

**MINUTES**  
**City of St. Charles, IL**  
**St. Charles Housing Commission**  
**Thursday July 21, 2011**

**Members Present:** Holler, Amundson, Payleitner, and Eakins

**Members Absent:** Waeghe, Hall, Henningson, and Goettel

**Others Present:** Matthew O'Rourke, Rita Tungare, and Corinne Pierog-Dist. 303 Board Member.

**1. Opening of Meeting**

The meeting was convened by Chair. Holler at 7:05 p.m.

**2. Roll Call**

**3. Approval of Agenda**

Agenda was approved

**4. Approval of Minutes from May 19, 2011**

Payleitner asked for a clarification in paragraph 3 of page 3. She felt that the types of units being discussed should be further clarified. Member Eakins agreed that this point should be clarified

Motioned by Payleitner, to approve the minutes with the requested clarification to paragraph 3 of age 3, and seconded by Eakins to the May 19, 2010 minutes. Motion carried.

**5. Discussion Items**

**A. Multi-Family Rental Rehab Programs**

Chair Holler asked Staff to explain the Staff materials that were sent out regarding the Multi-Family Rehabilitation – Energy Efficiency Program.

O'Rourke explained that Staff materials were meant to serve as a status report on the proposed program up to this point. He went on to elaborate that part of the Staff Memo summarized the Commission's discussion during the May 19, 2011 meeting and that the remainder summarized Staff's meeting with the representatives from the Center for Neighborhood Technology – Energy Division (CNT-Energy).

O'Rourke then explained that a majority of the previous discussion focused on how this type of program could be structured and how to administer the program. He further explained that CNT-Energy does facilitate similar programs and that they can provide guidance.

O'Rourke highlighted one particular discussion item, a potential pilot project concept. CNT-

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Energy suggested that a collaborative effort be created to have a St. Charles rental property owners apply for the CNT-Energy program and have City Staff observe the process. This would let Staff see how this type of program is administered and give the City insight as to what, if any, interest there is in this type of program in the local rental ownership community.

Vice Chair Admundson clarified that the concept is to have a property owner apply to CNT-Energy, and the City would be in the co-pilot seat to observe the program and see who is interested. Should there be sufficient interest then the City could base any further programs on the feedback. O'Rourke confirmed those statements were accurate.

O'Rourke did state that the Commission's main focus in the pilot project phase would be to help solicit interest.

Chair Holler mentioned that she is familiar with CIC, who provides below rate loans and works with CNT-Energy, and felt that they are a good organization to help with the process. She further stated that this would give the Commission and Staff the opportunity to gage interested in such a program before spending time and effort putting together a program that does not have a lot of interest. Chair Holler also stated that her organization has used this program and it does work well. She also stated that CNT does do work in Kane County and that the City can benefit from their existing knowledge base in the Community.

Vice Chair Admundson stated he thinks there would be more interest from owners that pay their utility bills as opposed to units that are individually metered. Chair Holler agreed with that statement. O'Rourke stated that Staff does not have that information at the meeting, but will look for more information. Tungare stated that that information is available with the City.

O'Rourke then stated he does maintain a list of property managers to use for the affordable housing updates. O'Rourke stated that, based on anecdotal experience that newer building usually have separate meters and are probably more likely to have the renters pay all the utilities. Vice Chair Admundson stated that he is worried that there may not be enough incentive for property owners to utilize the program if the renters pay their own utility billing.

Vice Chair Admundson asked if it would be easier to solicit interest from two and three-flat units. O'Rourke stated that it is his understanding that CNT-Energy does not work with buildings under 8-units at this time.

Chair Holler did mention that one of CNT-Energy's most successful programs was to distribute blankets to cover water heaters since it was free, easy to accomplish, and simple. This might be something to consider in the future.

Chair Holler also stated that if we find an interested owner, it may be useful to ask CNT-Energy the best method to structure or incentivize the City's program.

O'Rourke summarized that Staff's next action would be to come up with an analysis that might help narrow down rental properties in which the owner is responsible for the utility payments and not the individual renters.

Chair Holler suggested the names of several apartments complexes to look at such as; Wessel, Park Shore, and Carroll Towers. The Commission also mentioned the apartments near Dean and 16<sup>th</sup> Streets.

Member Eakins asked if a complex like AMLI, even with the improvements, could ever become affordable. O'Rourke stated only by requirement. Eakins also asked if Carroll Towers should be included since it is already subsidized. O'Rourke stated that he did not see any issue especially during the pilot project not to include Carol Towers, and that CNT-Energy could decide if there are any necessary upgrades through their energy audit process.

Vice Chair Admundson stated that there are additional public benefits to reducing energy consumption such as lower emissions and less infrastructure costs.

Chair Holler suggested looking at a targeted area where there is a decent concentration of apartments that can utilize this type of program. Tungare stated that CNT-Energy might be willing to do more than one project.

Member Eakins mentioned the monthly apartment owner meeting to solicit interest. Tungare stated that those meeting are typically devoted to specific issues.

O'Rourke mentioned the Fox Run Apartments. He stated that he has had discussion with them about other improvements they are performing and that they have been upgrading the buildings.

Pierog stated that she felt Carroll Towers is a rental property that should be examined.

Tungare also stated that she would like CNT-Energy to attend a meeting to help provide insight into their process and how this pilot program might work. O'Rourke agreed with that sentiment and iterated that with Single-Family program the Commission had a great example with the Kane County Program, but this new idea is a little more unique.

Vice Chair Admundson stated that Staff could start looking for properties at the corner of Main Street and Randall and more to the south and east. He stated that there are a number of apartments near 14<sup>th</sup> street and they are similar in design. That this might help CNT-Energy with the economies of scale since the building unit count might be lower than ideal, but there is some savings in the fact that these units are a prototype.

Tungare also stated that marketing of the pilot project should be handled by CNT so long as no City funds are involved.

Chair Holler emphasized that she is very comfortable with CNT-Energy and knows personally that they do quality work and will be a great asset during this process.

Chair Holler polled the Commission to see if they were comfortable with the pilot project concept. The Commission agreed that they were.

Pierog asked for further discussion regarding the water heater blankets. Chair Holler explained the program and stated that the Commission should ask CNT-Energy to elaborate on how that program was administered. Chair Holler also stated it may be difficult to directly tie that type of program to affordable housing in terms of the Commission's charter.

## **6. Election Of Officers**

Chair Holler explained that two meetings ago that the Commission discussed the possibility of finding new officers and that Chair Holler would be interested in letting someone else be the Chair. She further stated that Member Waeghe had stated he was interested in becoming Chair. O'Rourke stated that he communicated with Waeghe and that he was not able to become chair due to outside time commitments. Tungare stated that the Commission can have the current officers until election are held at another date. O'Rourke stated this would be a better discussion when more members of the Commission are present.

A motion was made by Admundson and seconded by Payleitner that this item be tabled until the August 18, 2011 Housing Commission Meeting.

Voice Vote – Motion Carried

## **7. Additional Business**

O'Rourke informed the Commission that the first Single-Family Rehab Program recipient has submitted for repayment.

Tungare also informed the Commission that Staff will be composing an article for the new electronic Den. Tungare also stated that Staff could mention the item during a Council Committee meeting.

Chair Holler wanted to inform the Commission about a new Mercy Lakefront Housing program that will be beginning to serve a 6-county area in and around Chicago. The goal of the program is to find homeowners with underwater mortgages that are going to be turned over to the bank. Once these properties are identified, Mercy will buy the note from the bank, and resize the loan to an affordable level for the current homeowner. They will essentially be buying mortgages and refinancing them at a lower price.

## **8. Next Meeting (August 18, 2011)**

Motion made by Admundson and seconded by Eakins to adjourn.

Voice Vote – Motion Carried

## **9. Meeting adjourned at 8:14p.m.**