	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 4a
	Title:	Consideration of a Request to Donate the City-owned Lot at Dean & N. 15th Streets to Habitat for Humanity of Northern Fox Valley	
	Presenter:	Ellen Johnson, Planner	
Meeting: Planning & Development Committee		Date: October 9, 2023	
Proposed Cost: N/A		Budgeted Amount: N/A	Not Budgeted: <input type="checkbox"/>
TIF District: None			
<p>Executive Summary (if not budgeted, please explain):</p> <p>In 2018, the City allocated a portion of the St. Charles Housing Trust Fund to the Kane County Affordable Housing Fund (AHF) to be made available to developers proposing to undertake affordable housing projects in St. Charles. The AHF was created by the County to provide gap financing to developers seeking to approve and/or develop affordable housing in Kane County. The Fund includes federal HOME and CDBG funds in addition to the City's contribution. Developers apply for funds during the County's annual application cycle. The St. Charles Housing Commission is responsible for approving financing for projects proposing use of St. Charles Housing Trust Fund. (Resolution No. 2018-84)</p> <p>Kane County issued its annual call for proposals in June of 2023. Habitat for Humanity of Northern Fox Valley submitted a request for funding to support construction of two affordable single-family homes in Kane County. During this time, it was identified by City staff that a City-owned lot located at the southwest corner of Dean & N. 15th Streets ("Dean Street Lot") may present an opportunity for affordable housing.</p> <p>The Kane-Elgin HOME Commission, at the recommendation of Kane County Staff, recommended approval of funding in the amount of \$230,000 to Habitat for Humanity of Northern Fox Valley, which includes \$115,000 in federal funds from Kane County and \$115,000 from the St. Charles Housing Trust Fund. It also recommended the City of St. Charles transfer the Dean Street Lot to Habitat for construction of one of the homes. Note- the \$230,000 in funding is for two houses, one of which must be located in St. Charles. The \$115,000 from the City will only be used for the St. Charles project. Habitat is contributing \$285,500 for the two projects from other funding sources.</p> <p><u>Housing Commission Recommendation</u></p> <p>The St. Charles Housing Commission received the Kane-Elgin HOME Commission's recommendation and approved funding in the amount of \$115,000 to Habitat for Humanity of Northern Fox Valley for construction of a home in St. Charles. Funding is in the form of a 0% interest forgivable loan. Once the home is constructed, Habitat will transfer ownership of the house to a qualified homebuyer. The homebuyer will have an income that is at or below 80% of the Area Median. The affordability period will be at least 20 years.</p> <p>The Housing Commission also recommended City Council approve transfer of the Dean Street Lot to Habitat for this purpose.</p> <p><u>Dean St. Lot Background</u></p> <p>The lot was originally platted in 1908 as Lot 2 of the William Balis Subdivision. It is unclear when it was first acquired by the City. In 1983, the City dedicated a portion of the lot as public right-of-way for extension of N. 15th St. to Dean St. The City retained ownership of the remaining portion. The City does not have any need to retain the lot from an infrastructure planning perspective. The City is responsible for mowing the property. The</p>			

lot is 5,357 sf and is buildable, based on the setback requirements of the RT-3 District. Location in the RT-3 District means that the proposed house will need to meet the Design Review Standards & Guidelines contained in the Zoning Ordinance, which encourages design that meets the character of the neighborhood.

The house adjacent to the west was constructed by Habitat for Humanity in 2004.

Past Project

In 2020, the City donated a City-owned property addressed as 106 Moore Ave. to Spillane & Sons for construction of an affordable single-family home. This home was constructed and sold to an income-eligible buyer.

Future Steps

If P&D Committee recommends approval of donation of the Dean Street Lot to Habitat, Staff will work with the City Attorney and Habitat to prepare a real estate contract to convey the property. City Council will then be asked to approve an Ordinance authorizing execution of the contract to facilitate the conveyance.

A building permit will be required. Staff will work with Habitat on the site layout and building design.

Attachments (please list):

Dean Street Lot Exhibit, Housing Commission Resolution, Kane-Elgin HOME Commission Recommendation Letter

Recommendation/Suggested Action (briefly explain):

Recommendation to donate the City-owned lot at Dean & N. 15th Streets to Habitat for Humanity of Northern Fox Valley.



City of St. Charles, Illinois
Housing Commission Resolution No. 3-2023

**A Resolution Recommending Approval of Transfer of Property to Facilitate
New Residential Construction by Habitat for Humanity of Northern Fox Valley
– City-owned Lot at Dean & N. 15th Streets**

Passed by Housing Commission on September 14, 2023

WHEREAS, the City of St. Charles (the “City”) passed Resolution No. 2018-84 (“Resolution”), under which the City allocated funds from the St. Charles Housing Trust Fund to the Kane County Affordable Housing Fund to be made available to developers for the preservation and/or development of affordable housing in St. Charles; and

WHEREAS, Kane County issued the annual Call for Proposals under its Affordable Housing Fund in June of 2023 and received a proposal from Habitat for Humanity of Northern Fox Valley for construction of an affordable single-family home on a City-owned parcel located at the southwest corner of Dean St. and N. 15th St. (the “Dean Street Lot”); and

WHEREAS, the Kane-Elgin Home Commission reviewed said development proposal and recommended approval of funding in the amount of \$230,000 to Habitat for Humanity of Northern Fox Valley for construction of one affordable single-family home on the Dean Street Lot to be transferred to an income-eligible homebuyer (the “Dean Street Project”, as described in the letter from Scott Berger dated 9/8/2023 and accompanying documents attached hereto and incorporated herein as Exhibit “A”), which includes \$115,000 in funding from the Kane County CDBG Program and \$115,000 in funding from the St. Charles Housing Trust Fund; and

WHEREAS, on September 14, 2023 the St. Charles Housing Commission passed Resolution No. 2-2023 approving Housing Trust Fund financing for the Dean Street Project in the amount of \$115,000 from the St. Charles Housing Trust Fund in the form of a 0.0% interest, forgivable loan to Habitat for Humanity of Northern Fox Valley, upon finding that the proposed use of Housing Trust Fund resources is in accordance with Ch. 3.50 “Housing Trust Fund”; and

WHEREAS, execution of the Dean Street Project is dependent upon transfer of the Dean Street Lot from the City of St. Charles to Habitat for Humanity of Northern Fox Valley.

NOW, THEREFORE, be it resolved by the St. Charles Housing Commission to recommend to City Council approval of transfer of the Dean Street Lot to Habitat for Humanity of Northern Fox Valley for construction of one affordable single-family home to be transferred to an income-eligible home buyer.

Roll Call Vote:

Ayes: Baker, Funke, Eakins, Goettel, Dries

Nays:

Abstain:

Absent King, Pietryla, Glenn

Resolution 3-2023

Motion carried: 5-0

PASSED, this 14th day of September 2023.

Chairman
St. Charles Housing Commission

Resolution 3-2023

Exhibit “A”

Letter from Scott Berger & Accompanying Documents

COUNTY OF KANE

OFFICE OF COMMUNITY REINVESTMENT Community Development Division

Scott Berger, Director
Josh Beck, Assistant Director for Community Development



Illinois workNet Center
143 First Street
Batavia IL 60510
www.countyofkane.org

September 8, 2023

Ellen Johnson, Planner
Community & Economic Development Department
City of St. Charles
2 East Main Street
St. Charles IL 60174

Re: St. Charles Housing Trust Fund – Funding Recommendation from Home Commission

Dear Ms. Johnson,

Our office recently conducted a “Call for Proposals” under the Affordable Housing Fund (AHF), which is cosponsored by Kane County, the City of Elgin, and the City of St. Charles. As you know, the purpose of the AHF is to provide gap financing from a mix of sources to support the preservation and/or expansion of affordable housing options in our area.

Last week, the Home Commission (which oversees the AHF) met to review the development proposals we received. Among them was one from Habitat for Humanity of Northern Fox Valley for the construction of two single-family homes, one of which is proposed to be built on your Dean Street site. Upon completion, both homes will be sold to well-qualified, income-eligible homebuyers. Habitat has a solid track-record of successfully completing similar projects throughout our area over the last several years. The Home Commission was pleased with their proposal and unanimously approved funding in the amount of \$230,000 to undertake the project. **This amount includes a combination of federal funds from Kane County and \$115,000 from the St. Charles Housing Trust Fund, subject to the approval of the St. Charles Housing Commission. It also comes with the recommendation that the City of St. Charles transfer the Dean Street property to Habitat so that they can undertake and complete the project.** Our office is available to assist you with the planning and logistics associated with that process.

I am enclosing a copy of Habitat’s proposal, along with the staff report and funding recommendation for your review and consideration. I am available to attend your Housing Commission meeting next week to discuss the proposal and the Home Commission’s recommendation if you like. Please let me know if that would be helpful. Also, please don’t hesitate to contact me if you have any questions.

Sincerely,

Scott Berger, Director

Enc.

**KANE COUNTY AFFORDABLE HOUSING FUND
STAFF REPORT AND FUNDING RECOMMENDATION
August 25, 2023**

Applicant/Project Summary

Developer Name:	Habitat for Humanity of Northern Fox Valley			
Organizational Type:	Not-For-Profit Organization			
Project Name:	2023 Homeownership Projects			
Location:	Elgin/Carpentersville/St. Charles			
Project Type:	Homeownership			
Description:	Construct two new single-family homes for sale to income-eligible homebuyers.			
Unit Mix:	Unit Size	Affordable Units	Market Rate Units	Total Units
	3 Bedroom	2	0	2
	Total	2	0	2
Income Targeting:	Income targeting information found in the market study: <ul style="list-style-type: none"> • 2 units for households at/below 80% Area Median Income 			
Proposed Affordability Period:	Required: 20 years, based on development subsidy for new construction housing.			
Budget Summary:	<div style="display: flex; justify-content: space-between;"> <div> Funds from Other Sources: Affordable Housing Funds Requested: Total Development Cost (TDC): </div> <div> \$285,500 (55% of TDC) <u>\$230,000 (45% of TDC)</u> \$515,500 </div> </div>			

Responsiveness to AHF Evaluation Criteria



EVALUATION CRITERIA	RATING	STAFF COMMENTS
Financial Underwriting		
Proposals must demonstrate that the project is not “economically feasible” without program assistance, and evidence of financial ability to implement project must be provided.	●	Project satisfies underwriting criteria. Proposed sources and uses balance. Commitments for funds from other sources have been provided by the applicant. The project, however, will not repay any AHF funds, but the units will be affordable for 20 years.
Developer Qualifications		
Consideration will be given to the development team’s qualifications to develop (or redevelop) high-quality affordable housing, especially in the Kane County market area. Further, specific detail related to the qualifications and experience of the individual(s) identified as project manager(s) will be evaluated.	●	Applicant has a well-qualified staff and development team that has consistently produced solid, single-family homes. The organization has been highly successful at providing homeownership opportunities – particularly for households at or below 80% of area median income – and has a solid track-record of helping to ensure their success following purchase.

Experience		
Consideration will be given to the developer's track record of completing projects on time and within budget and their experience working with Federal funding (NSP, HOME, CDBG, etc.)	●	Applicant has many years of experience completing similar projects in northern Kane County and has utilized federal funds (including NSP1, NSP3, HOME, and CDBG funds) to rehabilitate foreclosed/distressed properties or construct new homes.
Capacity		
Consideration will be given to the developer's capacity (including anticipated work load), the project's readiness to proceed, commitments secured from other sources, and the project's long-term feasibility.	●	Applicant has the financial and organizational capacity to complete the project described in the proposal. Staff and systems are in place to ensure proper oversight and management of the project.
Project Design		
Consideration will be given to projects that address the Kane-Elgin Consortium's General Principles and Specific Housing Criteria.	●	The location of each site is are located within established neighborhoods but not all sites are necessarily close to services. HFH has pre-development steps lined up and ready to go including permits. Their schedule anticipates a timely completion.
Value		
Priority will be given to developers that provide a high-quality end product in relation to their development costs. The extent to which they leverage other public and private resources will be considered.	●	Applicant's proposal represents a good value. It will develop new affordable single-family homes at a price in an affordable range to the respective buyers. Additionally the project is leveraging other funding sources, volunteer labor, and material donations for nearly half of the costs.

Staff Recommendation

(As modified during 8/31/2023 Commission Meeting.)

Approve/Disapprove:	Approve
Amount:	\$230,000.00 <ul style="list-style-type: none"> • Kane -Elgin HOME (\$115,000) • St. Charles Housing Trust Fund (\$115,000)
Terms:	Forgivable loan with the following terms: <ul style="list-style-type: none"> • 0.0% Interest Rate; and • Forgive principal upon transfer of units to qualified homebuyers.
Conditions:	The following conditions are recommended for the above award: <ul style="list-style-type: none"> • Habitat must obtain City of St. Charles approval of the transfer of the vacant parcel at the corner of Dean and North 15th Streets prior to receiving final commitment of the St. Charles Housing Trust Fund award. • Fulfillment of all other OCR requirements.

**KANE COUNTY
AFFORDABLE HOUSING FUND
HOMEOWNERSHIP PROPOSAL CHECKLIST AND COVER SHEET
PROJECT SPONSOR NAME: Habitat for Humanity of Northern Fox Valley**

Instructions: After completing the forms in this packet, including all sections and signature pages, use this checklist as a guide to organize and assemble your proposal. Indicate the attachments that are included in your submittal by checking the box in the "Document Attached" column. Some items may not be applicable to your project. Please be sure to review this checklist carefully, and include any and all attachments based on the responses you provided in the application forms. All documents should be labeled with a LETTER, and organized accordingly in alphabetical order behind the completed application forms.

Attachment Name	Document Attached
A. Preliminary Project Schedule	<input checked="" type="checkbox"/>
B. Summary of Completed Projects – please check boxes for each item to ensure you have included required information about your completed projects a. Name and location of projects completed by Project Sponsor (last <u>3 years</u> only) <input checked="" type="checkbox"/> b. Relevant details including cost of project, number of units, housing type (rental, owner, special needs, mixed use, etc.), target populations <input checked="" type="checkbox"/> c. Identify any sources of public financing used and contact names/telephone numbers for each government agency. (County may contact agencies to confirm the quality of work performed by the Project Sponsor.) <input checked="" type="checkbox"/> d. Date of project completion <input checked="" type="checkbox"/> e. Photos of completed projects <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
C. Summary of Projects currently in Predevelopment, Preconstruction, and Construction – please check boxes for each item to ensure you have included required information about your completed projects a. Name and location of projects <input checked="" type="checkbox"/> b. Relevant details including cost of project, number of units, housing type (rental, owner, special needs, mixed use, etc.), target populations <input checked="" type="checkbox"/> c. Identify any sources of public financing used and contact names/telephone numbers for each government agency <input checked="" type="checkbox"/> d. Expected date of project completion <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
D. Copies of all Funding Award Letters/Notices referenced in budget document	<input type="checkbox"/>
E. Board Resolution authorizing application for financing (if Applicable)	<input checked="" type="checkbox"/>
F. Current 501(c)(3) or 501(c)(4) Letter of Determination and most recent IRS form 990	<input checked="" type="checkbox"/>
G. Project Sponsor Financial statements - year to date	<input checked="" type="checkbox"/>
H. Project Sponsor Financial statements - last 3 years (audited) (Because applicant is For Profit business, last 3 years of un-audited financial statements are attached <input type="checkbox"/> .)	<input checked="" type="checkbox"/>

By signing this completed checklist, I attest that I have included the indicated documentation, and provided complete and accurate information to Kane County in support of this proposal.


Signature

7/26/2023
Date

Barbara Beckman, Executive Director
Name/Title (Printed)

**KANE COUNTY
AFFORDABLE HOUSING FUND
HOMEOWNERSHIP PROJECT PROPOSAL**

A. PROJECT SPONSOR CERTIFICATIONS

The Project Sponsor certifies that all information furnished in/with this proposal is provided for the purpose of obtaining financial assistance under the Affordable Housing Fund and is true and complete to the best of the Project Sponsor's knowledge and belief. If any information provided herein changes following submission of this proposal, the Project Sponsor agrees to notify Kane County's Office of Community Reinvestment immediately. The Project Sponsor understands and agrees that if false information is provided in/with this proposal, which has the effect of increasing the Project Sponsor's competitive advantage, the Kane County Office of Community Reinvestment may disqualify the Project Sponsor and deem the Project Sponsor ineligible to receive any funds in the future.


Verification of any of the information contained in/with this proposal may be obtained from any source named herein. Submission of this proposal shall constitute the Project Sponsor's authorization for the Kane County Office of Community Reinvestment to undertake such investigations as it deems necessary to determine the accuracy of this proposal and the Project Sponsor's suitability for financing from Kane County's Office of Community Reinvestment. The Kane County Office of Community Reinvestment reserves the right to require financial statements (audited or unaudited) of each development team member as part of its underwriting process.

The Project Sponsor will at all times indemnify and hold harmless Kane County against all losses, costs, damages, expenses and liabilities of any nature directly or indirectly resulting from, arising out of or relating to the Kane County's acceptance, consideration, approval, or disapproval of this proposal and the issuance or non-issuance of funds herewith.

The Kane County Office of Community Reinvestment retains the right to reject any and all proposals, and, in its sole determination, to waive minor irregularities. Further, the Project Sponsor acknowledges by execution of this certification that the Kane County Office of Community Reinvestment will review this proposal and reach its determination with the fullest discretion allowable by law.

The Project Sponsor further certifies that neither it, its principals, nor members of its development team are presently debarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from HUD programs. Additionally, said parties are in good standing on state and federal tax obligations.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this document to be executed in its name on the 26th day of July, 2023.

Legal Name of Project Sponsor: Habitat for Humanity of Northern Fox Valley
Signature of Authorized Party: 
Name: (please type) Barbara Beckman
Title: Executive Director
Date: July 26, 2023

THIS PAGE MUST BE SIGNED IN ORDER FOR THE COUNTY TO ACCEPT YOUR SUBMITTAL

B. PROJECT SPONSOR INFORMATION

Project Sponsor Name:	Habitat for Humanity of Northern Fox Valley		
Project Name:	Habitat for Humanity Homeownership Projects		
Federal ID #:	36-3742888	DUNS # (if available):	964198118
Mailing Address including City, State and Zip:	56 S. Grove Avenue Elgin, IL 60120		
Contact Person:	Barbara Beckman		
Telephone Number:	847-836-1432	Email Address:	barb.beckman@habitatnfv.org
<input checked="" type="checkbox"/> Not-For-Profit Organization <input type="checkbox"/> For-Profit Organization			
Is your organization a Community Housing Development Organization (CHDO)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Please indicate the nature of work involved in your proposed project: Check all that apply: <input type="checkbox"/> Acquisition of real estate <input type="checkbox"/> Rehabilitation of existing housing <input checked="" type="checkbox"/> New construction <input type="checkbox"/> Conversion to residential			
Total Cost of Project	\$515,500	Total # of Housing Units in the Project	
AHF Amount Requested	\$230,000	2	

C. DEVELOPMENT TEAM INFORMATION

Role	Name of Entity	Existing	To Be Formed
Owner	Habitat for Humanity of NFV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
1. Other:		<input type="checkbox"/>	<input type="checkbox"/>
2. Other:		<input type="checkbox"/>	<input type="checkbox"/>
Architect	Greg A. Norris	<input checked="" type="checkbox"/>	<input type="checkbox"/>
General Contractor	Habitat for Humanity of NFV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Attorney	Helmut E. Gerlach	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Property Management		<input type="checkbox"/>	<input type="checkbox"/>
Lead Based Paint Inspector	N/A	<input type="checkbox"/>	<input type="checkbox"/>
Appraiser	ACT Appraisals, Inc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Surveyor	Vanderstappen Land Surveying, Inc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Realtor	Judy Ecklund	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: Engineer	J. Condon & Associates	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other:		<input type="checkbox"/>	<input type="checkbox"/>
Other:		<input type="checkbox"/>	<input type="checkbox"/>
Other:		<input type="checkbox"/>	<input type="checkbox"/>

D. PROJECT NARRATIVE/PLANS

Provide an answer to every question. Typing "See Attached" is not an acceptable response.
IF THE QUESTION IS NOT APPLICABLE TO YOUR PROPOSED PROJECT, PLEASE WRITE "N/A".

1. Provide a detailed abstract of proposed project or development.

Habitat for Humanity of Northern Fox Valley, a local not-for-profit affordable housing developer and lender, requests funds to support the development of two new construction homeownership units. The organization's primary purpose is to increase homeownership opportunities for households earning less than 80% of area median income. For three decades, the Northern Fox Valley affiliate has partnered with volunteers and donors, both public and private, to create safe, decent and affordable places to call home, giving families the stability needed to make solid, forward-looking choices.

For low-income families in-need of an owner-occupied, single-family home, homeownership is consistently unattainable due to low stock of affordable housing options, high interest rates and lack of down payment monies. The stated disparities result in families forced to rent in a condition where rental units are unable to meet the needs of low-income families physically and economically, as rentals frequently present shelter and financial obstacles for low-income families. A lack of affordable home ownership opportunities for families leads to two primary housing concerns: (1) overcrowding due to rental unit space limitations and (2) economic hardship of becoming rent-burdened due to high rental rates. In direct response to these scenarios, Habitat for Humanity of NFV aims to build two affordable, single-family, owner-occupied homes in close to workplaces, businesses, schools, grocery stores, shopping centers and with access to public transportation. The organization plays a vital role in addressing the area's housing needs by creating affordable homeownership housing in Kane County. Since its inception, the organization has built homes in the following Kane County communities: Batavia, Carpentersville, Dundee, Elgin, St. Charles and South Elgin.

Habitat for Humanity of NFV currently owns vacant infill lots and is pursuing additional vacant lots in Elgin, Carpentersville and St. Charles. Several projects are in the predevelopment phase. The next projects to be starting at the time the AHF program dollars are awarded would be deemed the AHF assisted units.

Upon completion of the two homeownerships projects developed under the AHF program, Habitat for Humanity of NFV will sell the homes to pre-qualified buyers at fair market value and provide 0% mortgage loan financing. A modest down payment will be required, however no private mortgage insurance (PMI) will be added to the monthly payment. PMI is arranged by lenders and provided by private insurance companies to protect the lenders if borrowers stop making payments on loans. PMI is generally required for conventional loans when borrowers make a down payment of less than 20% of the home's purchase price. Because Habitat for Humanity does not charge interest or PMI, payments are more affordable for Habitat borrowers, and they benefit from substantial savings over the life of the loan. Habitat for Humanity's home building and lending programs make homeownership accessible to a wider range of income levels.

This proposal directly aligns with the AHF's purpose of providing gap funding for the development of affordable housing for low-income households. Cash donations from non-Federal sources such as corporations, churches and ReStore proceeds totaling \$285,500 are secured or promised, leaving a \$230,000 funding gap which represents the amount of our AHF request. Together, we can address housing needs and increase homeownership opportunities for low-income families in Kane County communities.

limit 4,000 characters

2. Describe the project control structure from initial stages through construction and ongoing management, including partnerships or entities that are still to be formed.

Habitat for Humanity of Northern Fox Valley has 30+ years of experience developing affordable housing in Kane County. In the last 3 fiscal years, FY21-FY23, we have built and sold 27 homes. We have a talented development team that brings experience in all stages of project management from predevelopment to construction, completion and sale. We have an excellent track record of completing projects on time and within budget and many projects have been supported by Federal funding. Solid partnerships with relevant entities are formed and strong.

Acquisition is managed by the Executive Director of 20+ years. The Assistant Construction Manager is responsible for engineering, architecture, bidding, budgeting and permitting at which point the construction site supervisor becomes responsible for the day-to-day construction including overseeing the volunteer work force. The work of the site supervisors is monitored by the Construction Manager with weekly site visits. The years of construction experience for current site supervisors ranges from 5 years to 40 years. Every site supervisor completes Competent Person Training, the OSHA 10-hour training to earn an official OSHA 10 card from the U.S. Department of Labor (DOL) as well as CPR, First Aid, and Active Shooter Training. While volunteers do much of the construction, fully licensed and insured contractors are hired for roofing, electrical, plumbing and HVAC. Each home has a schedule for completion and a construction budget. The construction schedule is monitored at a weekly meeting of the

construction staff. The construction budget is monitored monthly by the Construction Manager, Finance Director and the finance committee. Upon completion of these two homeownership projects, the units will meet all applicable local development standards and will be transferred individually to eligible homebuyers. The units will be sold at fair market value and zero-interest loans will be provided to borrowers by Habitat for Humanity of Northern Fox Valley. The terms of the mortgage will include the unit being occupied as the principal residence and Habitat for Humanity of NFV retaining the right of first refusal. In the event a Habitat homeowner needs to sell, the Northern Fox Valley affiliate's goal is to repurchase the unit and sell it to another low-income borrower. Units assisted by the Affordable Housing Fund will carry a 20 year affordability period. Loans will be serviced by a third party to ensure regulatory compliance. Habitat for Humanity of NFV will continue to provide support and guidance to its partner homebuyers as needed and requested.

limit 4,000 characters

3. Will the project target a particular population(s)? ☒ Yes ☐ No
If yes, please describe all that are applicable (e.g. elderly, disabled, homeless, small/large families, etc.)

Yes, Habitat for Humanity of Northern Fox Valley's projects target a particular population. The specific population is low-income households earning less than or equal to 80% of area medium income, adjusted for family size. Habitat for Humanity of NFV will be the lender in the sale of these 2 units. A licensed loan originator employed by the affiliate will process the loan applications and ensure Habitat for Humanity of NFV's underwriting guidelines are met. The underwriting process includes verifying the applicant's income, assets, credit history, and debt. As a nonprofit lender, Habitat for Humanity of NFV will ensure that, at the time of occupancy, the borrower meets the income eligibility requirements as updated and published annually by HUD.

limit 4,000 characters

4. Provide a description of how the proposal addresses the Kane-Elgin Consortium's Consolidated Plan Priority #1: Affordable Housing; General Principles and Specific Housing Criteria (See Appendix F to Affordable Housing Fund General Guidelines), with specific attention to the **location** and **design** of the project in accordance with county design requirements.

Affordable housing is one of the priorities in the Kane-Elgin Consortium Consolidated Plan. Habitat for Humanity of Northern Fox Valley's proposed infill projects address many of the general principles under the Affordable Housing priority of the Consolidated Plan. The projects will be located where jobs are (GP#1) and will have price points and financing accessible for low-income buyers (GP#2). Affordable homes such as the ones developed by Habitat for Humanity can attract and retain employees to the community. Affordable price points also support a local workforce with a wider range of income levels and allows workers to live close to their jobs which promotes stability and productivity for the workers as well as employers. Shorter commutes allow workers to spend more time with their families while the community benefits from reduction in traffic congestion, air pollution and expenditures on roads. These new construction units will stress quality design and construction in order to help ensure long-term contributions to the improvement of neighborhoods. The home designs for these infill lots will fit their settings, complement and enhance the existing neighborhoods and promote a sense of community. The sites have existing infrastructure nearby and are well situated in relation to local shopping and public transit. (GP#3, #5, #6 and #7).

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5. Provide a description of current site control for the proposed project site. **(IF Applicable)**

Habitat for Humanity of Northern Fox Valley requests funding to support 2 new construction homeownership units. The organization has several vacant infill lots in predevelopment that are in AHF eligible locations such as Elgin, Carpentersville and St. Charles. Upon award notification, the specific projects will be identified. The projects that will be selected will be the first two units lined up for construction to begin and will align with the timing in the proposed project schedule.

E. PROJECT SPONSOR EXPERIENCE/QUALIFICATIONS

1. Describe the relevant experience/qualifications of the Project Sponsor.

Habitat for Humanity of Northern Fox Valley has a solid track record of completing residential development projects on schedule and has 15 years of experience receiving and complying with Federal funding. Our past performance is an excellent indicator of our capacity to successfully complete the projects for which funding is currently being requested. The following is a list of the organization's relevant experience/qualifications by functional area.

Property Acquisition

Habitat for Humanity of NFV has strong relationships with local real-estate agents who search for property and has extensive experience evaluating and acquiring land as well as foreclosed and vacant houses. The construction team assesses the land or existing house and estimates construction or rehab costs prior to acquisition to ensure the project is financially feasible.

General Contractor

Habitat for Humanity of NFV coordinates the construction or rehabilitation of each property, including working with architects, surveyors, engineering firms, and subcontractors for licensed, insured services such as lead, mold, and asbestos abatement, foundations, electrical, plumbing and HVAC.

Builder

Habitat for Humanity of NFV builds homes under the supervision and direction of site supervisors who are trained construction workers but relies heavily on volunteer labor to do the majority of the construction. Obtaining permits, ordering materials, bidding and hiring trades people, setting construction standards, and scheduling inspections are some of the building activities performed by the organization. All units built by Habitat for Humanity of NFV comply with local ordinances, building codes, zoning standards, and the Illinois Energy Conservation Code.

Financial Oversight

Habitat for Humanity of NFV establishes the scope of work and budget for each project, raises funds, pays invoices, tracks and monitors expenses.

Pre-Qualification of Buyers

Habitat for Humanity of NFV employs a licensed loan originator to pre-qualify low-income buyers for its home ownership program under a nondiscriminatory policy and within its underwriting guidelines. Income eligibility is restricted to low-income households earning less than or equal to 80% of area medium income, adjusted for family size. Once pre-qualified, borrowers are matched with properties prior to starting construction.

Homebuyer Education and Services

Habitat for Humanity of NFV partners with HUD-Certified Housing Counseling Agencies for HUD-approved homebuyer education class. Each homebuyer completes an eight-hour curriculum and earns a Homeownership Education Certificate of Completion. The class must be taken within the twelve-month period prior to the date of the homebuyer's purchase of the home. A Home Maintenance workshop is also required.

Lending and Mortgage Processing

Habitat for Humanity of NFV is an Illinois licensed mortgage lender. Upon completion of construction and passing of final inspections, Habitat for Humanity of NFV sells the homes to the pre-qualified low-income buyers at fair market value and provides 0% mortgage loan financing and no private mortgage insurance. Habitat for Humanity of NFV has a contract with a mortgage servicing firm to process payments, pay taxes and insurance. The principal portion of every mortgage payment is reinvested in additional affordable housing projects.

2. List the name and title of the individual(s) who will manage the project.

Barbara Beckman, Executive Director
Tom Clausen, Construction Manager
Jerry Pietryla, Assistant Construction Manager
Kathy Wilbourn, Finance Director

limit 4,000 characters

3. Please disclose any investigation underway regarding any member of the development team.

There are no investigations underway regarding any member of the development team.

limit 4,000 characters

4. Complete a **DEVELOPMENT TEAM MEMBER NARRATIVE** for each member listed on the Development Team. The narrative should address the experience and qualifications of the team member/firm, and any principals or staff that will be assigned to the project.

4.1 ROLE: **Owner**

ENTITY NAME: Habitat for Humanity of NFV

ADDRESS: 56 S. Grove Avenue, Elgin, 60120

CONTACT PERSON: Barbara Beckman

PHONE: (847)836-1432

EMAIL:

barb.beckman@habitatnfv.org

Habitat for Humanity of Northern Fox Valley was founded in 1990 and has 30+ years of experience as a non-profit home builder and lender. The organization has a well-qualified and experienced development team with full capacity to execute this project and account for the receipt, expenditure and reporting of the requested Federal funding. Barbara Beckman, MSW, has been the organization's Executive Director since 2002 and she has overseen the construction of more than 115 Habitat for Humanity homes.

limit 4,000 Characters

4.2 ROLE: **Architect**

CONTACT PERSON: Gregory A. Norris

PHONE: (630)336-4368

CONTACT PERSON: _____

PHONE: () - PHONE: () -

Greg Norris is a licensed architect in the State of Illinois. His IL License Number is 001-011764.

limit 4,000 Characters

4.3 ROLE: **General Contractor**

CONTACT PERSON: Tom Clausen, Construction Manager

PHONE: (630)940-8135

CONTACT PERSON: Jerry Pietryla, Assistant Construction Manager

PHONE: (847)836-1432 PHONE: () -

Habitat for Humanity of NFV has served as a general contractor since 1990 and has completed 155 construction projects. The organization has the personnel, experience and expertise to provide the material, labor, equipment and services to ensure these AHF funded projects are completed in a timely manner and in compliance with applicable requirements. As the general contractor, Habitat for Humanity of NFV hires specialized subcontractors to perform portions of the pre-construction and construction work including architects, surveyors, engineering firms, licensed and insured subcontractors for services such as lead, mold, and asbestos abatement; excavating; foundations; electrical; plumbing, and HVAC.

limit 4,000 Characters

4.4 ROLE: **Attorney**

CONTACT PERSON: Helmut E. Gerlach

PHONE: (847)836-1432

CONTACT PERSON: _____

PHONE: (____)____-____ PHONE: (____)____-____

Helmut E. Gerlach has over 25 years of experience as an attorney. He has been Habitat for Humanity of NFV's General Counsel since 2005. He manages all legal aspects of the organization including real estate acquisition and sales, mortgage document preparation, contracts, financing, licensing, leasing, commercial, employment and human resource.

limit 4,000 Characters

4.5 ROLE: **Appraiser**

CONTACT PERSON: ACT Appraisals, Inc

PHONE: (630)398-1315

CONTACT PERSON: Erika Franks

PHONE: (____)____-____ EMAIL: _____

ACT Appraisal, Inc. has been a full-service appraisal management company (AMC) for 20 years. They maintain a network of certified appraisers to fulfill real estate appraisal assignments on behalf of mortgage lenders. For the last 6 years, Habitat for Humanity of Northern Fox Valley has been using this AMC for appraisals. Once the request is submitted, the AMC randomly assigns an appraiser to provide an appraisal report for the property.

limit 4,000 Characters

4.6 ROLE: **Surveyor**

CONTACT PERSON: Vanderstappen Land

Surveying

PHONE: (815)502-5516

CONTACT PERSON: Arthur Gritmacker

PHONE: (____)____-____ PHONE: (____)____-____

Vanderstappen Land Surveying Inc. was founded in 1994 and is a member of the Illinois Professional Land Surveyors Association (IPLSA) and the American Congress on Surveying & Mapping (ACSM). Arthur Gritmacker has 23 years of surveying experience at Vanderstappen.

limit 4,000 Characters

4.7 ROLE: **Realtor**

CONTACT PERSON: Judy Ecklund

PHONE: (847)917-5668

CONTACT PERSON: _____

PHONE: (____)____-____ PHONE: (____)____-____

Judy Ecklund has been a licensed relator with Baird & Warner for 23+ years.

limit 4,000 Characters

4.8 ROLE: **Engineer**

CONTACT PERSON: J. Condon & Associates

PHONE: (815)728-0068

CONTACT PERSON: Meghan Michel

PHONE: (____)____-____ PHONE: (____)____-____

Meghan Michel, P.E. has been an engineer at J. Condon & Associates, a firm offering a wide range of engineering and consultation services for residential and commercial projects. Meghan has been with J. Condon for over 9+ years.

limit 4,000 Characters

5. Has the assembled development team worked together previously on similar projects? ☒ Yes ☐ No
If yes, please describe the results of this relationship by citing examples of prior development. If no, describe why/how these parties have been selected.

The assembled Habitat for Humanity of NFV development team has worked together previously on similar projects. The team has a demonstrated track record of procuring property; completing surveying, architecture and engineering plans and drawings; obtaining permits; bidding and hiring contractors; constructing high quality affordable housing; recruiting volunteers; reviewing, authorizing and processing payments for labor and materials;

underwriting and originating mortgage loans. Over the last 3 years, the team has completed, sold and financed 27 homes for low-income borrowers (see attachment B).

An example of a larger scale project that many members of this team collaboratively worked on is Fox Valley Farms- a 9-home development in Crystal Lake. The development was completed in June, 2023. The scale and complexity required more time to plan and a significant capital investment. The team gained valuable knowledge and experience from this multi-home development.

Another example of Habitat for Humanity of Northern Fox Valley's ability to perform successfully at a high functioning level is reflected in the national rankings compiled by Habitat for Humanity International. For FY22, in terms of home construction and repairs, the Northern Fox Valley affiliate ranked #1 in Illinois out of 45 affiliates, #35 out of 1,176 affiliates across all Geographic Service Area Population Categories, and #11 out of 157 affiliates in the Large Geographic Service Area Population Category.

limit 4,000 characters

F. SOURCES AND USES OF FUNDS

Please list all sources of funds including dollar amount and timing of availability. List the proposed use of each source of funds, and include copies of firm commitment letters with all terms and conditions for all mortgages, grants, and bridge (interim) loans. **Please do not use acronyms.**

Sources of Permanent Financing

List in order of position proposed.

1.	Financial Institution: N/A	Interest Rate: N/A	Date funds available: January 1, 2024
	Financing Program: ReStore Proceeds/Fund for Humanity	Amortization Period: N/A	Status of financing: N/A
	Amount: \$210,500	Loan Term: N/A	Status Documentation Attached <input type="checkbox"/>
	Contact: Kathy Wilbourn	Annual Debt Service: N/A	Affordability period or other financing
	Phone: 847-836-1432	Debt service position: N/A	restrictions: N/A
2.	Financial Institution: N/A	Interest Rate: N/A	Date funds available: April 1, 2024
	Financing Program: Zurich North America	Amortization Period: N/A	Status of financing: N/A
	Amount: \$40,000 grant	Loan Term: N/A	Status Documentation Attached <input type="checkbox"/>
	Contact: Susan Fritz	Annual Debt Service: N/A	Affordability period or other financing
	Phone:	Debt service position: N/A	restrictions: N/A
3.	Financial Institution: N/A	Interest Rate: N/A	Date funds available: May 1, 2024
	Financing Program: Pottawatomie Partnership	Amortization Period: N/A	Status of financing: N/A
	Amount: \$35,000	Loan Term: N/A	Status Documentation Attached <input type="checkbox"/>
	Contact: Bob Bendeich	Annual Debt Service: N/A	Affordability period or other financing
	Phone: 847-836-1432	Debt service position: N/A	restrictions: N/A
4.	Financial Institution:	Interest Rate:	Date funds available:
	Financing Program:	Amortization Period:	Status of financing:
	Amount:	Loan Term:	Status Documentation Attached <input type="checkbox"/>
	Contact:	Annual Debt Service:	Affordability period or other financing
	Phone:	Debt service position:	restrictions:

Uses of Permanent Financing

Position	Acquisition Costs (A)	Construction/ Rehab (B)	Developer Fee (C)	Development Costs (D)	Financing Costs (E)	Other Costs (F)	Totals
1	\$	\$	\$	\$	\$	\$	\$
2	\$	\$	\$	\$	\$	\$	\$
3	\$	\$	\$	\$	\$	\$	\$

4	\$	\$	\$	\$	\$	\$	\$
5	\$	\$	\$	\$	\$	\$	\$
TOTALS	\$	\$	\$	\$	\$	\$	\$

G. HOMEBUYER PROJECT INFORMATION

For each cost category, you must enter the total cost, and mark whether you are requesting to use Affordable Housing Funds for that item

ACQUISITION COSTS	TOTAL COST	PROPOSED USE OF AHF
Land Acquisition Costs	\$100,000	<input type="checkbox"/>
Land Acquisition Closing Costs (title, recording, legal, etc.)	\$6,000	<input type="checkbox"/>
Other:	\$	<input type="checkbox"/>
Acquisition Total (A)	\$106,000	
CONSTRUCTION/REHAB COSTS		
Rehabilitation/Construction estimate	\$338,000	<input checked="" type="checkbox"/>
Other: Construction and Volunteer Management Staff	\$24,000	<input type="checkbox"/>
Subtotal	\$362,000	
Construction Contingency (1.5%)	\$5,400	
Construction/Rehab Total (B)	\$367,400	
Developer's Fee (% of Acquisition and Construction/Rehab) (C)	\$0	<input type="checkbox"/>
DEVELOPMENT COSTS		
Project Design		
Architectural	\$4,000	<input type="checkbox"/>
Engineering	\$8,000	<input type="checkbox"/>
Site Investigation	\$1,600	<input type="checkbox"/>
Other:	\$	<input type="checkbox"/>
Project Planning		
Permits	\$20,000	<input checked="" type="checkbox"/>
Appraisal (pre-purchase)	\$0	<input type="checkbox"/>
Appraisal (post-rehab)	\$900	<input type="checkbox"/>
Environmental Study	\$0	<input type="checkbox"/>
Lead Based Paint Inspection and Clearance	\$0	<input type="checkbox"/>
Survey	\$2,000	<input type="checkbox"/>
Other:	\$0	<input type="checkbox"/>
Holding costs		
Carrying Costs (lawn/snow maintenance, utilities, etc.) (\$210 x 20 months) =	\$4,200	<input type="checkbox"/>
Property Taxes	\$1,400	<input type="checkbox"/>
Other:	\$0	<input type="checkbox"/>
Development Total (D)	\$42,100	
FINANCING COSTS		
Other:	\$0	<input type="checkbox"/>
Financing Total (E)	\$0	
OTHER COSTS		
Relocation	\$0	
Other:	\$0	<input type="checkbox"/>
Other Costs Total (F)	\$0	
TOTAL DEVELOPMENT COST (A+B+C+D+E+F) =	\$515,500	

B: Summary of Completed Projects Last 3 Years and Photos

Street Address	City	Number of Units	Housing Type	Target Population	Sale Price	Public Funds	Date of Completion
559 S. Edison	Elgin	1	Owner	Low-Income	184,000	X	4/30/20
33 Pine	Carpentersville	1	Owner	Low-Income	169,000	X	6/22/20
313 Gertrude	Elgin	1	Owner	Low-Income	172,000	X	9/3/2020
455 McHenry	Crystal Lake	1	Owner	Low-Income	230,000		9/25/2020
447 McHenry	Crystal Lake	1	Owner	Low-Income	239,000		11/6/2020
459 McHenry	Crystal Lake	1	Owner	Low-Income	205,000		11/30/2020
1015 Shuler	Elgin	1	Owner	Low-Income	194,000	X	11/30/2020
233 N Weston	Elgin	1	Owner	Low-Income	160,000	X	11/30/2020
341 Jewett	Elgin	1	Owner	Low-Income	205,000	X	3/19/2021
1203 Sycamore	Lake in the Hills	1	Owner	Low-Income	233,000		3/19/2021
1404 Windsor	Carpentersville	1	Owner	Low-Income	219,000		6/3/2021
20 Independence	Batavia	1	Owner	Low-Income	278,000	X	8/13/2021
431 McHenry	Crystal Lake	1	Owner	Low-Income	269,000		11/29/2021
439 McHenry	Crystal Lake	1	Owner	Low-Income	195,000		11/29/2021
425 McHenry	Crystal Lake	1	Owner	Low-Income	185,000		2/10/2022
19 Spuhler	Batavia	1	Owner	Low-Income	268,000	X	2/10/2022
417 McHenry	Crystal Lake	1	Owner	Low-Income	195,000		6/24/2022
189 Plum	South Elgin	1	Owner	Low-Income	270,000	X	6/24/2022
57 Elm	Carpentersville	1	Owner	Low-Income	260,000	X	6/24/2022
59 Elm	Carpentersville	1	Owner	Low-Income	260,000	X	7/13/2022
708 Elma	Elgin	1	Owner	Low-Income	245,000		8/26/2022
9 Spuhler	Batavia	1	Owner	Low-Income	260,000		9/30/2022
158 Sioux	Carpentersville	1	Owner	Low-Income	217,000		12/16/2022
409 McHenry	Crystal Lake	1	Owner	Low-Income	270,000		2/24/2023
401 McHenry	Crystal Lake	1	Owner	Low-Income	255,000		5/11/2023
245 Skyline	Carpentersville	1	Owner	Low-Income	290,000		6/29/2023
249 Skyline	Carpentersville	1	Owner	Low-Income	290,000		6/29/2023



