

Grantee: Cook County, IL

Grant: B-13-US-17-0001

January 1, 2015 thru March 31, 2015 Performance Report



Grant Number:

B-13-US-17-0001

Obligation Date:**Award Date:****Grantee Name:**

Cook County, IL

Contract End Date:**Review by HUD:**

Reviewed and Approved

Grant Award Amount:

\$83,616,000.00

Grant Status:

Active

QPR Contact:

Lesa Carey

LOCCS Authorized Amount:

\$13,760,000.00

Estimated PI/RL Funds:**Total Budget:**

\$83,616,000.00

Disasters:**Declaration Number**

FEMA-4116-IL

Narratives**Disaster Damage:**

using choice vouchers throughout suburban Cook County. While no HACC-owned buildings received damage that has not yet been remediated, it is possible that some privately owned properties where voucher holders reside were impacted and are still in need of assistance. However, HACC has not been formally made aware of any such instances to date.

The Alliance to End Homelessness in Suburban Cook County is the local Continuum of Care Agency and they have completed an analysis of 2013 Homes in the Continuum (HIC)-Unmet Need. Within suburban Cook County at the countywide level, the Alliance has projected a need for additional beds of permanent supportive housing (PSH) to serve 434 people, including 46 families with children (141 people) and 293 adults in adult-only households (singles, couples, etc.).

Further, the Alliance has calculated the percentage of persons living in poverty by sub-region, as well as the cost burden of housing as a percent of income by sub-region. In the north, 36.8% of the households are cost burdened, that means 16 family PSH units with 48 beds, plus 100 adult PSH beds. This unmet need calculation is for permanent supportive housing to serve homeless households, and the need for supportive housing more broadly could be higher.

One reason to focus on the Des Plaines Watershed for the replacement housing is that the south suburbs benefitted from the opening of South Suburban PADS' Country Club Hills Wellness Center (77 units of PSH) in October 2012, and the west suburbs benefitted from the opening of the West Suburban PADS's Open Door Housing (65 scattered-site leased PSH apartments). The north suburbs would benefit from additional supportive housing of a similar scale.

Infrastructure

USACE has produced the Upper Des Plaines River and Tributaries, Illinois and Wisconsin Integrated Feasibility Report and Environmental Assessment. The plans described in the report propose the construction of levees, reservoirs and other features to reduce flood damages in the Upper Des Plaines River Watershed. Communities in this area have experienced major flooding and damages over the past 30 years, and this watershed was among the most impacted by the flooding in April 2013. The USACE study evaluated a range of measures related to flood risk management. The full plan recommended by the report includes 14 recommendations for Cook County, one of which covers the non-structural measures (buyouts and flood-proofing) mentioned in the Housing section above. Eleven of the remaining thirteen projects are recommended for other implementation channels, but two projects were found to be economically justified but not compliant with USACE policy and therefore ideal for implementation by state or local entities. These two projects are:



- Lake Mary Anne Pump Station in Maine Township
- First Avenue Bridge Modification in River Grove

The County will continue working with USACE, the local jurisdictions and other partners to evaluate these two projects for potential use of CDBG-DR funding.

MWRD has a significant pipeline of

Disaster Damage:

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Housing

FEMA Individined for DR4116, the disaster declaration related to the flooding event in April and May 2013. In particular, Housing Assistance (HA) data - one of two types of assistance available under the Individuals and Households Program (IHP) - was assessed to understand which municipalities had significant impact from this disaster. Municipalites that met one of three criteria: 5% or more of the municipality's housing units applied for assistance; 400 or more eligible applications were submitted for assistance; or approved damages exceeded \$1,000,000.00 were studied further.

We are continuing to work with IEMA to obtain the FEMA verified loss data to better understand the remaining unmet need and assist with geographic targeting of the CDBG-DR funding. While the HA data above provides a sense of the damage experienced across municipalities in Cook County, FEMA Disaster Relief data does not reflect the full picture of impacted municipalities. Private insurance also covers a significant portion of the damages from disaster events, yet may leave unmet need. The Prevalence and Cost of Urban Flooding report from the Center of Neighborhood Technology (CNT) describes how in recent years flood impacts have been widespread in Cook County impacting 96% of ZIP codes and not necessarily correlated with floodplains. This report including related maps is included in the Appendix. While this report did not examine the flood impacts in 2013, the nature and extent of flooding in the 2013 event is likely similar to the flood events in 2007-2011 covered by the report. The municipal and housing provider surveys mentioned above are providing an additional resource for damage information and unmet need related to last year's flooding.

Repetitive loss properties also emerged as a significant area needing attention. IEMA administers an acquisition and buyout program through the Hazard Mitigation Grant Program (HMGP) that is currently reviewing applications from Des Plaines, Glenview, Glenwood, and River Forest. All of these acquisition/buyout projects require a local match. The USACE report recommends non-structural measures including buyouts, with specific mention of Des Plaines, Park Ridge, River Grove, Riverside, Rosemont, and Wheeling. The Illinois Department of Natural Resources (IDNR) also maintains a list of repetitive loss properties. The needs assessment has revealed that buyouts are typically viewed as one of the higher value activities in terms of the benefit-cost ratio. In addition to buyouts, the USACE report also recommends many areas for flood-proofing.

The County also consulted with two key stakeholder housing groups: local public housing authorities and the Continuum of Care.

Cook County has five public housing authorities which service the entire County (not including the City of Chicago): the Housing Authorities of Cicero, Maywood, Oak Park, Park Forest, and The Housing Authority of Cook County (HACC). Cicero, Maywood, Oak Park and Park Forest each administer housing choice vouchers only. As such, they did not own or manage any properties specifically impacted by the flooding. Conversely, the HACC owns and manages 1,850 public housing units and administers 1,0h

Disaster Damage:

08 loan fund) and the Cook County Land Bank Authority. As the needs assessment continues and County staff meets with businesses, long-term economic recovery from flood impacts will be kept at the forefront of conversations. The County may evaluate the use of loan or grant programs in areas impacted by the flooding.

Disaster Damage:

1. Needs Assessment:

The ongoing Needs Assessment evaluates the three core aspects of recovery - housing, infrastructure, and economic development - related to the declared flooding disaster that occurred between April 16th and May 5th, 2013. However, first it is necessary to assess the overall impacts through extensive consultation with and review of the related research of internal and external agencies. To date, this consultation has targeted the Cook County Departments of Homeland Security and Emergency Management, Environmental Control, Transportation and Highways, the Cook County Forest Preserve District, the Illinois and

Federal Emergency Management Agencies (IEMA and FEMA, respectively), the Metropolitan Water Reclamation District (MWRD), the U.S. Army Corps of Engineers (USACE), the Center for Neighborhood Technology (CNT), and municipal and township leaders.

This initial needs assessment noted that while there was significant flooding documented throughout the County during this time period, the majority of the related damage occurred along the Des Plaines River watershed that initiates in Wisconsin, flows into Cook County, and includes small tributaries running through the majority of the County. There are several smaller tributaries that flow into the river heading south and into the Illinois River. There were a few independent studies inclusive of the County focused upon disaster issues that have proven extremely valuable. First, USACE recently conducted a full study of the Upper Des Plaines River Watershed, which is currently in the process of being finalized. MWRD, who is charged with storm water management for all of Cook County, has also recently completed several analyses of storm water management along many of the creeks and rivers throughout the County. Additionally, the County solicited and reviewed extensive FEMA/IEMA data on funding provided to individuals affected homeowners as a result of the flooding to gain a stronger understanding of the geographic distribution of existing assistance. In addition, The Cook County Department of Homeland Security and Emergency Management is in the process of developing a Hazard Mitigation Plan which also outlines specifically the needs for those who have experienced flooding within Cook County boundaries. Lastly, a study by CNT, which focused specifically on urban flooding and analyzed individual claims to FEMA/IEMA as well as private insurers, helped to provide a fuller picture of the prevalence and location of the flooding impacts, related needs, and leverage of other resources.

Recognizing that additional community-specific input was needed as part of this needs assessment, the County also developed and transmitted an electronic survey to 200+ stakeholder groups including 130+ local municipalities and 70+ housing providers throughout the County regarding flood impacts in their community and to their properties. A summary of all survey responses to date are in the Appendix. We are continuing to solicit responses and will review/analyze the related results as part of an ongoing assessment of unmet needs.

Additional needs assessment is ongoing and the County may utilize a portion of the CDBG-DR funds for planning to refine its strategy further and conduct neighborhood level demographic

Disaster Damage:

storm water management projects through its Phase 1 and Phase 2 programs. Phase 1 includes regional flood control projects that were recommended in MWRD's Detailed Watershed Plans, and these projects aim to address flood control and overbank flooding on regional waterways. Phase 2 includes projects that will assist communities with more localized flooding issues. Examples of Phase 1 projects currently under design and/or likely to be bid within the next two years are included below. The full set of Phase 2 projects approved by the MWRD Board in September 2013 is included in the Appendix. Phase 2 includes 12 projects now in the design stage and 23 conceptual projects in a variety of areas across Cook County. Many of these Phase 1 and Phase 2 projects will need or would benefit from local matching funding to help them move forward to implementation.

MWRD Phase 1 Storm Water Management Project examples include:

- Flood Control Project on Farmers and Prairie Creeks in Maine Township, Park Ridge, and Niles
- Lyons Levee in Forest View
- Flood Control Project for Deer Creek in Ford Heights
- Flood Control / Stream bank Stabilization Project on Tinley Creek in Crestwood
- Flood Control Project on Cherry Creek East Branch in Flossmoor
- Arquilla Park Levee in Glenwood

Through the Hazard Mitigation Grant Program (HMGP), IEMA has also received requests for structural projects in municipalities, including Westchester, Matteson, and Northbrook.

We also examined FEMA Public Assistance damage estimates from last year's flooding. In total, the damage estimates for Cook County (excluding the City of Chicago) exceeded \$7 million. Excluding the Debris Removal and Emergency Protective Measures categories, the damage estimate is over \$2.1 million. A full list of damage assessment data by FEMA applicant is included in the Appendix. The most impacted municipalities include Des Plaines, Franklin Park, Forest View and Maywood. While significant damage occurred, Cook County did not meet the FEMA threshold and was therefore denied Public Assistance. As a result, much of this damage may still be an unmet need.

Economic Development

During our consultations, ongoing impact on the business community has not frequently been cited as a need. Several business losses were mentioned by local jurisdictions, but a remaining impact was not indicated as a high priority. The municipal surveys conducted for this needs assessment did ask about flood-related business impacts, and results received to date are included in



the Appendix. Infrastructure projects, like those noted in the above section, would have positive economic benefits and likely reduce flood-related impacts on businesses. Since business impacts have not been a significant issue so far, specific business data has not been included in this Plan. Data from the U.S. Small Business Administration (SBA) disaster loan program has been requested but not yet received.

Cook County has been increasing its economic development efforts through increased outreach to businesses and the creation of new tools like the BUILT in Cook loan fund(a HUDSection 1

Recovery Needs:

ment housing.

7. Disaster-Resistant Housing:

Cook County is considering new construction and renovation of replacement housing with these grant funds and will have an opportunity to explore options for disaster-resistant housing for all income groups, as well as persons with disabilities and seniors. Toward that end, Cook County will use this grant along with its HOME, CDBG and ESG funding to address the following:

(a) The transitional housing, permanent supportive housing, and permanent housing needs of individuals and families who are homeless or at risk of homelessness. As an active member of The Alliance to End Homelessness in Suburban Cook County (Alliance), Cook County DPD works with the other Alliance agencies to produce new units of housing for such persons and families, preserve the units already available through rehabilitation, and fund housing stabilization services. This is accomplished through a collaborative application for Continuum of Care funding, as well as: Community Development Block Grant (rehab and public service funding); HOME Investment Partnerships Program (new construction and renovation); and Emergency Solutions Grants (shelter, street outreach, homeless prevention and rapid rehousing) funding. Flooding is the most common natural disaster that affects housing in Cook County, so no new construction is carried out in the floodplain.

(b) The prevention of low-income individuals and families with children from becoming homeless is part of the mission of the Alliance. The Alliance brings together a range of services and housing options for those in need with multiple information and access points for emergency assistance. Homeless service providers, local government agencies, community groups, faith based organizations, and other concerned residents bring together their housing and emergency assistance resources and participate in joint planning. Information is available to the public through wide distribution of printed brochures, web-based information systems, and a Virtual Call Center that provides referral assistance to residents throughout suburban Cook County. Some member organizations provide legal assistance and other pro bono services for those who are homeless or at risk of losing their housing. Alliance agencies partake in community fairs, clinics or walk-in events designed to engage unsheltered persons in services. Other efforts such as street outreach and meals-only services at the shelter target unsheltered homeless persons. The 150 Homes Team (a local effort of the 100,000 Homes Campaign) has been working with the most vulnerable unsheltered persons to secure housing through Section 8 Flow Vouchers and Permanent Supportive Housing (PSH) units.

Persons calling the Virtual Call Center, which is also funded by the County, are referred to an agency in their area that will best be able to assist them. The Alliance's Homelessness Prevention Committee has been working on coordinated protocols for screening and eligibility determination. The Homeless Prevention Committee has also been working toward developing a standard coordinated assessment process to determine the best way to assist an applicant to regain stability in their current housing; to achieve stability as they move from emergency shelters or who are homeless to move into a stable place.

Recovery Needs:

and help achieve stability.

Coordination of services is standard through use of the HUD mandated Homeless Management Information Systems (HMIS), and all agencies are required to use it.

(c) The special needs of persons who are not homeless but require supportive housing are taken into consideration during the Cook County Consolidated Planning and annual funding allocation processes. Housing projects are awarded to developers and non-profits on a competitive basis. However, there are several Court cases especially in Northwest Cook County against municipalities regarding the placement of these facilities. The State of Illinois is also under a Consent decree to find suitable housing for persons currently living in nursing homes, but who can successfully live in the communities with support in Cook County (Colbert v. Quinn). Toward that end, Cook County will work with several developers who are looking to build supportive housing in the communities that have been affected by the flood, but not in the flood plain. An emphasis is placed on projects serving vulnerable populations. Additional multipliers are also given for projects serving: individuals at the lowest income levels; persons with disabilities; persons with mental illness; and persons with additional housing challenges.

(d) Cook County will also address how planning decisions affect racial, ethnic, and low-income concentrations directly in response to this disaster. It will ensure that all planning practices conform to Federal fair housing and equal opportunity protocols as well as the County's Human Rights ordinance.



8. Minimize or Address Displacement:

All CDBG-DR funded acquisitions of real property are expected to be voluntary acquisitions and are exempt from Section 301 of the URA. Given the nature of the funding, relocations will be funded in accordance with the regulations and limitations set out under the Uniform Relocation Act (URA). Funding will be available to relocate renters who currently live in a flood plain and have experienced repetitive and excessive damage. In addition to receiving moving expenses, they are eligible for the difference between their current rents and the new rents for up to 42 months. Homeowners will be offered a fair market value for their property as determined by a third party appraisal. The homeowner is also allowed to seek a determination of fair market value. If the two are not aligned, a third party will be engaged to make the final determination of Fair Market Value. These homes will be demolished and the property will be given to a public agency to be maintained as wetlands, forest preserves or park district areas that can sustain flooding with minimal damage.

9. Program Income:

CDBG-DR program income is the gross income received by Cook County and its sub-recipients directly generated from the use of CDBG-DR funds. Program Income may come from the following sources:

- Proceeds from the sale or lease of property purchased or improved with CDBG-DR funds
- Proceeds from the sale or lease of equipment purchased with CDG-DRunds

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Recovery Needs:

income from the use or rental of real or personal property acquired constructed or improved by Cook County (or a subrecipient), less the costs incidental to generate program income

- Payments of principal and interest on loans made with usig CDBG-DR funds
- Proceeds from the sale of loans or obligations secured by loans made with CDBG-DR funds
- Interest earned on program pending its disposition

Program income does not include:

- Income earned from the investment of initial proceeds of a grant advance from the U.S. Treasury
- Interest earned on loans or other forms of assistance with CDBG-DR funds that are used for activities that are determined by HUD to be ineligible
- Interest earned on the investment of amounts reimbursed to a program account prior to the use of the reimbursed funds for eligible activities
- Any income received in a single program year by the grantee and its sub recipients, that does not exceed \$25,000;
- Income generated by certain Section 108 activities (refer to 570.500(a)(4)(ii))
- Proceeds from sub recipient fundraising activities
- Funds collected through special assessments to recover non-CDBG-DR outlays of public improvements
- Proceeds from the disposition of real property by a sub recipient or the County, that was acquired or improved with CDBG-DR funds, when the disposition occurs after the time period specified in 570.503(b)(7) for sub recipient owned property (generally five years after the expiration of the sub recipient agreement) or the time period required by 570.505 for grantee-owned property.

Cook County may authorize a sub-recipient to retain program income for additional CDBG-DR projects pursuant to a written agreement. Program income (other than program income deposited in a revolving loan fund) must be disbursed prior to the drawdown of additional funds from the U.S. Treasury (or in the case of a sub recipient, from the County). The CDBG-DR regulations require the County, at the end of each program year, to determine if it has excess program income on hand and return any excess to its line of credit. Any program income received as a result of this program will be recycled into the program for further support of eligible related activities (minus any allowable administrative expenses).

10. Monitoring Standard and Procedures

Cook County will follow its new Monitoring Standards and Procedures, which have been written as part of their HUD-funded One CPD technical assistance process. Monitoring protocols will vary by activity type and are particularly intensive for housing projects. A full copy of the internal policies/procedures manual including monitoring was recently provided to HUD. In short, Cook County will perform a desk review of each multifamily property to review Tenant Income Certifications, perform an onsite inspection, as well as a full financial review with a full risk assessment (using our new Risk Assessment Tool). Any single family homes that are renovated or constructed will have an annual letter certifying occupancy if structural improvements or facility improvements will be made.

Recovery Needs:

Monitored for compliance use of all agencies/undersubrecipients and developers) will be monitored by program and finance staff and also have an annual financial audit each year.

The County currently conforms to all A133 single financial audit requirements. Please see the Financial Proficiency documents previously submitted to HUD, for details.

11. Procurement to Detect and Prevent Fraud, Abuse and Mismanagement
The above describes the monitoring mechanism that will be used to detect fraud, abuse and mismanagement. We will also involve the Office of the County Auditor as needed. (Information about the functions of the County Auditor was provided in the Financial Proficiency documents previously submitted to HUD.) Additionally, Cook County has adopted an Ethics Ordinance that provides direction for ethical conduct of the President, County Cook Commissioners, and all County employees that are to be followed in conducting the business of Cook County. This Ordinance contains conflict of interest provisions and can be viewed on the County website at www.cookcountyil.gov. Cook County staff must go through an annual training on the Ethics ordinance and is responsible to report suspected fraud, waste and/or abuse to the County Office of Inspector General. Additionally, the County will comply with all HUD conflict of interest provisions.

12. Capacity

Activities funded by this grant will be carried out by County staff or by subrecipients, contractors or developers under the supervision of County staff. DPD currently administers the Community Development Block Grant (CDBG), HOME Investment Partnerships Program grant (HOME), Emergency Solutions Grant, and Neighborhood Stabilization Program. Cook County is timely in its obligation of funds, expenditures, project completion, and reporting. Under its CDBG program, Cook County has implemented over 130 capital improvement projects over the past three years and has significant experience in this area. These programs are audited each year by an external auditor. The County's CDBG and HOME programs have been monitored by HUD in the last three years. The County successfully administered both the CDBG-R program and the Homelessness Prevention and Rapid Re-housing (HPRP) Program. Cook County is requesting an initial obligation of \$3 million and will request the remaining \$10.9 million by Substantial Amendment(s) to this Action Plan. Once the infrastructure projects and the buy-out processes for specific addresses commence, it is anticipated that these funds will be expended within a year. It is anticipated that at least \$10.9 million will be expended by September 1, 2018, with the expenditure of the remaining \$3 million to be completed by August 1, 2019.

13. Description of Programs/Activities

A general description of programs and activities appears in the below Activity Summary Table. Cook County intends to carry out all of the programs and activities through sub-recipients or developers, with the possible exception of the planned activity
Activity Summary Table

Recovery Needs:

I:

Administration - \$695,000
Administration of the Grant Fund over the five year period of the grant.

Eligibility: Cook County is allowed to use up to 5% of the Grant for Administration Services. - Location/geographic description: N/A

Responsible Organization: DPD

National Objective: N/A

Performance Measures: Timely and compliant administration of the grant; timely expenditures; timely reporting.



Projected Start Date: 6/1/14
Projected End Date: 9/2/19

Planning - \$1,000,000
Will be used for Planning Studies of smaller geographies.

Eligibility: Cook Countys allowed to ue up t15% ofthe Grant for Planning Activities - Location/geographic description: TBD

Responsible Organization: DPD/Potential Subrecipient(s)

National Objective: N/A
Performance Measures: Completion of studies and identification of projects needed to assist the identified geography.

Project Start Date: TBD
Projected End Date: TBD

Strategic Acquisition - \$4,500,000 (funding threshold per property will be determined on a case by case basis)
This activity will undertake voluntary buy-out of owner occupied houses or other properties impacted by the flood event, with a focus in low-mod areas or owned by low-mod households which meet the Cook County buy-out 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 onehalf FEMA repetitive loss structure.

Eligibility: Repetitive loss properties - Location/geographic description: To be determined - see needs assessment.

National Objective: All three are possible
Buy-out 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 buyouts will be performed in conjunction with the Cook County Forest Preserve District, local park districts, or other partners, allowing the land to be returned to open land for easier flow of waterways.

Responsible Organization: Cook County DPD, IEMA, Cook County Forest Peserve District, municipal park districts

Performance measures will be: # of units (approximately 18 anticipated)

Projected start date: 6/1/2014
Projected end date: 9/29/2019

Rehabilitation/Remediation - \$2,205,000
Outreach to impacted areas to determine if lowincome residents need assistance with rehabilitation and/or remediaton occurrig as a resul

Recovery Needs:

of te flood event. This will result in longterm recovery for these households.

Eligibility: Housing with an unmet need - Location/geographic description: Cook County, beginning with outreach to most affected neighborhoods identified in this Action Plan

National Objective: Low/Mod Housing

Rspnsible Organization: TBD - Non-Profit Subrecipients (3) who will administer the program.

Performance measures will be: # of units (80 anticipated)

Projected Start Date: 6/1/2014
Procted End Date: 9/29/2019

Replacement Housing - \$2,500,000
Looking at 3 - 4 rental developments that will target seniors and special needs populations.

Eligibility: Housing: Location: areas near heavily impacted areas, but not in flood plains.

National Objective: Low/Mod Housing or Limited Clientele

Performance measures will be: # of units (80 anticipated)

Projected Start Date: 6/1/2014
Projected End Date: 9/29/2019



Infrastructure - \$2,000,000

There are a number of infrastructure projects under consideration. Conversations are ongoing with MWRD, IEMA, USACE and local municipalities.

Eligibility: Needed infrastructure improvements that address flooding - Location: TBD-see needs assessment

National Objective: Low/Mod Area Benefit

Responsible Organization: Cook County in coordination with units of local government

Performance Measures: 1-4 infrastructure projects supported.

Projected Start Date: 6/1/2014

Projected End Date: 9/29/2019

Tenant-Based Rental Assistance - \$1,000,000

Rental demand in opportunity areas (areas of high employment) of the County has risen over the past five year, and flooding has exacerbated the problem, but reduced the supply of rental homes available. A tenant-based rental assistance program would assist households who are extremely housing burdened to meet expenses each month. The subsidy would be small and would only be given for 36 months.

Eligibility: Housing - Location: High Opportunity Areas

National Objective: Low/Mod Housing

Responsible Organization: Designated banker and fulfill a similar role for the North/Northwest suburbs under the Continuum of Care structure.

Performance Measures: # of households assisted (120 households)

Projected Start Date: 6/1/2014

Projected End Date: 9/29/2019

17. Environmental:

Due to the nature and design of this program, these actions are subject to a HUD-required environmental review. DPD assumes responsibility for environmental reviews at the appropriate level.

Recovery Needs:

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18. Fair Housing:

Cook County has a current Analysis of Impediments (AI) to Fair Housing, which was submitted to the U.S. Department of Housing and Urban Development's Office of Fair Housing and Equal Opportunity and Office of Community Planning and Development in 2012. A new Consolidated Plan is currently under development for 2015-2019 and will include updates as applicable for fair housing impediments and proposed actions to affirmatively further fair housing.

19. Duplication of Benefits:

Cook County DPD will administer the CDBG-DR funding with a focus on preventing the duplication of benefits. For the purposes of this program, duplication of benefits is taken to indicate a situation where a beneficiary receives more disaster assistance than the amount of loss, or receives benefits for a loss already covered by other sources. Disaster assistance includes private and public sources such as donations, insurance proceeds, volunteer work and grants. The focus on preventing duplication of benefits is meant to guard against fraud and ineligible applicants. Assistance is considered duplicative when two sources exceed the need for the same recovery item. Assistance is not duplicative when two sources contribute to the same need the total assistance does not exceed the total need. Different sources of assistance can be combined to meet recovery needs as long as the assistance is not duplicative.

In administering the CDBG-DR funding, DPD will establish a process to work with federal, state and local sources of disaster assistance to verify any assistance applied for and/or received by beneficiaries. DPD will work with all potential beneficiaries to determine the level of unmet need prior to providing any assistance. DPD will require all beneficiaries to:

- Report all assistance sought or received including insurance, loans and grants
- Sign an affidavit certifying that all assistance has been reported
- Allow DPD to check for sources of disaster assistance
- Sign a subrogation agreement, to be used if a duplication of benefits is determined



The Project Management function within the Housing and Community Development divisions of DPD, in conjunction with any subrecipients funded for this purpose, will be primarily responsible for gathering and verifying the above information. Any issues identified will be escalated to the Program Managers for review and final determination.

The County is already working with FEMA/IEMA and MWRD to ensure that funds are supportive of their related efforts and not duplicative. Cook County has administered flood assistance to individual homeowners through other Federal funds in the past and will follow a similar program model.

For the replacement housing, a full subsidy layering analysis will be performed as part of the underwriting.

For tenant-based rental assistance, households will need to share the last two years of tax returns, as well as any other financial documents to show that they qualify.

Recovery Needs:

if for funding.

20. Procurement:

Cook County has its own procurement code, which will guide the procurements needed for this grant as applicable. However, most of the solicitation of sub-recipients is not subject to the Procurement Code. Cook County DPD has administered hundreds of CDBG projects via subrecipients in recent years and requires all subrecipients to adhere to HUD procurement standards. Cook County plans to issue a Request for Proposals for the administering agencies to administer the Rehabilitation/Remediation Program. The County will use the procurement completed by the Alliance to identify the "banker" for the North/Northwest region for the Tenant-Based Rental Assistance. As for replacement housing, Cook County will review proposals that are simultaneously sent to IHDA as part of their Qualified Allocation Plan and will review them based on the following Housing Prioritization criteria based on the HOME Program.

Cook County Housing Prioritization Criteria

In general, entities submitting for housing funding and those receiving housing funding will be reviewed, evaluated and monitored based on the following guidelines:

1. Complete Application - This comprehensive request should include all documents requested on the Housing Checklist. Those documents not available should be indicated with a full and detailed explanation. Any missing or non-submitted document may cause a delay or denial of request of housing funds.
2. Qualified Development Team - The applicant must include and identify information about the persons or organizations that will be responsible for carrying out all aspects of the proposed project. This includes, but is not limited to the following areas: (a) Housing, (b) financing, (c) construction, architectural design and management, (d) management of housing, including marketing, leasing and assets, and (e) legal team.
3. Past Performance - The County will consider the past performance of developers that will include, but is not limited to: the ability to successfully structure and close a project, timeliness of completing a project, management practices other housing facilities and payment history on the servicing of their loans.
4. Underwriting Analysis - The applicant must provide a detailed development cost breakdown which includes all acquisition, construction, soft costs, and fees. A full operating budget must also be submitted documenting an economically feasible project after payment of expenses and debt. A subsidy layering review is conducted to determine the appropriate level of housing subsidy. This review is summarized in the Department's Staff Report presented to the County Board of Commissioners. All other financing components of the transaction must be identified at the time of request, including the most reasonable loan amounts, interest rate and terms. A final financial review is performed prior to loan closing to ensure that the project is still economically feasible. The project's analysis of the operating budget or pro-forma must show that there is adequate cash flow to meet all debt service requirements (by all lenders) and provide for adequate reserves throughout the affordability period. A capital needs assessment is required for all projects with 26 or more total units. A market analysis is required for new construction and new single family housing projects which will indicate a favorable market for the proposal.

Recovery Needs:

ating budet or pro-forma must show that there is adequate cash flow to meet all debt service requirements (by all lenders) and provide for adequate reserves throughout the affordability period. A capital needs assessment is required for all projects with 26 or more total units. A market analysis is required for new construction and new single family housing projects which will indicate a favorable market for the proposal.

5. Risk Management - Generally, the property is used as security for the housing funds provided to a development. The County is generally in a second mortgage position behind the primary lender, but will evaluate request for modifications to this request.



6. Compliance Monitoring – Where HUD required, the County will require annual rental compliance monitoring throughout the affordability period. The owner remains responsible throughout the affordability period to continue to comply with all federal regulations applicable to the project, including but not limited to: 1) maintaining the appropriate rent levels, 2) income qualifying the household, 3) maintaining the appropriate number of assisted units as required by federal regulations, 4) collecting all necessary documentation in a timely manner and forwarding it to the County, and 5) ensuring an adequately maintained facility.

7. Asset Monitoring - The County also reserves the right to perform asset monitoring to insure continued viability of a project. This includes, but is not limited to, the review of financial statements, records retained at the management office related to operations, insurance documentation, affirmative fair marketing and other pertinent documents. This review must be conducted annually for projects with 10 or more assisted units.

21. Waivers:

Cook County intends to utilize the waivers and alternative requirements applicable to this appropriation published by HUD in the Notices. Cook County reserves the ability to request certain waivers from the Secretary of HUD, if necessary.

22. Substantial Amendments:

At a minimum, the following modifications will constitute a substantial amendment: a change in the program benefit or eligibility criteria; the allocation or reallocation of more than \$1 million; or the addition or deletion of any activity. Cook County may substantially amend the Action Plan by following the same procedures required for the preparation and submission of this initial Action Plan. Amendments to the Action Plan that do not meet the threshold to be considered a substantial amendment will not require a public comment period, but all amendments will be numbered sequentially and posted on the disaster recovery website.

23. Pre- Agreement Costs:

Pre-Agreement costs of this grant include planning costs, preparation of the required Certification of Controls, Processes and Procedures and accompanying documents, conducting the needs assessment, data analysis, and preparation of this Action Plan.

24. Public Comments:

Recovery Needs:

alosing, providingee needed to move as a result of the flood may help them find replacemeherwise be able to afford.

- Planning: While not explicitly addressed in the above needs assessment, our consultations have uncovered a continued need for planning support related to flood mitigation efforts. Municipalities have inquired about available support for planning through the CDBG-DR funding. Furthermore, MWRD is piloting an initiative to create storm water master plans focused on problem areas, with four plans to be developed in suburban Cook County. As a result, we are allocating resources to be able to support these important planning efforts that will reduce future costs and flood impacts.

The Department will identify priority projects based upon the continuing needs assessment and solicit participation from municipalities, subrecipients, developers, or individual residents as appropriate. CDBG funds will be approved and distributed on a project by project basis with priority given to those projects located within areas of greatest need, as listed elsewhere in this draft Plan, and those projects that help achieve the CDBG-DR low and moderate income expenditure requirement. As with PY 2014 CDBG and HOME projects, funding will follow need and there is no restriction on projects by sub-regions although the region bordering the Des Plaines watershed continues to demonstrate the greatest needs based upon research to date. The allocation of funding will be proportional by activity based upon documented need and contingent upon funding availability.

3. Planning and Coordination:

As part of the development of this Action Plan, the Department of Planning and Development has been working with Cook County's Department of Transportation and Highways and Environmental Control, the Forest Preserve District of Cook County, the Metropolitan Water Reclamation District, FEMA, and IEMA. Additionally, Cook County's Department of Homeland Security and Emergency Management has recently undertaken the writing of our first Multi-Jurisdictional all Hazards Mitigation Plan. This final Plan will be published in June of 2014. County leadership have participated in several workshops around the concepts of

planning for natural disasters, as well as convened meetings specifically to deal with the flooding which occurred in April 2013. Through this process, several areas are being targeted for specific study-whether for storm water management or better infrastructure. Cook County is in the process of determining which areas will benefit from more in depth study and may utilize planning funds from this grant for this purpose. In determining specific uses of the CDBG-DR funding, we plan to build on the research and work already done by the above subject matter experts.

4. Leveraging of Funds:

The CDBG-Disaster Funds will be used in conjunction with other funds and therefore leverage resources strategically to reach highest impact. Specifically, they will be used as local match to the identified projects, including those recommended for implementation by MWRD and USACE. IEMA also has funds fruyotflod

Recovery Needs:

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Strategic Acquisition Program - \$4,500,000
Rehabilitation/Remediation - \$2,205,000
Infrastructure - \$2,000,000
Replacement Housing - \$2,500,000
Tenant-Based Rental Program - \$1,000,000
Planning - \$1,000,000
Administration - \$695,000

Total \$13,900,000

Cook County residents and business owners will access the Strategic Acquisition Program through applications already submitted to IEMA and/or via a program mechanism to be outlined by the County. Cook County will work with local jurisdictions and/or other County agencies (e.g. the Forest Preserve District of Cook County) on the acquisition/disposition of the subject properties. The Rehabilitation/Remediation program will provide small amounts in the form of a forgivable loan to exiting homeowners to deal with issues that remain unresolved from the floods. The Infrastructure Program will be used to fund strategic infrastructure projects the County and its partners have identified to address flood impacts or mitigate future flooding. Replacement Housing will be identified as part of IHDA's 2014 funding rounds, where the housing can be identified as replacement housing for vulnerable populations. The Tenant-Based Rental Assistance program will be administered by a qualified subrecipient and will provide shallow subsidies to low-income households wishing to live in opportunity areas to be close to work, family or community and are priced out of the rental market due to high demand. Planning dollars will be used to fund studies in municipalities and/or unincorporated areas of Cook County to determine what projects/efforts would help address current flooding problems.

14. Basis for Allocation:

The needs assessment has informed the allocation determinations in that two needs were identified: housing and infrastructure. Because MWRD is undertaking a large number of projects, and the USACE has also recommended many large projects, less funding has been set aside for infrastructure than housing. The infrastructure funding that has been set aside will be used as a local match to work with other agencies and/or to support smaller projects that the other agencies are not undertaking.

15. Unmet Needs not yet Addressed:

The unmet need in Cook County is huge and growing. USACE is planning to go to Congress later this year to seek the \$400 million that was identified as needed within their study. Again, these funds will be used in part to support areas where they have identified for local and state government to assist in all that needs to be done. Cook County will look to supplement rather than duplicate these efforts with CDBG-DR funds. Given the scope of the need and the size of the related eligible geography the County recognizes that its CDBG-DR funding will only partially address unmet need. However, the County is hopeful that effective utilization of this funding will set the stage for other internal and external efforts.

16. rogram/ Ativits Deta

Recovery Needs:

2. Connections between Needs and Allocation(s) of Funds:

The above assessment has identified a significant need for resources to address housing and infrastructure projects and initiatives in suburban Cook County, with less currently apparent need for disaster-related economic development efforts. As a

result, we are proposing that the allocation of CDBG-DR funding be focused on the following activity categories:

- **Strategic Acquisition Program:** A significant need exists for property acquisition and buyout activity in suburban Cook County. IEMA, USACE, and IDNR all indicate the need for resources to support this activity. IEMA's most recent round of Hazard Mitigation Grant Program applications related to the April 2013 flooding resulted in buyout requests that far exceeded the available funding. IEMA's program also requires a local match. Given the high benefit-cost ratio typically associated with buyouts, we are proposing to initially allocate a significant amount to this activity. We will work with partners like the Forest Preserve District of Cook County and local park districts to identify the proper future owner and use of the subject properties.
- **Rehabilitation/Remediation:** Based on consultations and a review of FEMA Housing Assistance data, a significant unmet need likely remains on homes impacted by last year's flooding. We will continue working with IEMA, local jurisdictions and other partners to gain a more detailed understanding of the unmet need, but we currently anticipate supporting rehabilitation and remediation efforts in the three sub-regions of suburban Cook County: south, west and north/northwest.
- **Infrastructure:** As noted in the above needs assessment, MWRD, IEMA and USACE have identified a strong pipeline of infrastructure projects to address flooding issues in suburban Cook County. In many cases, local resources or a local match is needed to move the projects forward. Some of these projects could proceed as early as the middle of 2014, making them good candidates for partnership with the CDBG-DR funding. We will continue working with the above partners and local jurisdictions to identify the infrastructure projects that align best with the purpose and eligibility requirements of the CDBG-DR funding. Given the identified need, we have made a significant initial allocation for this activity category, while maintaining the potential to increase the support for critical infrastructure projects via future amendments to this Plan as the needs assessment and review of projects continues.
- **Replacement Housing:** The needs assessment identified an unmet need for over 400 units of permanent supportive housing (PSH) in suburban Cook County. Given the high cost of housing in the north and northwest, and the recent PSH projects in the south and west suburbs, we may focus these resources in the north/northwest part of the Cook County. We will work with local jurisdictions and other partners to identify projects that best meet these unmet needs in disaster-impacted areas.
- **Tenant-Based Rental Assistance:** Due to the high cost of housing in the north and northwest, as well as the high demand

Recovery Needs:

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Please see the Appendix for a summary of comments received.

APPENDIX

- U.S. Army Corps of Engineers (USACE)Report
o <http://www.lrc.usace.army.mil/Missions/CivilWorksProjects/DesPlainesRiverPhaseII.aspx>
- Center for Neighborhood Technology (CNT) Report
o http://www.cnt.org/media/CNT_PrevalenceAndCostOfUrbanFlooding.pdf
- Cook County CDBG-DR Survey Forms
- Cook County CDBG-DR Survey Results Summaries
- Federal Emergency Management Agency (FEMA) Housing Assistance Data
- Metropolitan Water Reclamation District (MWRD) Stormwater Management Phase II Projects
- Federal Emergency Management Agency (FEMA) Public Assistance Data
- Consent Decree Information
o <https://www2.illinois.gov/hfs/PublicInvolvement/Colbert%20v%20Quinn/Pages/default.aspx>
- x
- o <http://www.dhs.state.il.us/page.aspx?item=51834>
- Cook County CDBG-DR Public Notice <http://blog.cookcountyil.gov/economicdevelopment/cdbg-dr/>



Recovery Needs:

damaged homethrqriralclmthFMhaardiseoe\$3milointeCounty in emergency relief for individuals and homeowes, and Cook County through their own CDBacrafwdwbkdntnihclanreCkunPsnote in the case of replacement housing that CDBG-DR would be a small portion of the total project costs.

5. Protection of People and Property: Construction Methods:

Cook County Written Housing Standards for Owner Occupied Single Family and Multi Family Residential Rehabilitation and New Construction will be used for CDBG Homeownership Purchase and/or Rehabilitation assisted activities. The County written Housing Standards will be incorporated in the CDBG agreements by reference. All housing that requires rehabilitation or is newly constructed must meet the applicable building codes of the municipality or local housing jurisdiction in which it is located. Local building codes and written housing standards take precedence if they are more stringent than County standards. If no code enforcement exists in the Jurisdiction, the property will be governed by the current BOCA (Building Officials and Code Administrators International) Code for the State of Illinois. Cook County Written Housing Standards will be used to describe in detail the specifications for the rehabilitation work needed to bring substandard housing into compliance with the State of Illinois BOCA Code. Green or energy efficient/environmentally friendly components will be included in these aforementioned standards.

6. Public Housing, HUD-assisted Housing, and Housing for the Homeless:

As noted earlier, no housing authority owned or managed property has been identified as damaged and in need of remediation as a result of these floods. As such, specific funding is not set aside for this purpose. However, privately-owned properties which house housing choice voucher holders may be eligible for assistance. Additionally, the County will continue to coordinate with the Continuum of Care to identify properties which serve as emergency shelters or housing for the homeless/at-risk of homelessness as potential funding targets. As the needs assessment is ongoing, specific properties have not yet been identified.

It is anticipated that there will be a focus on replacement housing that is permanent supportive housing to further assist households with special needs. Consideration of a focus on geographic areas adjacent to the Des Plaines Watershed is based in part on the existence of such housing in the South and West whereas the North continues to have a need for additional supportive housing of a similar scale. Moreover, the State of Illinois has committed in two Consent Decrees; Williams v. Quinn and Colbert v. Quinn, to provide community supportive housing. While Cook County was not a party to the decrees, we see supportive housing as an important community resource and will help to assist in this effort where possible and appropriate with CDBG-DR funds.

Cook County has also been approached by several developers to assist with funding for permanent supportive housing. Several of the projects are in communities that have suffered from the April 2013 flooding, so Cook County has made an initial funding allocation on supportive housing.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$13,760,000.00
Total Budget	\$13,760,000.00	\$13,760,000.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00



Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		100.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$12,542,400.00	\$0.00
Limit on Admin/Planning	\$16,723,200.00	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
Low/Mod	\$41,808,000.00	\$12,012,000.00

Overall Progress Narrative:

Activities are still being planned. No funds have been drawn.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
R1-DR-ADM, R1-Administration	\$0.00	\$270,000.00	\$0.00
R1-DR-IN, R1-Infrastructure	\$0.00	\$500,000.00	\$0.00
R1-DR-PL, R1-Planning	\$0.00	\$130,000.00	\$0.00
R1-DR-RH, R1-Replacement Housing	\$0.00	\$2,000,000.00	\$0.00
R1-DR-SFR, R1-Rehabilitation/Remediation	\$0.00	\$100,000.00	\$0.00
R2-DR-ACQ, R2-Strategic Acquisition	\$0.00	\$3,000,000.00	\$0.00
R2-DR-ADM, R2-Administration	\$0.00	\$418,000.00	\$0.00
R2-DR-IN, R2-Infrastructure	\$0.00	\$4,352,000.00	\$0.00
R2-DR-PL, R2-Planning	\$0.00	\$930,000.00	\$0.00
R2-DR-RH, R2-Replacement Housing	\$0.00	\$600,000.00	\$0.00
R2-DR-SFR, R2-Rehabilitation/Remediation	\$0.00	\$1,220,000.00	\$0.00
R2-DR-TBRA, R2-Tenant Based Rental Assistance	\$0.00	\$240,000.00	\$0.00



