Village of Arlington Heights
Housing Commission
Commissions Room, 2nd Floor
Arlington Heights Village Hall, 33 S. Arlington Heights Rd.
Arlington Heights, IL 60005
February 21, 2024
7:00 PM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes of the January 17, 2024 Housing Commission Meeting

IV. REPORTS

A. Status Update on Inclusionary/Affordable Housing Projects

V. OLD BUSINESS

A. Single Family Rehab Program
B. Group Home Rehab Program Project Status
C. Rental Registry Recommendation
D. Request for Letters of Interest Report
E. Inclusionary Housing Preferences

VI. NEW BUSINESS

A. 2024 Annual Action Plan and CDBG Budget

VII. OTHER BUSINESS

A. March 20, 2024 Meeting & Agenda

VIII. PUBLIC COMMENT

IX. ADJOURNMENT

Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact Erin Mercado, at 33 S. Arlington Heights Road, Arlington Heights, Illinois 60005, emercado@vah.com or (847)368-5793.

Housing Commission
2/21/2024

Item: Minutes 1/17/2024

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Minutes 1/17/24	Agreement

DRAFT

MINUTES OF A MEETING OF
THE ARLINGTON HEIGHTS HOUSING COMMISSION
VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS
JANUARY 17, 2024

IN ATTENDANCE:

Commissioners Present:	Ken Kiefer	Dave LoSavio
	Janice Krinsky	William Delea
Commissioners Absent:	Andre Arrington	John Eggum
	David Miller	
Staff Present:	Nora Boyer, Housing Planner/Staff Liaison	
Others Present:	Keith Moens	
	Fred Vogt, Senior Citizens Commission	

I. CALL TO ORDER

The meeting was called to order.

A motion was made by Commissioner Delea, seconded by Commissioner Krinsky to appoint Commissioner Kiefer to serve as Acting Chairman for the meeting due to the absence of Housing Commissioner Chairman Eggum.

The Motion: Passed
Ayes: J. Krinsky, W. Delea, D. LoSavio & K. Kiefer
Nayes: None
Absent: J. Eggum, D Miller, and A. Arrington

Commission LoSavio was welcomed to the Housing Commission. The members of the Housing Commission (including Commissioner LoSavio) and staff introduced themselves.

II. ROLL CALL

Present: K. Kiefer, D. LoSavio, W. Delea, & J. Krinsky
Absent: A. Arrington, D Miller, and J. Eggum

III. APPROVAL OF MINUTES

A motion was made by Commissioner Krinsky, seconded by Commissioner Delea to approve the minutes of the November 15, 2023 meeting with some typographical corrections.

The Motion: Passed
Ayes: J. Krinsky, W. Delea, D. LoSavio & K. Kiefer
Nayes: None
Absent: J. Eggum, D Miller, and A. Arrington

IV. REPORTS

Ms. Boyer reported the following with respect to development projects:

Crescent Place: Has opened.

116-120 W Eastman: Has been approved by the Village Board.

Arlington Gateway: Has been approved by the Village Board.

5 N Douglas (formerly referred to as 4 N Douglas): Is expected to go to the Plan Commission soon. This project already appeared before the Housing Commission.

Arlington 425: Returned to the Design Commission for some proposed modification to the parking garage.

Grace Terrace: The Affordable Housing Plan for this project was recommended for approval by the Housing Commission. The project was recommended for denial by the Plan Commission. The project was discussed at the Village Board meeting on December 4, 2023 and that discussion has been continued. The project may return to the Village Board in February but the date has not been scheduled at this time.

International Plaza/Urban Street Group: The Village is awaiting a formal Plan Commission application. Reviews in 2023 were under the early review process. When the formal Plan Commission application is received, the project will go through the regular zoning and entitlement review including review by the Housing Commission, Design Commission, and Plan Commission prior to going to the Village Board.

Mr. Moens asked about a Low-Income Housing Tax Credit application for senior housing that has been submitted to the Illinois Housing Development Authority by Berkshire/General Capital. He asked about the location. Ms. Boyer responded that staff has spoken with this developer a number of times. She said that she did not recall the potential location last discussed this developer, but in response to a question from Mr. Moens, she stated that the location was not for the senior-only building that has been under discussion in the International Plaza/Urban Street Group development area. Ms. Boyer said that she would look into this IHDA application.

V. OLD BUSINESS

A. Single-Family Rehab Program

Ms. Boyer stated that there have been two active projects.

Case 2023-03 is the historic home. The electrical upgrade work at the home is under contract and the contractor is applying for the permit. The anticipated cost is $5,375.

Case 2023-04 was for the replacement of a roof and gutters. The anticipated cost was $9,775. There was a change order for $912.50 to replace some damaged roof decking. The total cost of the project was $10,687.50. Ms. Boyer said that the owner contacted her about some plumbing work because she had some pipes freeze in the recent extremely cold weather. Ms. Boyer said that the owner contacted her again to say that the damage was not as bad as she had feared, and she would not need to ask to participate in the program at this time after all.

Commissioner Kiefer asked for clarification on whether residents may participate in the Single-Family Rehab Program more than once. Ms. Boyer responded that the maximum total loan amount for a home is typically $25,000, but residents may participate in the program multiple times until that maximum is reached. On a few occasions, the Housing

Commission has approved project that exceeded $25,000. Ms. Boyer said that projects below $10,000 may be administratively approved by staff, but projects at $10,000 or over go to the Housing Commission for approval. If participant has participated in the project previously, and new request would put their total loan at or above $10,000, the project will be brought to the Housing Commission.

B. Group Home Rehab Program

In November 2023, the Housing Commission approved Group Home Rehab projects for three non-profit agencies – Clearbrook (rehab work at 2 homes), Little City Foundation (rehab work at 1 home), and Glenkirk (rehab work at 2 homes). A grant agreement has been signed with Clearbrook and their projects are proceeding. A grant agreement has also been signed with Little City Foundation.

Additional bids were needed to solidify the cost of the Glenkirk projects. Glenkirk staff has been securing those bids and has been sending them to staff. The replacement roof, soffit/fascia covering and gutters for one home and soffit/facia covering and gutters on a second home may proceed first. The work that was discussed to extend the window wells and replace the fence gate on the second home may follow as a second phase for the project. Ms. Boyer said that the window well extension work and cost may be more extensive that she first thought.

C. Rental Registry Recommendation

Ms. Boyer reported that the Village has been undergoing a change in all of its software systems, which has resulted in a lot of changes and required considerable staff time. She said that applying for multi-family licenses is now being done online. Ms. Boyer said that she asked if some of the data being requested in the rental registry recommendation could be incorporated into the new online multi-family registration. She said that for the purpose of collecting and compiling data, she suggested that perhaps the rents on units could be reported within ranges rather than as specific rent amounts. The staff response was that the multi-family license form was not being changed at this time while the online processes are new, but could be looked at in the future. A couple of the commissioners favored the reporting of rents amounts within ranges saying that landlords may find it less objectionable since they may not want to report that they are charging different rent amounts for comparable units.

D. Affordable Housing Trust Fund

Ms. Boyer reviewed how the Affordable Housing Trust Fund is funded, which is primarily from fees paid under the Inclusionary Housing Ordinance including linkage fees for new homes. A database is kept on property locations and fee amounts or each fee that is paid.

Ms. Boyer further discussed the process undertaken about a year ago to request letters of interest from developers regarding the Trust Fund. Unfortunately, this process was put on-hold due to other pressing projects. Ms. Boyer said that she is returning to this process and has been looking at ways to summarize and report on the submissions in a way that would be useful to the Housing Commission. She said that the submissions were all responsive to the Trust Fund priorities that were developed by the Housing Commission and approved by the Village Board. She said that she would do her best to provide a report to the Housing Commission for the February 2024 meeting.

VI. NEW BUSINESS

A. Inclusionary Housing Preferences

Ms. Boyer reported that the Inclusionary Housing Guidelines contain four preference categories for the affordable units created under the Inclusionary Housing Ordinance. Those preferences are for: 1) persons with disabilities, 2) veterans, 3) current Arlington Heights residents, and 4) current employees of Arlington Heights businesses.

She reviewed that developers of proposed multi-family developments expecting to receive financing from federal programs through the Illinois Housing Development Authority (IHDA), reported that IHDA permitted preferences for persons with disabilities and veterans but not for local residents and employees.

Ms. Boyer said that the question of preferences was referred to the Village's attorney. The legal team confirmed that the biggest concern with regard to current preferences is the local preferences but that preferences for veterans and disabilities is okay. It was further reported that there are no court rulings at this time that prohibit the local preferences, but there is concern over local preferences with regard to racial discrimination and disparate impact. It was commented that especially with the Village being as proactive as it is with regard to creating affordable housing opportunities, Arlington Heights would not want to be a test case or have negative outcomes as a result of the questioned local preference categories.

There was a discussion that the one of the primary objectives of the inclusionary housing program is to provide affordable housing opportunities for Village residents (ex. long-term, senior residents). It was further pointed out that as the only suburb in the area with inclusionary housing requirements, the affordable units created in Arlington Heights will draw interest from residents of surrounding communities that do not have inclusionary housing programs. This increases the competition for Arlington Heights' affordable units while in our surrounding suburbs new multi-family housing is built with no affordable component.

The local preferences were discussed in terms of fair housing. The fair housing concern is whether a community with the racial demographics of Arlington Heights (majority white population) limits access to affordable units by under-represented races/ethnicities when it applies local preferences. Ms. Boyer said that the Village was advised that deleting the local preferences was the safest choice or the language could be softened to "encourage the local preferences to the extent permitted by law."

Ms. Boyer said that there are opportunities to improve communication locally about the availability of inclusionary units. Communication could be improved between the developers and the Village that would enable the Village to provide information about leasing processes to residents on a timelier basis. She commented that staff and the Housing Commission have been asking developers how they will market the affordable units, but perhaps the marketing plans could be made more specific including requirements such as notifying the Village when wait lists or the initial application period have opened.

Ms. Boyer said that the inclusionary housing programs of the City of Evanston, City of Highland Park, and Village of Northbrook) are administered by the non-profit Community Partners for Affordable Housing (CPAH). CPAH advertises inclusionary housing units and manage applications. The Housing Commissioners said that they would look at CPAH's website https://cpahousing.org/ and Commissioner Kiefer suggested asking if a representative of CPAH would come to a future Housing Commission meeting.

It was decided that the issue of the local preferences will be discussed again at the next meeting when more Housing Commissioners may be present.

VII. OTHER BUSINESS

A. February 2024 Meeting Agenda

The following will be included on the February agenda: 1) Trust Fund responses, 2) response to invitation to CPAH to come to a Housing Commission meeting; and 3) the inclusionary zoning preferences.

B. Public Comment

Mr. Fred Vogt introduced himself as a member of the Senior Citizens Commission. He asked if a breakdown of the fees into the Trust Fund is kept. Ms. Boyer said that the fees are recorded individually by the Village by location of the properties and amounts paid.

Mr. Moens commented that a Memorandum of Understanding (MOU) was approved by the Village Board with respect to the International Plaza/Urban streets proposed development. He said that the developer was getting a sweetheart deal negotiated behind closed doors by the developer and staff. He voiced his objection to the developer's proposal to provide the affordable units required under the Inclusionary Housing Ordinance in a separate building saying these units would segregate the tenants. He also objects to permitting the timing of the affordable units being different from the market-rate buildings, and it is not assured that the affordable building would look the same as the market rate buildings – if it is built. He said that as proposed the affordable building is a separate development; and therefore, would not absolve the developer of the inclusionary requirements with respect to the other (market rate) buildings. He commented that the Village Board is relying on the provision of the Inclusionary Housing Ordinance that permits the Village Board to grant relief from the requirements of the Ordinance and said that the Village Board should have to take a formal vote to invoke that section and grant the relief. He said that the proposal violates the Inclusionary Housing Ordinance and asked whether the Housing Commission would send a of objection to the Village Board.

Commissioner Delea commented that the MOU calls for the property on which the senior building would be located to be turned back to the Village if the developer does not develop the affordable building. He said that he would vote against the affordable housing plan under the proposal in the MOU because the $13m in TIF funds warrants more consequences to the developer if they fail to provide the required affordable housing. He said that the consequences of having to turn back ownership of the parcel, with minor improvements, is an insufficient motivator to prompt the developer to create the affordable building. There was a discussion of whether the MOU is binding or non-binding with the conclusion being that it is non-binding. However, there was concern that it sends a message to the commission about what the Village Board will accept.

VIII. ADJOURNMENT
A motion was made by Commissioner Krinsky, seconded by Commissioner LoSavio to adjourn the meeting. The meeting was adjourned at 8:02 pm. The Motion passed by voice vote.

Housing Commission
2/21/2024

Item: Single Family Rehab Program

Department: Planning & Community Development

ATTACHMENTS:

Description	**Type**
Single Family Rehab Program Report	Report

February 21, 2024

SINGLE-FAMILY REHAB PROGRAM STATUS REPORT – October 1, 2023 to September 30, 2024

FILE # SUFFIX	APPLICATION SUBMITTED	OUT TO BID	SCOPE OF WORK SUMMARY	STAFF COST ESIMATE	PROJ COST	CHANGE ORDERS	TOTAL PROJECT COST	PAID TO DATE	STATUS
23-03 JU-631	8/22/2023		Priorities: Upgrade electric Roof Gutters Garage doors	$5,000	$5,375				Work under contract.
23-04 CR810	9/8/2023		Roof & gutters	$8,000	$9,775	$912.50	$10,687.50		Completed.

SFR LOAN PROGRAM - FINANCIAL SUMMARY

2023/2024 CDBG allocation:	$32,419.00
SFR Case 23-03	5,375.00
SFR Case 23-04	- 10,687.50
Title Searches/Appraisals/ Lead based paint tests/Permits:	- TBD
	$16,356.50

Loans Repaid CDBG Fiscal Year To Date: 10/1/23 – 9/30/24

Case #	Date Paid	Yrs to Repayment	Amount	Reason sold (if known)
14-03	11/1/2023	9	$8,815.00	Refinanced to reverse mortgage (see also 23-02)
23-02	11/1/2023	0	$5,723.96	Refinanced to reverse mortgage (see also 14-03)
TOTAL			$14,538.96	

Housing Commission
2/21/2024

Item: Group Home Rehab Program Project Status

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
Group Home Rehab Program Project Status Report	Report

Memorandum

To: Chairman and Members of the Housing Commission
From: Nora Boyer, Housing Planner
Re: Status of 2023-2024 CDBG-Funded Group Home Rehab Projects
Date: February 14, 2024
Meeting Date: February 21, 2024

At the November 15, 2023 meeting of the Housing Commission, the following group home renovation projects were approved. The status on each project is provided below:

CLEARBROOK
Grant Amount for Eastman and Kennicott Homes: $31,560

Eastman Home:
Scope of Work: Replace worn flooring with high durability vinyl flooring & replace outdoor deck and deck/house threshold for accessibility.
Status: Grant agreement signed with Clearbrook; construction agreements signed; flooring work is underway. Deck work to be done when weather improves.

Kennicott Home:
Scope of Work: Replace worn flooring with high durability vinyl flooring.
Status: Grant agreement signed with Clearbrook; construction agreements signed; flooring work is underway.

LITTLE CITY FOUNDATION
Grant Amount for Raleigh Homes: $24,221

Raleigh Home:
Scope of Work: Kitchen remodeling and repairs in dining room area.
Status: Grant agreement signed with Little City Foundation; construction agreements signed.

GLENKIRK
Grant Amount for Kingsbury and Chestnut Homes: not to exceed $47,035
Phase 1 Approved: $40,070
Phase 2: To be determined

Kingsbury Home:
Scope of Work: Replace gutters, cover soffits/facia with aluminum.
Status: Multiple bids were obtained; Contractor was selected; Grant agreement signed with Glenkirk; Glenkirk is signing construction agreement with contractor.

Chestnut Home:
Scope of Work: Phase 1: Replace roof and gutters. Cover soffits/facia with aluminum. Phase 2: Extend 3 window wells and replace fence gate.
Status: Phase 1: Multiple bids were obtained; Contractor was selected; Grant agreement signed with Glenkirk; Glenkirk is signing construction agreement with contractor. Phase 2: Bids to be collected.

Housing Commission
2/21/2024

Item: Request for Letters of Interest Report

Department: Planning & Community Development

ATTACHMENTS:

Description	**Type**
Request for Letters of Interest Report	Report

Memorandum

To: Chairman and Members of the Housing Commission
From: Nora Boyer, Housing Planner
Re: Arlington Heights Trust Fund
Date: February 9, 2024
Meeting Date: February 21, 2024

Background
In 2013, the Village Board approved the creation of an Affordable Housing Trust Fund. The purpose of the Affordable Housing Trust Fund is to establish a separate Village funds "to address the attainable housing goals, policies and programs of the Village Board as stated in the Village Board's annual goals, the Village Code, and other Village policies by providing sustainable financial resources to address the Attainable Housing needs of Eligible Households in Arlington Heights and preserving and producing dedicated Attainable Housing" (Village Code Chapter 7, Section 7-1202).

Attainable Housing is defined as housing with a monthly cost that is 30% or less of an eligible household's monthly income. Eligible households are those with incomes at or below: 1) 80% of area median income for for-sale housing; and 2) 60% of area median income for rental housing.

Funds deposited in the Affordable Housing Trust Fund are primarily from the payment of linkage fees and payments in-lieu of providing affordable units required under the Village's Inclusionary Housing Ordinance. The current balance in the Affordable Housing Trust Fund is: $1,067,400.

Eligible activities for Funding under the Affordable Housing Trust Fund are those that support, in whole or in part, the following (Village Code Chapter 7, Section 7-1205):

> 1. Creation and preservation of Attainable Housing including, without limitation, new construction, rehabilitation, and adaptive reuse;
>
> 2. Acquisition and disposition, including without limitation, vacant land, single-family homes, multi-unit buildings, and other existing structures that may be used in whole or part to provide Attainable Housing;
>
> 3. Payments for costs incurred in connection with administering the Housing Trust Fund.

Housing Commission
With respect to the Affordable Housing Trust Fund, the Village Code (Section 6-504(e)(4)) lists the following under the powers, duties, and responsibilities of the Housing Commission:

> The Housing Commission shall make recommendations to the Village Board regarding the following:
>
> > 1) Goals for the use of Housing Trust Fund resources;
> >
> > 2) Annual Budget for the Housing Trust Fund;
> >
> > 3) Procedures for reviewing applications and awarding Housing Trust Fund resources to applicants;

4) Criteria to be used in reviewing applications and programs that utilize Housing Trust Fund resources;

5) Procedures to be used for disbursing Housing Trust Fund resources;

6) Review of applications and programs for Housing Trust Fund awards;

7) Procedures to be used to monitor Eligible Activities funded by the Housing Trust Fund to ensure that Housing Trust fund resources are used in conformance with all applicable requirements; and

8) Evaluation of Housing Trust Fund activities.

In 2021, the Housing Commission recommended priorities (attached) for the Trust Fund to the Village Board. On February 2, 2022, Village Board concurred with those priorities and directed staff to proceed with issuing a Request for Letters of Interest (RLI). The RLI (attached) was issued in October 2022 with a deadline of December 2, 2022. The review of the RLI was temporarily placed on-hold due to staff turnover; workload priorities; and the Village's enterprise resource planning (ERP) design, development, conversion and implementation process.

Responses to Request for Letters of Interest (RFLI)

The Village received 10 responses to the Request for Letters of Interest. All of the responses recommended projects that were identified as high priorities.

1. Types of Respondents

Non-Profit Entities: 4

- Organization Information
    - Locations
        - 3 located in the North/Northwest suburbs
        - 1 located in Chicago
- Organization Experience
    - Housing Types
        - 1 is an affordable housing developer that also provides other housing services to the public; administers the inclusionary housing programs for Evanston, Highland Park, and Northbrook
        - 2 are affordable housing developers/property managers with experience in partnering with other non-profit entities to provide services to building residents
        - 1 develops housing (i.e., group homes) with supportive services for their agency's clientele (i.e., children and adolescents who are abused, neglected, dependent or in need of supervision)
    - Experience with private and public financing (ex. Low-Income Housing Tax Credit program)
        - 3 of the 4 have significant experience with multi-layer private and public financing including programs such as Low-Income Housing Tax Credit, federal HOME funding, etc.)
        - The fourth (the group home owner) utilizes other sources of government funding (ex. CDBG), corporate and foundation grants, and contributions from private individuals.

For-Profit Entities: 6

- Organization Information
    - Locations
        - Chicago or Chicago Suburbs: 2
        - Wisconsin: 2
        - Ohio: 1
- Organization Experience
    - All have experience in developing affordable and rental housing (ranging from a total of 1,300 – 27,000 rental units)
    - Sizes
        - Small (fewer than 50 employees): 2
        - Medium (100 – 500 employees): 2
        - Large (over 500 employees): 2
    - All have experience with private funding and multiple sources of public funding (ex. Low-Income Housing Tax Credit Program)

2. Recommended Uses for Trust Fund
    - 4 were requests for assistance with respect to specific sites for affordable housing projects in Arlington Heights
        - 1 group home/transitional housing
        - 1 permanent supportive housing building
        - 1 senior building
        - 1 mixed-income building

    - Types of housing recommended
        - For families, seniors, persons with disabilities, and veterans (as per Village priorities). Also, people in need of supportive housing and persons experiencing homelessness.
        - Almost all focused on new construction, rental saying this is the type of housing for which financing is currently available.
        - Preservation of existing affordable housing was mentioned by some respondents as important but it was said to be more difficult to finance, it would require possible need to relocate existing tenants, etc.
        - Consider whether the Village would want to go deeper into affordability and use the tax credit averaging of affordability (i.e., development contain units at 30% - 80% of area median income provided they average 60% area median income so that more extremely low-income households are reached rather than the majority of the units being affordable in the 50%-60% of area median income range

    - Most Frequently Recommended uses of Trust Fund Monies
        - Many recommended using Trust Fund monies as matching local funds. $50k - $100k per unit is the typical financing gap. Suggested 300k - $500k per development as local match from the Arlington Heights Trust Fund to leverage other funds such as through the Illinois Housing Development Authority.
        - Permanent financing for construction of units – low-interest or forgivable loans & grants
        - Some mentioned predevelopment costs or operating costs

3. Other Action the Village can Take
    - Identify sites for affordable housing
    - Donate Village-owned land, density bonuses, provide TIF funds when possible, consider waiving application fees, permit fees, and impact fees, abate sales taxes for construction materials, and reduce property taxes
    - Expedite the entitlement process
    - Assist with communication with Village residents & help build community support
    - Provide letters of support for other funders
    - Conduct a housing study and housing action plan

<u>Next Steps</u>

Staff will:
1. Further review the RLF responses to develop deeper understandings/matches with the Trust Fund priorities.

2. Research criteria for identifying financing gaps and potential need for Trust Fund monies in site-specific development projects through evaluation of proformas, return on cost, and internal rate of return over periods of time but exclusive of predevelopment and operating costs.

3. Hold preliminary conversations with several non-profit and for-profit respondents to further refine the most beneficial uses of Trust Fund monies.

4. Return to the Housing Commission with a more detailed report.

Village of Arlington Height, IL
Affordable Housing Trust Fund Priorities

The Village of Arlington Heights Housing Commission and Village Staff underwent a process of developing priorities for the use of the Affordable Housing Trust Fund. On February 2, 2022, the Arlington Heights Village Board of Trustees concurred with the list of priorities. The Village may continue to further refine priorities for the Affordable Housing Trust Fund.

Full List of Priority Rankings (High, Medium and Low)

ACTIVITY TYPE 1: Creation and preservation of Attainable Housing including, without limitation, new construction, rehabilitation and adaptive reuse			
FOR-PROFIT Developer Activities			
High	Medium	Low	**HOMEOWNERSHIP** Activities:
		X	New construction of single-family homes
		X	New construction of multi-family units
	X		Preservation/Rehabilitation of existing single-family homes
	X		Preservation/Rehabilitation of existing multi-family units
		X	Adaptive Reuse of existing structures
			RENTAL Activities
		X	New construction of single-family homes
X			New construction of multi-family units
	X		Preservation/Rehabilitation of existing single-family homes
X			Preservation/Rehabilitation of existing multi-family units
	X		Adaptive Reuse of existing structures
NOT-FOR-PROFIT Developer Activities			
High	Medium	Low	**HOMEOWNERSHIP** Activities:
		X	New construction of single-family homes
		X	New construction of multi-family units
	X		Preservation/Rehabilitation of existing single-family homes
	X		Preservation/Rehabilitation of existing multi-family units
		X	Adaptive Reuse of existing structures
			RENTAL Activities
		X	New construction of single-family homes
X			New construction of multi-family units
	X		Preservation/Rehabilitation of existing single-family homes
X			Preservation/Rehabilitation of existing multi-family units
X			Adaptive Reuse of existing structures

X			New construction of group homes or supportive housing
X			New construction of transitional housing

ACTIVITY TYPE 2: Acquisition and disposition, including without limitation, vacant land, single family homes, multi-family buildings, and other existing structure that may be used in whole or in part to provide Attainable Housing			
High	Medium	Low	
		X	Land acquisition for affordable housing development (ex. Community Land Bank or Community Land Trust)
		X	Land acquisition for mixed income housing development
		X	Acquisition/disposition of single-family homes
X			Acquisition/disposition of multi-family buildings
X			Acquisition/disposition of housing to be used as group homes or supportive housing
	X		Acquisition/disposition of housing to be used as transitional housing
		X	Homebuyer assistance (ex. down payment assistance program)
		X	Tenant based rental assistance (rent subsidies to landlords for low/mod income households)
		X	Project based rental assistance (monthly rent subsidies to make units affordable)
			Other

ACTIVITY TYPE 3: Payments for costs incurred in connection with administering the Housing Trust Fund			
High	Medium	Low	
X			Costs incurred in connection with administering the Housing Trust Fund (5 – 15% is typical)
X			Payment for costs of consultant services for concepts, architectural services, or other pre-construction services for Village-initiated developments
	X		Payment for costs of consultant services for concepts, architectural services, or other pre-construction services for developer-initiated developments
X			Costs associated with working with a non-profit partner to develop concepts or other pre-construction work for Village-initiated projects
	X		Costs associated with working with a non-profit partner to develop concepts or other pre-construction work for developer-initiated projects

PRIORITY POPULATIONS: For Trust Fund Activities			
High	Medium	Low	
X			Senior/Elderly: Households with at least one household member ___ years of age or older
X			Veterans: Households in which one or more persons is a military veteran
X			Disabled: Households in which one or more persons 18 years of age or older is severely disabled
X			Current Arlington Heights Residents
X			Employees of Arlington Heights Businesses
			Other

FORMS OF ASSISTANCE: To be provided through the Trust Fund			
<u>FOR-PROFIT</u> Developer Assistance to create more affordable units or make units affordable to lower income levels			
High	Medium	Low	
		X	Predevelopment costs (ex. feasibility studies, design)
		X	Grants
	X		Zero or low interest loans
	X		Deferred zero or low interest loans
	X		Forgivable loans
	X		Long term (ex. 99 year) lease of Village owned property
X			Zero or low interest loans to private, for-profit developers to make units more affordable
	X		Long term lease (ex. 99 years) of property purchased by the Village
<u>NOT-FOR-PROFIT</u> Developer assistance to create more affordable units or make units affordable to lower income levels			
High	Medium	Low	
	X		Predevelopment costs (ex. feasibility studies, design)
	X		Grants
X			Zero or low interest loans
X			Deferred zero or low interest loans
X			Forgivable loans
	X		Long term (ex. 99 year) lease of Village owned property
	X		Grants to non-profit developers to make units more affordable
X			Long term lease (ex. 99 years) of property purchased by the Village

OTHER CONSIDERATIONS			
High	Medium	Low	
X			Leveraging of other funds
	X		Sustainability (Green/LEED)
X			Proposals to provide units lower than maximum income eligibility (ex. affordable to 30% or 50% AMI rather than 60% AMI for rental)

Village of Arlington Heights, Illinois
Request for Expressions of Interest
Affordable Housing Trust Fund

I. Introduction – Request for Expressions of Interest (ROEI)

The Village of Arlington Heights is in the pre-project development phase with respect to utilizing the funds in the Village of Arlington Heights Affordable Housing Trust Fund ("Trust Fund"). The Village is releasing this REOI in order to identify for-profit developers, non-profit developers, or other partners that may be interested in submitting a response to a future Request for Proposals (RFP) to utilize portions of the Trust Fund monies or in becoming a partner with the Village on affordable housing initiatives.

The submissions that the Village receive to this REOI will be used to:

- Gauge interest in opportunities to utilize the Trust Fund monies, identify potential partnerships, and help refine the Village's vision for its first Trust Fund supported project(s).
- Refine the housing type(s), affordability level(s), target population(s), etc. for the first project(s) to be supported by the Trust Fund.
- Identify opportunities for leveraging other funding sources with Trust Fund monies.
- Identify barriers to potential project(s).
- Develop an interested parties list to receive additional information regarding Trust Fund activities.

The Affordable Housing Trust Fund Ordinance (Attachment A - Ordinance 13-037) states the purpose, eligible activities, and beneficiaries of the Trust Fund. Recently, the Village developed priorities for use of the Trust Fund Monies (Attachment B). The Trust Fund is primarily funded by fees collected under the Village's Inclusionary Affordable Housing Ordinance (Attachment C – Ordinance 20-025). The Inclusionary Affordable Housing Ordinance includes information on the Village's affordability goals and target income qualification and housing costs for target populations. The Inclusionary Housing Ordinance is supplemented by the Inclusionary Housing Guidelines (Attachment D). The Village has provided some basic demographic information about our community (Attachment E). The current balance in the Trust Fund is $885,000. The Village may allocate these funds to one or more projects.

It should be noted that responding to this REOI is not a pre-requisite for participating in a future Request for Proposals or other activities involving the Affordable Housing Trust Fund. Responding to this REOI also does not obligate any commitment on the part of the respondent.

II. Request for Expression of Interest – Scope of Interest Submittal

Responses to this REOI are to be 3 - 5 pages in length summarizing the company/team, affordable housing qualifications, experience with developing and managing affordable housing, the company/team's vision for the type of affordable housing that the company/team recommends that the Village pursue (i.e., refining of Village priorities) with reasons, and recommendations for specific amount and uses of the available Trust Fund monies for the recommended project.

1. Organization Information
    a. Name of Organization
    b. Street Address
    c. Telephone Number
    d. Website Address
    e. Status as a For-Profit or Non-Profit Entity
    f. Name of Respondent's Principal Contact for this ROEI
    g. Respondent Principal Contact's Direct Telephone Number
    h. Respondent Principal Contact's Email Address

2. Organization Experience
    a. Organization background and experience in creating, preserving, and managing affordable housing. Include the types, numbers, and locations of affordable housing units the organization developed, currently owns, and/or currently manages.
    b. Describe the organization's current capacity to undertake an affordable housing project in Arlington Heights (i.e. number of staff, staff experience, financial capacity to incur pre-development costs, etc.).
    c. What sources of private and public funding has the organization used in the past to create and preserve affordable housing.
    d. Provide the names of the communities where the organization has partnered with a community to develop affordable housing.

3. Responses to Arlington Heights' Affordable Housing Trust Fund Priorities
    a. Describe your vision for type of development (including housing type, target populations, affordability levels, etc.) that your organization sees as having the most potential for a viable affordable housing project in Arlington Heights. This vision should be compatible with and further refine the Trust Fund priorities (Attachment B).
    b. What does your organization see as the most productive use(s) of the Affordable Housing Trust Fund monies? Provide amounts from the current trust balance (or percentages) your team advises be allocated for each use.

c. Beyond providing funding from the Affordable Housing Trust Fund, what are the most important roles the Village can take in supporting an affordable housing development in the Village?

III. Process

Submissions will be reviewed by Village Staff and the Housing Commission. The Village may request to interview some respondents in order to assist the Village in further defining its goals and priorities for the Trust Fund monies. If an RFP is issued at a future date it will be sent to all respondents.

IV. Timeline

Release of REOI: October 7, 2022
REOI submittal deadline: December 2, 2022 at 5:00 pm
Respondents will receive information on the progress and outcome of the Village's review.

Respondents are encouraged to send their submissions via email to nboyer@vah.com but may alternatively send a hardcopy (via U.S. Mail or other delivery service) to:

Nora Boyer, Housing Planner
Village of Arlington Heights
33 S. Arlington Heights Road
Arlington Heights, IL 60005
nboyer@vah.com

Attachments

A. Affordable Housing Trust Fund Ordinance
B. Affordable Housing Trust Fund Priorities
C. Inclusionary Housing Ordinance
D. Inclusionary Housing Guidelines
E. Arlington Heights Demographic Information

Housing Commission
2/21/2024

Item: 2024 Annual Action Plan and CDBG Budget

Department: Planning & Community Development

ATTACHMENTS:

Description	Type
2024 Annual Action Plan and CDBG Budget	Report

Memorandum

To: Chairman and Members of the Housing Commission
From: Nora Boyer, Housing Planner
Re: 2024 Annual Action Plan and CDBG Budget
Date: February 14, 2024
Meeting Date: February 21, 2024

The process for creating the Village's *2024 Annual Action Plan* will begin in March 2024. The 2024 Annual Action Plan describes the actions the Village intends to take under the *Plan* with regarding to housing and community development needs in the Village, particularly those needs of its low- and moderate-income residents. This includes how the Village intends to spend its Community Development Block Grant (CDBG) funds during the program year. The program year coincides with the federal fiscal year which is October 1, 2024 – September 30, 2025.

For the past several years, it has been the Housing Commission's practice to make recommendations to the Village Board concerning CDBG allocations for: 1) the Single-Family Rehab Program; and 2) the Group Home Rehab Program. Many years ago, the Housing Commission made recommendations concerning a Multi-Family Rehab Program. The Housing Commission is not limited with regard to its funding recommendations provided that they are eligible under the CDBG federal laws and regulations. The Housing Commission is also invited to comment on the full draft of the *2024-2025 Annual Action Plan* when it is available.

Key Tentative Dates for the *2024 Annual Action Plan* are as follows:

April 1, 2024:	Release of the CDBG Application form for 2024-2025 program year funding
March 21, 2024 or April 17, 2024:	Housing Commission makes 2024-2025 CDBG funding recommendations
April 29, 2024:	Due date for CDBG Applications for 2024-2025 program year
June 10, 2024:	Public Hearing at Committee of the Whole meeting on the draft *2024-2025 Annual Action Plan* which will be made available in advance of this hearing.
June 12, 2024 to July 12, 2024:	Public Comment Period on the draft *2024-2025 Annual Action Plan*, modified as per any changes made pursuant to the June 10th public hearing.
July 25, 2024:	Public Hearing at Village Board Meeting on the draft *2024-2025 Annual Action Plan* and scheduled date for adoption of the *2024-2025 Annual Action Plan*

The revenue allocations and project commitments for the past 5 years for the Single-Family Rehab Program and Group Home Rehab Program are attached (Attachment A). The overall CDBG budget for the current (October 1, 2023 – September 30, 2024) program year is also attached (Attachment B).

Recommendation: The Housing Commission may wish to make its CDBG funding recommendations for the 2024-2025 program year at its March 21, 2024 meeting, or if additional information or discussion is needed, then at the April 17, 2024 meeting.

Attachment A

Five-Year History
CDBG Allocation and Expenditures/Commitments

CDBG Program Year	Single-Family Rehab Program	Group Home Rehab Program
2023-2024 Current Year to Date **October 1, 2023 – September 30, 2024**	Allocation: $32,419 Expenditures: $10,688	Allocation: $115,000 Committed: $102,816
2022-2023 **October 1, 2022 – September 30, 2023**	Allocation: $100,000 Expenditures: $ 6,089	Allocation: $68,240 Expended or Committed: $64,110
2021-2022 **October 1, 2021 – September 30, 2022**	Allocation: $60,465 Expenditures: $0	Allocation: $113,000 Expended or Committed: $104,175
2020-2021 **October 1, 2020 – September 30, 2021**	Allocation: $39,310 Expenditures: $9,699	Allocation: $25,000 Expended or Committed: $25,000
2019-2020 **October 1, 2019 – September 30, 2020**	Allocation: $50,000 Expenditures: $31,390	Allocation: $76,900 Expended or Committed: $60,400

		Attachment B		
				Estimated
	CDBG Budget 2023-2024			**2023-2024 CDBG**
				Revenue
	2023 CDBG Grant		$	299,419
	Estimated Carry Over from Prior Years		$	61,600
	Estimated Program Income		$	50,000
			$	411,019
				Approved
	Public Services (2023-2024 optional 15% cap: $48,800)	**Program**		**Allocations**
1	Family Forward	Housing and Mentoring Support	$	3,000
2	Children's Advocacy Center	Safe from the Start	$	3,500
3	Connections to Care	Connections to Care	$	4,000
4	Life Span	Operating Support/Victims of Domestic Violence	$	3,500
5	Resources for Community Living	Affordable Housing Options and Support	$	5,000
6	WINGS	Emergency Shelter	$	6,500
7	Suburban Primary Health Care Council	Access to Care - Subsidized Medical Services	$	6,000
8	NW CASA - Sexual Assault Program	Sexual Violence Intervention Program	$	3,500
9	Journeys The Road Home	Homeless Services	$	9,300
10	Northwest Compass	Housing Counseling and Assistance	$	4,500
			$	48,800
	Construction (2023-2024 available: $297,419)			
11	Clearbrook	Group Home Renovations		$31,560 allocated from #14 below*
12	Little City Foundation	Group Home Renovation		$24,221 rallocated from #14 below*
13	Glenkirk	Group Home Renovations		$47,035 allocated from #14 below*
14	VAH Group Home Rehab Program	Group Home Renovation Grant Program	$	115,000
15	VAH Single Family Rehab Loan Program (est. expenditures)	Single Family Rehabilitation Loan Program	$	32,419
16	VAH Public Infrastructure	Street Resurfacing or other infrastructure	$	150,000
			$	**297,419**
	Administration (2023-2024 cap: $64,800)			
17	CDBG Program Administration	Salary and soft costs of administration	$	64,800
			$	**64,800**