APPROVED

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 that was last discussed with 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 projectS 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.