

**MINUTES  
CITY OF ST. CHARLES  
HOUSING COMMISSION  
THURSDAY, JULY 14, 2022  
DENS A & B**

**Members Present:** Sean Baker, Louis Dries, Liz Eakins, Jeff Funke, John Glenn

**Members Absent:** Jillian Barker, Karrsten Goettel, Paul Lencioni

**Others Present:** Ellen Johnson, Planner  
Tracey Manning, The Burton Foundation

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**1. Call to Order**

Chair Funke called the meeting to order at 7:02pm.

**2. Roll Call**

Ms. Johnson called roll with five members present.

**3. Approval of Agenda**

**A motion was made by Mr. Baker and seconded by Mr. Dries with a unanimous voice vote to approve the Agenda.**

**4. Approval of minutes from the May 12, 2022 meeting of the Housing Commission**

**A motion was made by Mr. Dries and seconded by Ms. Eakins with a unanimous voice vote to approve the May 12, 2022 meeting minutes.**

**5. Discussion with Tracey Manning, The Burton Foundation**

Ms. Johnson introduced Tracey Manning, Executive Director of the Burton Foundation, a nonprofit affordable housing developer in Illinois. Ms. Manning said she previously worked at National Equity Fund, the largest nonprofit syndicator of affordable housing tax credits. Developers go to syndicators to purchase tax credits, which fund development of affordable housing. She worked for other affordable housing developers running asset management teams and workout teams, which structure financing for projects. Section 42 of the IRS tax code is the Low-Income Housing Credit. Developers bid against each other for tax credits in every state. There are two allocating agencies in Illinois: Department of Housing and Illinois Housing Development Authority. A qualified allocation plan is prepared by IHDA which states what the State wants to see in terms of affordable housing development. Developers apply and wait to see if they receive approval.

Ms. Manning provided background information on The Burton Foundation. It was founded in 1992 by Don Burton, a professor and business man. The Foundation used to offer grants for rent, food, utilities, etc. It now gives \$70k+ per year to churches and service providers who disperse it to their clients. The Foundation's primary focus is affordable housing development.

Ms. Manning said the Foundation provides high-end affordable rental housing. Their projects are energy-efficient and utilize typical building materials. The developments are well maintained and they do not sell them off. A recent local project is Emma's Landing in Geneva which includes 12 3-4 unit buildings with on-site property management. The development looks like market-rate. Two other nearby projects developed by the Foundation are in South Elgin- Water's Edge and Marison Mill.

Prospective tenants are screened for income per IRS requirements. They also run background checks. Rents are set based on the income bracket the tenant falls into. Rents are determined by HUD based on various percentages of area median income. Utilities are built into the rent.

Ms. Manning discussed her experience with getting Emma's Landing in Geneva approved. Going through zoning approvals as an affordable housing developer is different than for market-rate developers. There was a lot of public feedback for Emma's Landing. People had concerns about things like number of children, number of cars, etc. There were a lot of repetitive questions and angry people. She said family housing is actually quieter and calmer than senior housing. Also, about 20% of residents in family developments are seniors.

Mr. Glenn said the easiest way to get affordable housing approved is senior housing which receives less NIMBYism. Mr. Dries said there are very few single-family homes available to rent. There are a lot of seniors in small single-family homes. If they have affordable senior housing to move into, that frees up their homes for younger families.

Ms. Eakins said that is assuming those houses will hit the market at an affordable rate. She said we need housing in St. Charles for younger families and for people that are working in our factories and retail. They are not making enough money to afford apartments in St. Charles. The purpose of the Housing Commission in the City Code is to promote affordable housing for members of our community that live and work here. We are supposed to be encouraging and supporting affordable housing development for the whole community, not just for seniors. When affordable housing projects are presented, if zoning is appropriate and if all other bars are met, the City will make sure it's done well and done right.

Ms. Manning discussed a potential project in St. Charles. The Foundation is considering a piece of property for a workforce housing development near the Randall Rd. corridor. It would have mostly 1- and 2-bedroom units. The site is in close proximity to retail, transit and workplaces; it scores well for tax credits.

Ms. Johnson informed Ms. Manning about the City's Housing Trust Fund and that developers can apply for funds through the Kane County Affordable Housing Fund.

Commissioners and Ms. Manning continued to converse about the need for affordable housing, past projects and experiences, financing, tax credits, NIMBYism, etc.

Ms. Manning said the next steps for the St. Charles property the Foundation is interested in is to get an appraisal on the land and discuss purchase with the property owner. If they are interested, there would be a Letter of Intent, followed by the first application to IHDA for tax credits. If approved, they would start discussing with the City and come in for Concept review. She said support at the zoning meetings goes a long way.

## **6. Home Rehab Program Promotion**

Mr. Eakins said she called Community Contacts to see what the process is like for someone interested in the Home Rehab Program. The phone screening for someone to be considered is extensive because we're working with Kane County and HUD funding. The phone screening is just to get on the waiting list to file an application. There are 10 people on the waiting list, with 6 from St. Charles. Ms. Eakins asked the Community Contacts staff person if she could provide the screening questions for the Commission to have the information. We may want to consider separating our program from Kane County's so the HUD screening requirements are not as difficult to meet; that is something the Commission may consider, before promoting the program further.

## **7. Additional Business**

### **a. Project Updates**

Ms. Johnson said her and Mr. Glenn toured 106 Moore Ave. and the house is very nice. It was just listed on the market for \$399,000. Ms. Johnson called Kane County. They explained they were concerned, given the market and since it is new construction, that if the house were sold at an affordable price of \$250,000, a purchaser could turn around and sell it right away for profit. To prevent this, they are selling the house for close to market value and offering \$150,000 in assistance to the income-qualified homebuyer, which will make the mortgage affordable. It will likely take longer to find a buyer.

Ms. Johnson said Kane County has issued its next Call for Proposals for the Affordable Housing Fund. Any St. Charles projects would be reviewed in the fall.

## **8. Future Meeting Dates**

- a. Thursday, August 11, 2022 at 7:00pm Dens A & B
- b. Thursday, September 8, 2022 at 7:00pm Dens A & B
- c. Thursday, October 13, 2022 at 7:00pm Dens A & B

## **9. Public Comment- None**

## **10. Adjournment at 9:17pm**