

County of Cook, Illinois



Fourth Substantial Amendment to the Action Plan

Community Development Block Grant Disaster Recovery (CDBG-DR)

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Prepared by: The Department of Planning and Development of the Bureau of
Economic Development

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EXECUTIVE SUMMARY

This document serves as the Fourth Substantial Amendment to the Action Plan that was previously published in March of 2014 (original Action Plan), amended in September of 2014 (Substantial Amendment 1), May of 2015 (Substantial Amendment 2) and again in April of 2016 (Substantial Amendment 3) for the purpose of receiving Community Development Block Grant - Disaster Recovery (CDBG-DR) funds totaling \$83,616,000. Based on the scope of the proposed modifications, this Substantial Amendment is required by the U.S. Department of Housing and Urban Development (“HUD”) and has been developed in accordance with the Disaster Relief Appropriations Act, 2013 (Public Law 113-2). These grant funds are being made available through HUD to assist disaster recovery efforts in response to declared major flooding disasters occurring in Cook County in 2013. These funds may be used only for specific disaster recovery-related purposes. HUD regulations governing this funding are published at <https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/> under the heading: **Hurricane Sandy and Other Disasters Occurring in 2011-2013** (“Regulations”).

In accordance with HUD requirements, Cook County will use this Substantial Amendment to guide the distribution of the CDBG-DR grant funds toward fulfilling the three core aspects of recovery – planning, housing, and infrastructure - related to the declared disaster. This Substantial Amendment has also been designed to be consistent with the HUD primary objective of providing funds for local projects with activities that meet one of the following national objectives of the Housing and Community Development Act of 1974, as amended: benefit to low/moderate-income persons; prevention or elimination of slums or blight; urgent need. At least fifty percent (50%) of the CDBG-DR grant award must be used for activities that benefit low- and moderate-income persons.

This Substantial Amendment provides updates to the initial Action Plan, as previously amended by Amendments 1-3 including reallocation of funds between the funding categories; the addition of a Down Payment Assistance program; the division of the Strategic Acquisition Program to Strategic Acquisition and Strategic Buyout and elimination of the Economic Recovery Program. These revisions are necessary to meet the funding demand realized from the inquiries and/or applications received by the County.

In addition to the reallocation of funds, the Replacement Housing program has been renamed the Housing Construction and Rehabilitation program. This title better describes the program and aligns with the description of HUD CDBG-DR eligible activities.

PROGRAM ALLOCATIONS

This Substantial Amendment identifies the proposed uses of the allocation and how they might address long-term recovery needs. The Regulations require that this Substantial Amendment include a single chart or table that illustrates, at the most practical level, how all funds programmed by this Substantial Amendment are budgeted. The following table fulfills this requirement and includes the proposed adjustments to the allocations. Note that the previous Action Plan Amendments have designated the amounts by funding round. HUD has eliminated the requirement to track and obligate the funding rounds by category. Instead achieving expenditure goals will be tracked by cumulative expenditure amounts.

CATEGORY	PREVIOUS ALLOCATION	ADJUSTMENT AMOUNT	PROPOSED ALLOCATION
Strategic Acquisition	\$10,000,000	(\$9,780,000)	\$220,000
Strategic Buyout	\$-0-	\$10,239,994	\$10,239,994
Infrastructure	\$29,936,000	\$12,704,476	\$42,680,476
Housing Construction and Rehabilitation	\$21,500,000	\$-0-	\$21,500,000
Residential Resilience	\$12,000,000	(\$8,543,248)	\$3,456,752
Down Payment Assistance	\$-0-	\$605,000	\$605,000
Economic Recovery	\$2,000,000	(\$2,000,000)	\$-0-
Planning	\$4,000,000	(\$2,013,468)	\$1,946,532
Administration	\$4,180,000	\$-0-	\$4,180,000
TOTAL	\$83,616,000	\$1,212,754	\$84,828,754

Note: the table above accounts for \$1,212,754 of program income received. This received program income is included in both the adjustment amount and proposed allocation columns. The proposed allocation column total exceeds the CDBG-DR allocation by the received program income amount.

Strategic Acquisition and Strategic Buyout

The previous Strategic Acquisition category has been divided into two distinct categories: Strategic Acquisition and Strategic Buyout.

Description:

These activities will work in conjunction with local municipalities to undertake voluntary acquisition of owner occupied houses or other properties impacted by the flood event, with a focus in low-mod areas which meet the Cook County Acquisition/ Buyout programs' criteria: structures not protected by capital improvements; projects in approved watershed plans; structures subject to flooding depth of one foot above the low entry elevation for any one historic event; subject to a flooding depth of one-half foot for any two historic flood events; or a FEMA repetitive loss structure.

Acquisition/Buyout is the only alternative in many flood prone areas of the County where there is no permanent infrastructure solution to the flooding. This will result in long-term recovery for these households. The properties will be returned to open land for easier flow of waterways.

Cook County will also participate with the Cook County Department of Homeland Security and Emergency Management and provide a match for properties acquired under the FEMA Hazard Mitigation Grant Program (HMGP). Cook County's mutually exclusive criteria over the HMGP Strategic Acquisition Program are the following: Residential Property; Substantially Damaged by previous declared flooding events; Repetitive Loss – two flood insurance claims within the last 10 years; Vacant / abandoned flood damaged property; Located in 100 Year Floodplain, flood damaged property; Located in 500 Year Floodplain, flood damaged property Beneficiaries/Direct Recipients

It is anticipated that 117 properties will be acquired for the Strategic Buyout program from within the Village of Wheeling, Riverside Township, Village of Franklin Park, Wheeling Township, Palatine Township, Leyden Township and potentially others to be determined.

These two programs will work in tandem with each other. The primary difference is that Strategic Acquisition pertains to eligible property purchased post Spring 2013 flood event and utilizes post storm value. Strategic Buyout pertains to property purchased before the Spring 2013 flood event and utilizes pre-storm value. In both cases, property will be demolished and conveyed to the local municipality and converted to open land.

Maximum Award:

The funding threshold per property will be determined on a case-by-case basis.

Eligible Applicant/Property:

Repetitive Loss

Eligible Activity:

Buyout/Acquisition as provided for in 78 FR 14329 published March 5, 2013.

National Objective:

Low- and Moderate- Income Benefit Households; Area or Urgent Need

Allocation:

Strategic Buyout \$10,239,994

Strategic Acquisition \$220,000

Overview and Delivery:

The responsible organizations for this activity may include Cook County DPD, Cook County Department of Homeland Security and Emergency Management, MWRD, Cook County Land Bank, Cook County Forest Preserve District, municipalities and municipal park districts.

Project Monitoring:

The County will monitor in accordance with its initial Action Plan.

Infrastructure

Funding for the Infrastructure activity is being significantly increased to cover identified unmet needs. Previous Action Plan amendments discussed the number and variety of infrastructure projects that remain as unmet need. Funding is being transferred from other areas within the CDBG-DR portfolio which are now complete, to allow these important infrastructure projects to proceed. Project eligibility requirements remain the same.

Infrastructure projects that improve the economic conditions and/or quality of life for low- and moderate-income communities impacted by the 2013 floods will be considered a priority. Infrastructure projects identified may be considered under the Urgent Need national objective, if a benefit to low- and moderate-income persons cannot be demonstrated.

Eligible Applicants:

Units of local government

Eligible Activity:

Infrastructure

National Objective:

Low- and Moderate- Income Benefit Households; Area or Urgent Need

Allocation:

\$40,506,601

Overview and Delivery:

The responsible organizations for this activity may include Cook County and local units of governments.

Project Monitoring:

The County will monitor in accordance with its initial Action Plan.

Housing Construction and Rehabilitation

The budget remains the same. The number of anticipated housing units remains the same.

Residential Resilience

This program has been under prescribed based on the original estimate of 250 applicants. The County currently estimates up to 100 applicants. The budget has been decreased accordingly.

Down Payment Assistance

Description:

A Down Payment Assistance program for qualified homebuyers under the Housing Construction and Rehabilitation Program is being added.

Resulting from the new-construction agreement with the developer, Presidio Capital, there are a total of 18 single-family homes for sale in the Village of Summit. Cook County down payment assistance will be offered for all homes developed with CDBG-DR funding to assist qualified LMI households in purchasing a home. This assistance may also include closing costs.

Maximum Award:

The program will assist homebuyers with purchasing a home through the provision of up to 100% of the down payment capped at \$40,000. This assistance is secured with a second lien to guarantee an affordability period of 20 years.

Eligible Applicant:

Eligible applicants are those households who are at or below 80% AMI.

Eligible Activity:

105(a)(24)

National Objective:

Low- and Moderate- Income Benefit

Allocation:
\$605,000

Overview and Delivery:
This program will be implemented by the developer with oversight from the County.

Project Monitoring:
The County will monitor in accordance with its initial Action Plan.

Economic Recovery

This program has been eliminated from the County's portfolio. There were no related disbursements.

Planning

Cook County invested resources into a range of planning projects at the beginning of the CDBG-DR grant period. The remainder of the uncommitted funds initially allocated to planning are being transferred to other projects.

STAKEHOLDER CONSULTATION AND CITIZEN PARTICIPATION

The stakeholder and general public consultation and citizen participation process for this Substantial Amendment conforms to the County's currently adopted Citizen Participation Plan which was most recently amended in September 2014 with a CDBG-DR specific addendum. The Citizen Participation Plan is designed to improve compliance with HUD regulations as well as more effectively engage the public in Cook County programs. This Substantial Amendment to the Action Plan was made available for public review and comment for the required 7-day public review/comment period as prescribed by the related regulations.

The Fourth Substantial Amendment was made available to the public for review and comment for seven days from February 15, 2019 through February 22, 2019 per HUD requirements via the Cook County website at this link: <https://www.cookcountyil.gov/service/disaster-recovery-and-resilience> as well as on-site at Cook County offices located at 69 West Washington Street, Suite 2900, Chicago, IL 60602. No public comments were received during this period.

General questions regarding this Plan or proposed programming as well as requests for special assistance related to limited English proficiency or disabilities should be directed to Barbara Maloof at 312-603-1004 or barbara.maloof@cookcountyil.gov.

Additionally, as noted in the County's Citizen Participation Plan (CPP) Addendum, last amended and submitted to HUD in October 2014, Cook County will ensure that all citizens have equal access to information and opportunities for input. Persons needing special accommodations due to disabilities or limited English proficiency will have an opportunity to request said accommodations. The County is also in the process of developing a specific Language Access Plan (LAP) in accordance with HUD requirements

which will be incorporated within its standard CPP. The revised standard CPP inclusive of the LAP will be released for public review and comment prior to consideration for adoption later in 2019. Contingent upon the components of this LAP, the County will secure appropriate oral and written translation services for languages which meet the regulatory threshold per Federal requirements. Depending on the unique demographics and language proficiency levels of communities impacted by flooding and potentially eligible for CDBG-DR, the County may offer additional translation services as its discretion. The LAP will stipulate the appropriate written translation of vital documents (as deemed so by the County). This Citizen Participation Plan Addendum remains in effect.