Village of Arlington Heights
Housing Commission
Commissions Room 2nd Floor
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
June 9, 2015
7:00 PM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes - 5/12/15

IV. REPORTS

V. OLD BUSINESS

A. Single Family Rehabilitation Loan Program Update

B. Plan Commission Calendar

C. Group Home and Transitional Housing Program - Grant/Loan Terms

D. Rental Inspection Discussion

VI. NEW BUSINESS

A. Cook County HOME Consortium

VII. OTHER BUSINESS

VIII. ADJOURNMENT

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Item: Minutes - 5/12/15

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Minutes	Minutes

DRAFT

MINUTES OF A MEETING OF
THE ARLINGTON HEIGHTS HOUSING COMMISSION
HELD AT ARLINGTON HEIGHTS VILLAGE HALL
VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS
MAY 12, 2015

IN ATTENDANCE:

Commissioners Present:	Mark Hellner	Siobhan White	Namrita Nelson
	Alex Hageli	Karen Conway	
Commissioners Absent:	Anisa Jordan		
Staff Present:	Nora Boyer, Housing Planner/Staff Liaison		

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:00 p.m. and the Pledge of Allegiance was recited.

II. ROLL CALL

Commissioners Hellner, White, Conway, Nelson, and Hageli were present.

III. APPROVAL OF MINUTES

A motion was made by Commissioner Hageli, seconded by Commissioner White, to approve the minutes of the April 14, 2015 meeting. The motion was carried unanimously.

IV. REPORTS

None

V. OLD BUSINESS

A. Single Family Rehabilitation Loan Program

One new application has been received and staff is determining the applicant's eligibility. The roofing work for Case 14-05 which was approved last fall has been scheduled. The work was delayed over the winter.

B. Plan Commission – Nothing to report on the calendar relative to the Housing Commission's activities.

C. Group Home and Transitional Housing Program

Commissioner White reviewed that last year the Housing Commission recommended to the Village Board and the Village Board approved providing funding under the Group House and Transition Housing Program under the terms that 1/3 of the funding would be provided as a grant and 2/3s of the funding would be provided as a 0% loan. The loan would be repaid when the property is sold or ceases to be used primarily for a CDBG eligible purpose. This policy was developed after one of the Trustees, as the January 2014 CDBG public hearing, asked if the terms of the Group Home and Transitional Housing Program should or could be similar to the loan terms under the Single Family Rehab Program. The stated concern was to insure that the Village's investment would stay in the Village and that the public would receive the intended benefits of the investments in the residences.

The program has been administered for the past year with these terms in place. Two agencies accepted the terms, but several agencies declined CDBG funding under these terms due to accounting difficulties associated with carrying indefinite loans and perhaps agencies' reluctance to incur debt.

Commissioner White pointed out that nothing is more eligible for CDBG funding that this type of program. The agencies' ownership of group homes has been very stable, and there has been no reason for concern that the agencies will sell the group homes after they are improved. The HUD requirement regarding reversion of assets is what HUD considers to be sufficient to insure that the public receives sufficient benefits from investments.

Commissioner White suggested that the 1/3 grant and 2/3s loan policy is detrimental to the CDBG funds being used for the very important and eligible purpose of providing quality housing for persons with disabilities.

Several alternative policies were discussed such as providing forgivable loans (forgiven over 5 or 10 years), lowering the reversion of assets requirement to apply to investments at a lower amount (ex. $10,000), and others. At the conclusion of the discussion, it was decided that due to the importance of this type of housing, because there is no reason to be concerned that the grants would provide short-lived benefits, and due to the unintended consequence of the 1/3 grant and 2/3s loan policy which has been that agencies' have been reluctant or have declined to accept the terms, that the Village should return to the policy of providing funds for group home and transitional housing improvements to 100% grants.

A motion was made by Commissioner Hellner, seconded by Commissioner White, to recommend to the Village Board that the terms of financial assistance under the Group Home and Transitional Housing Program be returned to the 100% grant policy applied prior to the adoption of the 1/3 grant and 2/3s loan policy adopted by the Village Board on May 5, 2014. The financing for the three projects undertaken since the adoption of the 1/3 grant; 2/3s loan policy would be converted retroactively to 100% grants. The HUD requirement regarding reversion of assets for financing in the amount of $25,000 or

more would continue to be applied which is required by law. The motion was approved unanimously.

D. Rental Inspection Discussion

Ms. Boyer reported that she spoke with Mr. McCalister, Director of Building and Health Services, who said that he would be happy to come to a Housing Commission meeting to discuss the topic of rental inspection. He will probably bring a staff person from the Building Department to answer any technical questions. Since the Housing Commission is considering sending out a survey through the NW Municipal Conference, he suggested that he attend after the results of the survey are received so that the conversation can benefit from the updated information.

The commissioners discussed finding out from other communities what are the benefits they have experienced from rental inspections and if there have been any unintended consequences. It was explained that low income tenants may be reluctant to make complaints about conditions. It was stated that there should be consideration given to not overburdening good rental property owners.

Ms. Boyer will follow through with requesting the survey by the NW Municipal Conference which she believes has 45 member communities.

E. Housing Trust Fund

Now that some funding (approximately $75,000) has been deposited into the Trust Fund, staff is requesting input from the Housing Commission concerning how it wishes to prioritize the funds and make them available. Commissioner White said that the intent of the Trust Fund is to create new permanently affordable housing units through new construction of the adaptive reuse of structures for the purpose of affordable housing. She said that the thought of the Trust Fund Task Force was that a sum of closer $500,000 would be collected before using the funds in order to have enough funding to create or leverage permanently affordable units. The idea was to be able to be a part of innovative, permanent solutions and be in a position to partner with developers. The members of the Housing Commission concurred that more funds need to be collected before inviting requests for proposals to use the funds.

VI. NEW BUSINESS

There was a suggestion that Twitter be used to advertise the Single Family Rehab program.

VII. OTHER BUSINESS

None.

VII. ADJOURNMENT

A motion was made by Commission White, seconded by Commissioner Conway, to adjourn the meeting at 8:25 PM. The motion was approved unanimously.

Next Meeting: Tuesday, June 9, 2015 at 7:00 PM