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MINUTES

CDC EXECUTIVE COMMITTEE MEETING

Tuesday, June 9, 2009  
DuPage County Center  
421 North County Farm Road  
Wheaton, Illinois 60187

Acting Chairperson Hulseberg opened the meeting at 7:45 a.m.

**Members Present:** John Berley - Addison; John Day – DuPage Housing Authority; Dirk Enger - District 6; Pamela Fenner – Carol Stream; Dan Gardner - Glen Ellyn; Patrick Grill – Hanover Park; David Hulseberg, Vice Chairperson – Lombard; Linda Kurzawa – District 6; Anthony Michelassi - District 5, and Debra Olson – District 4.

**Members Absent:** Pamela Beavers – Woodridge, and Kyle Gilgis, Chairperson – District 3.

**Staff Present:** Phil Smith, Mary Keating, Tom Schwertman, Carolyn Engle, Christine Pedersen, Linda Park, Carrol Roark and Barbara Temborius.

**Others Present:** Don Demetry - DHA Management, Inc.; Rudy Espedido - Village of Addison; Dru Bergman - DuPage Homeownership Center, and Mihaela Dragan - City of Oakbrook Terrace.

**PUBLIC COMMENT:**

No public comment.

**APPROVAL OF MINUTES:**

The motion was made by Day, seconded by Grill, to approve the minutes of the March 24, 2009, meeting. On a voice vote, all ayes, motion passed.

**2008 CDBG-R FUNDING RECOMMENDATIONS**

A revised funding recommendation sheet (06-09-09 Handout) was passed out to the Committee.

Staff made note that CDBG-R was a new program. There were only the guidelines approved by CDC Executive Committee, and an approximate formula available to develop the application and selection criteria. It was known that there would be questions and different interpretations that would need to be discussed.

Explained to the Committee was that CDBG-R was an additional pot of money from the American Recovery and Reinvestment Act (ARRA). The guidelines under CDBG-R required

the County to make a Substantial Amendment to the 2008 Action plan. This was approved by County Board on May 26, 2009. DuPage County received \$1,066,577.

Sixteen applications were received totaling \$4.4 million. West Chicago, alone, sent in 7 applications totaling \$3 million. All of the projects were within eligible block grant program areas (above 33.2% low-mod according to census tract, block group information). The guidance received from the CDC Executive Committee was

- Fund as many applicants as possible
- Fund areas of higher low-mod concentration
- Projects most ready to start be given priority

Also to be determined was if the service area was primarily residential. This was done by making site visits. At that time, the relative conditions of the existing streets/sidewalks were determined. Through this process, the original projects were chosen, and the meeting packets distributed. However, in the intervening time, Addison appealed their project readiness score, the reasoning being that street resurfacing does not require much engineering; many years of experience doing a similar thing with Motor Fuel Tax, and most importantly, they could complete the specifications within one week.

Given that information, a change was made in the recommendations. Addison's project readiness went from 2 to 10 points, thus bumping them ahead of Lombard. After much deliberation, it was decided to reduce any projects that were receiving more than \$200,000 down to \$200,000 and cut the administration budget from 10% to 6%. Now both Addison and Lombard could be funded. Admin could not be zeroed out, as suggested, because Chairman Schillerstrom signed assurances to HUD that CDC had the capacity to perform and manage projects. Cutting too much admin would also put the department at risk for monitoring concerns and/or findings.

Olsen questioned the reduction in administration cost. Staff said that the costs would be covered by the regular CDBG and HOME funds, if necessary. Further explained by Staff was that depending on what the staff was working on, hours were charged to the different funding sources. Already one half-time person has been hired and the goal is to hire another full-time person to deal with CDBG-R, NSP and Homeless Prevention funds. The \$63,000 in admin will go towards personnel costs over a three-year period. Staff is comfortable that all programs can be managed.

Also pointed out was that there was no error on Staff's part when scoring the applications. It was quite clear in the selection criteria that in order to receive 10 points for project readiness, final engineering had to be done. According to Addison's application, final engineering was not done. However, road resurfacing is a simple project compared to installing sewer lines, therefore it does not require as in-depth engineering. With the agreement of the CDC Executive Committee, critical to any of these projects is the need to be out to bid in 60 days. If any municipality cannot meet this, then their funding would be given to the next project.

Kurzawa asked when the 60 days would begin. Staff stated this had not been decided yet, however, nothing can be done until the funds were received. HUD's guideline is that projects have to be under contract in less than 120 days. HUD has not said when this would be.

Hulseberg commented that on project engineering for a sidewalk project, one does not have to do final engineering. It is placed on the bid specifications. Staff may want to review their

process to make sure this project engineering concern does not take place again. Staff explained that due to the nature of the CDBG-R program, this was the first time project readiness had been so emphasized.

If the reduction in the awarded amount was such that the proposed project could not be completed, the municipality could change the scope of work to match the funded amount. Gardner asked what the provision was if a municipality did not have the financial means to make up the difference in funding for their proposed project. Staff stated that if any of these projects were not out to bid in the required 60 days, their funding would be divided between the next project so that project would receive their total requested amount and replenish the admin budget. If this scenario was to happen, and time permitted, a meeting could be called for Committee approval. Otherwise it could be done via email. Municipalities will be notified of their funding and will have time to decide how they want to proceed with their project.

Enger asked if West Chicago could not come up with the additional \$33,000 to complete their Old Heidelberg Minor project, could these funds be given to one of their lesser projects such as the Wilson Street Improvement. Staff said it was a possibility.

The motion was made by Kurzawa, seconded Berley, to approve Staff's revised CDBG-R funding recommendations of Villa Park Station Area Storm Water Facilities \$200,000; Glendale Heights James Court Street Lights \$200,000; Woodridge Storm Sewer Improvements \$200,000; West Chicago Old Heidelberg Minor Street Improvements \$200,000; Addison Green Oaks Court Street Resurfacing 103,000; Lombard Westmore Sidewalks \$99,704 and \$63,000 administration including the provision of the 60 day start time. There was no other discussion.

On a voice vote, all ayes, motion carried.

At this point, on behalf the Addison residents, Berley thanked the CDC staff for their quick, last minute work and understanding.

**OTHER BUSINESS:**

No other business.

**ADJOURNMENT:**

The motion was made by Michelassi, seconded by Grill , to adjourn at 8 a.m. On a voice vote, all ayes, motion passed.

Respectfully submitted,

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Majory Fletcher  
Division Assistant I