich	R	Yes, see #8	\$20,000
<b>Total</b>			<b>\$600,000</b>



## STAFF REPORT AND FUNDING RECOMMENDATION

### Project Summary:

Project Name	Schweitzer Environmental Center
Applicant	Friends of the Fox River
Project Description	Rehab of Schweitzer House to be converted to an Environmental Center for local students.
Determination of Project Eligibility	<b>Ineligible:</b> Application did not demonstrate a low-mod benefit. Riverboat Funds may be a more suitable funding source. Project demonstrates a strong environmental and educational benefit to the community.
Total Project Cost	\$115,000.00
Funds from Other Sources	\$0
Com. Dev. Funds Requested	\$115,000.00

### Responsiveness to Evaluation Criteria:



EVALUATION CRITERIA	RATING	STAFF COMMENTS
<b>1. Consolidated Plan Need/Strategy</b>		
<i>Affordable Housing: Preserve existing units of affordable and special needs housing throughout the county, and create additional units of such housing in areas where they are currently lacking and near employment centers.</i>		
<b>2. Leveraging of Other Resources</b>		
<i>Consideration will be given to the amount of private and/or other public funds the project will leverage.</i>		
<b>3. Project Readiness</b>		
<i>Priority will be given to projects that are ready to proceed or face the fewest obstacles that could prevent their timely completion. Factors considered under this criterion include whether or not the applicant has obtained funding commitments, site control, zoning, and the extent to which environmental issues might hinder completion of the project.</i>		
<b>4. Community Impact/Urgency</b>		
<i>Consideration will be given to projects expected to have the greatest beneficial impact in the neighborhood, community, and/or county, or are designed to address an urgent need for which no other funding is available. Factors considered under this criterion include the extent of the physical improvements that will result from the project, the economic impact anticipated (especially regarding job creation), as well as the number of low- and moderate-income residents that will benefit from the project, in relation to the amount of CDBG funds requested.</i>		

### Staff Recommendation:

Approve/Disapprove Application	Disapprove
Amount Recommended	\$0
Condition(s)	N/A



**KANE COUNTY  
COMMUNITY DEVELOPMENT FUND  
2011 Application**

**APPLICATION SUMMARY**

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Project Name: Schweitzer Environmenral Center

Project Location: 16N690 Sleepy Hollow Road West Dundee, Illinois 60118

Applicant Name: Friends of the Fox River

FEIN #: 36-3718329

Applicant Address: PO Box 1314

City, State, Zip: Crystal Lake Illinois

DUNS #: None

Contact Name and Title: Gary Swick, Vice President

Phone: ( 815 ) 370 - 0026

Fax: (        )        -       

Project Summary: *(Provide a general statement explaining the scope and purpose of the project.)*

The Schweitzer House is being developed into a local Environmental Center for use my area students and the public. It sits on 160 acre property owned by the Kance County Forest Preserve District.

Priority Need: *(Indicate the priority need the project will address. Complete and attach the appropriate questionnaire.)*

- ☒ Affordable Housing Services
- ☐ Neighborhood Infrastructure
- ☐ Public Facility Improvements
- ☐ Emergency Shelter Services
- ☐ Planning or Capacity-Building

**PROJECT FUNDING**

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- |   |                  |
|---|------------------|
| 1. Total cost of project identified above:                      | <u>\$115,000</u> |
| 2. Total funds available (or to be secured) from other sources: | \$ <u>      </u> |
| 3. Amount requested from Kane County Community Development Fund | <u>\$115,000</u> |

**Attach a budget for the project.** Include all project expenses. Include an estimate from a licensed architect, engineer, or contractor to support project expenses. Identify all funding sources that will cover those expenses. (Consideration will be given to projects that leverage funds from other sources.) Indicate whether or not funding sources are committed to the project and, if so, the date those funds will be available. Attach documentation of other funding sources (i.e. letters of commitment).

**PROJECT TIMELINE**

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**Attach a schedule for completing the project.** Include target completion dates for critical steps such as preparing drawings/specs, bidding and award of contract(s), beginning and completing construction, etc. If the project is phased, include a schedule for the completion of each phase.

## PROJECT ELIGIBILITY

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Indicate the program objective the project will address. (Check only one box. N/A for Planning projects.)

### Benefit to Low- or Moderate-Income Persons

- ☒ **Area Benefit:** The project will benefit all residents of a defined geographic area (Provide the following information.)  
Number of individuals to be served by this project: 30,000  
Number of low- or moderate-income individuals to be served by this project: 12,000  
Percent of individuals to be served by this project which are low- or moderate-income: 40%  
Source of the above statistics: ☒ Census Bureau ☐ Income Survey (Prior approval required.)
- ☐ **Limited-Clientele Activity:** This project will benefit a limited clientele, at least 51% of whom are low- or moderate-income. Number of individuals from the county's Community Development Program Area to be served: \_\_\_\_\_
- ☐ **Housing Activity:** This project will provide or improve permanent residential structures which, upon completion, will be occupied by low- or moderate-income persons. Number of households to be served: \_\_\_\_\_

### Prevent or Eliminate Slum or Blight Conditions

- ☐ **Area Basis:** This project will prevent or eliminate slum or blight conditions in a delineated area that meets the definition of a slum, blighted, deteriorated, or deteriorating area under Illinois or local law.
- ☒ **Spot Basis:** This project will eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area.

## APPLICANT CERTIFICATION

---

Applicant certifies that they have read and fully understand the guidelines that govern the Kane County Community Development Program, including those involving project requirements, funding agreements, and terms of project financing. Applicant further certifies that that all information furnished in/with this application is true and complete to the best of Applicant's knowledge and belief. If any information provided herein changes following the submission of this application, Applicant agrees to notify Kane County immediately. Applicant acknowledges that Kane County may verify any information contained in/with this application, and submission of this application shall constitute Applicant's authorization for Kane County to complete such verification as it deems necessary to determine the accuracy of this application and its suitability for funding. Applicant understands and agrees that if false information is provided in/with this application, which has the effect of increasing Applicant's advantage, Kane County may disqualify this application and deem Applicant ineligible to receive any funds in the future. Applicant understands that Kane County retains the right to reject any and all applications, and, in its sole determination, to waive minor irregularities. Applicant acknowledges by execution of this application that the County will make such determinations with the fullest discretion allowable by law. Applicant will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of, or relating to the County's acceptance, consideration, approval, or disapproval of this application and the issuance or non-issuance of funds herewith. Applicant further certifies that neither they nor their principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from HUD programs; that they do not discriminate on the basis of race, religion, color, sex, age, handicap or national origin; and that they are duly authorized by board resolution to cause this document to be executed.

  
Signature

Gary Swick  
Name (Printed)

12-17-2010  
Date

Vice President  
Title (Printed)

## AFFORDABLE HOUSING SERVICES QUESTIONNAIRE

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### Project Questions

1. *Provide a detailed description of your project/program, including the target population and geographic area it will serve.*

The project is centered in Dundee Township, but will include students from Algonquin, Elgin, Rutland and Hampshire Townships. The project will serve the students of School District #300 and U46, and the public in the communities of Carpentersville, East Dundee, West Dundee, Gilberts, Lake in the Hills, Algonquin, and Elgin.

2. *Describe the applicant's experience in the administration of this or similar projects/programs, including the qualifications of personnel that will be directly involved in the management of this project/program. Submit resumes for key personnel with this application.*

The Friends of the Fox River has been offering educational and volunteer experiences for 20 years. The lead educational consultation will be Gary Swick who has been with the organization from the beginning. Mr Swick is recognized as a national leader in developing and implementing field experience programs for students. Traci Brandenburg currently with McGraw Wildlife Foundation has agreed to serve as primary consultant, and possibly as staff - see three attachments; Mr. Swick Bio, Award, and Ms. Brandenburg resume.

3. *Is this project/program a collaborative effort with other entities? If so, please elaborate.*

Citizen Action Team, School District 300, Kane County Forest Preserve District

4. *Describe the economic impact your project/program is expected to have in the neighborhood, community, and/or county. Include an estimate of the number of jobs (i.e. construction, consulting, etc.) that will be created as a direct result of the project/program.*

The construction portion of the project will involve local trades people in the labor, and local businesses will be the suppliers of materials.

5. *Is there potential for future job growth as an indirect result of the project/program? If so, provide an estimate of and rationale for the number of jobs likely to be created.*

The structural improvements of the house will enable it to be useful as an environmental center for programming. The Schweitzer Environmental Center will offer programming for all D300, many U46 students, area teachers, and the public. These services will require staff.

6. *Explain how will you measure and document the performance of the project/program.*

The project will be measured by the completion of the physical improvements and the number of people served with its programs.

### Organization Questions

1. *Briefly describe your organization and its history.*

Friends of the Fox River was Incorporated in 1990, Friends of the Fox River is a non-profit organization dedicated to building a watershed of caretakers in the Fox River Valley. We are concerned citizens taking action to protect and maintain the quality of the Fox River and its tributaries.

## AFFORDABLE HOUSING SERVICES QUESTIONNAIRE

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2. *Who are the people or groups your organization serves?*

The Friends of the Fox River serves the entire Fox River Watershed which extends from Waukesha, Wisconsin down to Ottawa, Illinois.. The education programs last year directly involved over 5,000 students. This project will directly involve all 22,000 D300 students, and many U46 students in addition to the public.

3. *What are the specific goals and objectives of your organization and how will this project/program help you achieve those goals?*

The mission of the Friends of the Fox River is to preserve, restore and protect the Fox River Watershed's resources by connecting people with nature through education, research, restoration and advocacy.

Friends of the Fox River is a non-profit organization made up of citizens and organizations taking action to protect and maintain the quality of the Fox River and its tributaries. Through our programs and activities, we encourage both adults and students to become involved in protecting the river and its watershed. Each year, we have over 4,500 citizens participating in our programs including our water quality monitoring program (Fox River Watershed Monitoring Network), river and stream cleanups, river habitat improvement projects, and water quality education events.

This project will establish an environmental education center to be used for offering new and enhanced program experiences.

## Schweitzer Environmental Center Rehabilitation Project

### PROJECT BUDGET

1) Windows and Doors	\$50,000
2) Plumbing Upgrades	\$15,000
3) Replace rotted wood siding	\$6,500
4) Re-finish all wood floors	\$6,000
5) Point and repair all brick	\$3,500
6) Replace water heater	\$4,000
7) Replace furnace	\$8,000
8) Air conditioning	\$12,000
9) Building Main. fund	\$10,000
<b>GRAND TOTAL</b>	<b>\$115,000</b>

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PROJECT FUNDING SOURCES – Student services for program activities will be on a student fee basis. Additionally capital construction labor and materials are to be donated by D300 students and faculty, Friends of the Fox River, and the Citizens Action Team.

PROJECT SCHEDULE – David Reece – from the Citizens Action Team has provided all budget estimates for the Schweitzer House Renovation.

**COMMUNITY UNIT SCHOOL DISTRICT 300**

300 CLEVELAND AVENUE

CARPENTERSVILLE IL 60110-1943

Phone 847.426.1300 • 847-551-8413

[www.d300.org](http://www.d300.org)

Kane County Development Fund

River Boat Fun 2011 Application

December 17, 2010

To whom it may concern:

CUSD#300 is supportive of the Schweitzer Environmental Center as evidenced by the numerous D300 articles posted on our website and enclosed with this application. The Schweitzer Environmental Center Rehabilitation Project will be utilized for student curriculum activities for the 20,000 students and their families at D300.

We support the Friends of Fox River in their effort for capital improvements for the Schweitzer Environmental Center.



Dr. Cheryl Crates

CFO CUSD#300

# Schweitzer Woods rehab plan draws few comments

By Karri E. Christiansen  
FOR THE COURIER-NEWS

A hearing to discuss a proposed \$800,000 master plan to revamp the Schweitzer Woods Forest Preserve in Dundee Township drew all of three residents this week, but those who came seemed pleased with the proposal.

Jerry Culp, the Kane County Forest Preserve District's director of planning and development, said district officials want to improve the preserve's dog park area by tearing down an existing dog kennel and building a shelter, and installing water stations for dogs and possibly

even an area where owners could wash their dogs.

Schweitzer Woods is at the northwest corner of Sleepy Hollow Road and Route 72.

Also included in the plans for the nearly 156-acre site are multipurpose trails for walkers, runners and bicyclists. There have been rumors that district officials were planning to create equestrian trails, but Culp said that is not true. Horses would not be forbidden from the trails, he said.

Plans for the preserve also call for relocating the main entrance on Sleepy Hollow slightly to the north, and possibly creating a second en-

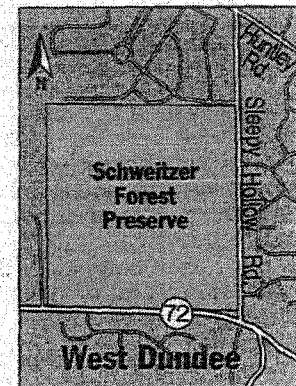
trance on Sleepy Hollow to the south of the existing entrance. Culp said the current entrance is in serious need of repair.

Culp said that the entire project — including laying down new trails, tearing down the existing kennels and building a new shelter — will cost about \$800,000. However, he is seeking a \$400,000 grant from the state to help defray the cost. The grant application must be submitted by July 1, but even if it is approved, construction likely would not begin until the summer or fall of 2011, he said.

Elgin resident Jack Roberts expressed hope the district would con-

tinue with plans to renovate the 3,000-square-foot main house on the property. Culp said officials are continuing to work with various organizations that have offered to renovate the house on a volunteer basis, but a final agreement has yet to be reached. Renovation of the Schweitzer house would not be included in the grant application.

Residents who were unable to attend the public hearing but still would like to submit comments about the proposed Schweitzer Woods Comprehensive Master Plan may do so by sending an e-mail by Friday to [forestpreserve@kaneforest.com](mailto:forestpreserve@kaneforest.com).



THE COURIER-NEWS



## Dist. 300 signs lease, saves abandoned house

Stop the bulldozers. The Community Unit District 300 school board approved a deal this week that effectively saves an abandoned house in Carpentersville.

The house is near Sleepy Hollow Road, between Route 72 and Huntley Road, on the 160-acre Schweitzer property owned by Kane County Forest Preserve.

The forest preserve district didn't have much use for the house and was set to destroy it,



Jameel Naqvi  
*Our schools*

according to local officials. But the agreement approved this week allows District 300 and two community groups to lease the building.

District 300 leaders hope to use the house for environmental education, while the Citizen Advocate Team and Friends of the Fox River will have office space on the second floor.

District 300 board members grilled representatives of

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## Naqvi: Charter school gets its lease, too

*Continued from Page 1*

all three groups — District 300 Chief Financial Officer Cheryl Crates, Dave Reece of the Citizen Advocate Team and Gary Swick of the Friends of the Fox River — before voting 6-1 to approve the lease.

While saying they supported the stated goals of leasing the building, board members expressed concern over who in the somewhat complex four-party agreement would be liable for any injuries on the property.

"I think it is a great opportunity for kids in the district," board member Monica Clark said. "My concern is having someone monitor the insurance."

Board member Karen Roeckner expressed concern about the ability of the

Citizen Advocate Team and the Friends of the Fox River to cover their financial obligations under the agreement. Roeckner was the sole dissenting vote.

District 300 administrators said they would return to the board to address their concerns about liability.

**Charter school renewed:** Compared to the relatively minor lease of the Schweitzer property house, the Cambridge Lakes charter generated little discussion at this week's meeting.

A three-year extension of the school's charter with District 300 — which gives it the ability to operate more or less independently of the district — passed easily with a few caveats from board President Joe Stevens.

"I'm very much in favor of

the charter school, but I was not impressed by the audit or the answers we got," Stevens said. He then warned his colleagues, "This is your only shot. I don't think any of us want to see this fail."

Finally, before voting, Stevens pointed out the fact that Larry Fuhrer serves both as chairman of the board for the Northern Kane Educational Corp., which runs the charter school, as well as the organization's chief executive officer.

"I think the chairman of the board also being the CEO is a major conflict of interest," Stevens said.

Fuhrer, who is also executive director of Northern Kane, became chairman when Cambridge Homes Senior Vice President Jerry Conrad resigned his chairmanship last year.

## D300 eyes partnership with Kane forest preserve

By Emily McFarlan  
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**WEST DUNDEE** — There's no place like home when it's an Edwardian brick house on a 160-acre spread of forests, cropland, hay meadows and marsh.

The Kane County Forest Preserve District's Schweitzer property on Sleepy Hollow Road, between Route 72 and Huntley Road in West Dundee, soon may be home to Community Unit School District 300's first districtwide environmental science program.

The school board discussed that partnership at its July 27 meeting and is to vote on it Aug. 10.

Gary Swick, the environmental science teacher at Dundee-Crown High School in Carpentersville, said, "Research shows that environmental education enhances learning at every grade level and every subject area."

"This really would be a wonderful year-round facility for us," Swick said.

The two-story house and its surrounding property were bequeathed as open space by Emily Schweitzer

to the forest preserve 20 years ago. Community groups Friends of the Fox and the Citizens Action Team approached the school district when they learned the forest district was considering tearing down the aging building before it became a liability.

"It's not going to cost the district anything. We'll lease it for \$1 from the forest preserve," D300 Director of Operations Mike Prombo said.

The partnership of the forest district, D300 and two community groups would keep the house from being razed.

It would give D300 classroom space on the first floor, making the site a hub of student field trips. The second floor would become office space for Friends of the Fox and the Citizens Advocate Team, which also would hold community classes downstairs. Friends of the Fox would maintain the building, according to Prombo.

D300 vocational students also could get real-world experience, assisting with design, construction, landscaping and decorating.