Village of Arlington Heights
Housing Commission
Commissions Room, 2nd Floor
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
May 8, 2018
7:00 PM

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Minutes 4-17-18

IV. REPORTS

V. OLD BUSINESS

A. Single Family Rehab (SFR) Program Update
B. Group Home and Transitional Housing Program
C. 2018-2019 Community Development Block Grant Requests

VI. NEW BUSINESS

VII. OTHER BUSINESS

VIII. ADJOURNMENT

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Item: Minutes 4-17-18

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
APRIL 17, 2018

IN ATTENDANCE:

Commissioners Present:	Mark Hellner	Andrew Tripp	Namrita Nelson
	Will Delea	Andrea Johnson	Zach Creer
Commissioners Absent:	Alex Hageli		
Staff Present:	Nora Boyer, Housing Planner/Staff Liaison		
Others Present:	Guido Neri, Neri Architects PC		
	Ben Pecoraro, Developer		
	Anthony Pecoraro, Developer		

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, Tripp, Nelson, Delea, Johnson and Creer were in attendance. Commissioner Hellner agreed to chair the meeting since Chairman Hageli was absent due to a work conflict.

A motion was made by Commissioner Delea, seconded by Commissioner Johnson to move the New Business item on the agenda concerning the Hickory/Kensington mixed use development including the developer's response to the Village's affordable housing policy up on the agenda and address it as the first item of business. The motion was approved unanimously.

III. NEW BUSINESS

A. Guests – Guido Neri, Ben Pecoraro and Anthony Percoraro

Mr. Neri described the mixed-use development being proposed in the Hickory/Kensington area. The residential component will consist of 76 rental units that will be a mix of studio, junior 1-bedroom, 1-bedroom and 2-bedroom units. There will be 2 levels of parking, on the ground level and an underground level. The development has been review once by the Design Commission and is returning to the Design Commission soon. The project is expected to go to the Plan Commission for public hearing and review in May 2018.

Commission Nelson asked if the proposed development would be in a TIF district. Mr. Neri responded that it would be and that a redevelopment agreement is near completion and is expected to go to the Village Board soon. Commissioner Tripp asked questions to clarify the location of the proposed project to which Mr. Neri responded. Mr. Neri also mentioned that the developer would be putting in an extension of Campbell Street through the development and dedicating it back to the Village.

Ms. Boyer stated that the developer responded to the Village's affordable housing policy by stating that the developer will pay a $25,000 per unit fee-in-lieu of providing affordable units called for by the policy but not provided in the development. At the total number of proposed units (75) the number of affordable units called for is 11. (15% of 75 total units). The fee in lieu of 11 units at $25,000 per unit is a total of $275,000.

Ms. Boyer pointed out that the proposed $25,000 per unit is the same rate as was approved for the CA Ventures proposed project, which was also a rental project near downtown. Commissioner Creer asked if any developers have built affordable units since the $25,000 per unit amount has been approved. Ms. Boyer responded that the CA Ventures project was not going to include any affordable units. That project failed to obtain Village Board approval but for reasons other than the response to the affordable housing policy. Commissioner Creer said that he is encouraged by the development of rental housing, which will someday age into being affordable housing, but he is concerned that the fee-in-lieu amount not be set so low that it encourages developers to make the choice to pay the fee rather than including affordable units in their developments. The commissioners decided to look further into recommending a change to the current fee-in-lieu amount ($75,000 per unit) as stated in the affordable housing policies, perhaps incorporating the square footages of the market rate units as a factor in determining fee (i.e. developments with larger units would pay a higher fee per unit than developments with smaller units). Whether the development is an ownership or rental development may be another factor to consider. Commissioner Hellner suggested that the Village should also look at the parking requirement for downtown or near-downtown developments since people living in transit-oriented developments tend to need and have fewer personal automobiles.

A motion was made by Commissioner Nelson, seconded by Commissioner Creer to approve the proposal that the developer pay a fee-in-lieu of providing affordable units in the Hickory/Kensington mixed use development at a rate of $25,000 per unit of affordable housing called for by the Village's affordable housing policy but not provide in the development. The total fee-in-lieu amount at the currently proposed total of 75 units is $275,000 (75 units x 15% (11 units) x $25,000 = $275,000. If the total number of units in the development changes, the total number of affordable units may also change and total fee-in-lieu is to be recalculated at $25,000 per affordable unit not provided. The motion was approved unanimously.

IV. APPROVAL OF MINUTES

A motion was made by Commissioner Delea, seconded by Commissioner Johnson, to approve the minutes of the February 6, 2017 meeting. The motion carried unanimously.

V. REPORTS - None

VI. OLD BUSINESS

A. Single Family Rehab Program

Ms. Boyer stated that there are no active cases. There have been no loan repayments to date for the October 1, 2017 – September 30, 2018 CDBG program year, but Ms. Boyer know of two loans that may be repaid within several month as the homes are sold. Ms. Boyer was asked whether the loans are ever transferred to new owners. Ms. Boyer explained that the Village finds out about changes in ownership when titles are transferred to new owners and title searches reveal the Village loans. She said that in at least one case the new owner (the son of the owner who took out the loan) was able to assume the loan. The son met the Village's low/moderate income guidelines.

Ms.Boyer said that the Request for Qualifications that will help link the Single Family Rehab Program with the Village's Overhead Sewer Rebate Program in nearly complete.

B. Group Home and Transitional Housing Rehab Program

Ms. Boyer stated that Little City Foundation and Clearbrook have projects underway.

The Village released a second round Request for Application for the $31,900 balance remaining in the program. Responses were received from Little City Foundation and Clearbrook. Ms. Boyer summarized the applications. The Commissioners had some questions about the grant requests and Little City and Clearbrook will be invited to the May 2018 Housing Commission meeting to discuss the applications.

C. 2018-2019 Community Development Block Grant Requests

Ms. Boyer provided an estimate of the amount of revenue expected to be available during the next CDBG program year and information on housing-related applications that have been received. Little City Foundation submitted a request for $50,000 toward the acquisition of a group home in Arlington Heights. Clearbrook requested $13,750 to replace the heating/air conditioning system in a group home in Arlington Heights. The Commissioners had questions on Little City's overall budget for the purchase and had questions about the timeline for the projects. The agencies will be asked to answer questions regarding these applications at the May 2018 Housing Commission meeting.

Ms. Boyer presented a suggestion regarding proposed grant request amounts for the Village's rehab programs (single family and group home). The total in CDBG funds requested for construction projects will likely exceed the amount of funding available that will result in some "competition" for the funds.

A motion was made by Commissioner Creer, seconded by Commissioner Johnson to: 1) change the title and purpose of the Group Home and Transitional Housing Rehabilitation Program to the Group Home and Transitional Housing ***Acquisition and*** Rehabilitation Program and request $68,000 in CDBG funds for the program in the *October 1, 2018 – September 30, 2019 program year*; and 2) request $75,000 in CDBG funding for the Single Family Rehabilitation Loan Program for the October 1, 2018 – September 30, 2019 program year.

VII. OTHER NEW BUSINESS

Economic Disclosure forms are due to the Village Clerk by May 1st. Ms. Boyer will email the form to the members of the Housing Commission that have not yet returned their forms.

VIII. ADJOURNMENT

A motion was made by Commissioner Nelson, seconded by Commissioner Tripp, to adjourn the meeting. The meeting adjourned at 8:25 pm.

NEXT MEETING: Tuesday, May 8, 2018 7:00 pm in the Commissions Room – 2nd Floor of Village Hall