

**MINUTES
CITY OF ST. CHARLES, IL
HOUSING COMMISSION MEETING
THURSDAY, JULY 18, 2013**

Members Present: Amundson, Payleitner, Eakins, Pierog, Henningson, Hall, and Hansen

Members Absent: Holler and Goettel

Others Present: Matthew O'Rourke

1. Opening of Meeting

The meeting was convened by Vice Chair Amundson at 7:00 p.m.

2. Roll Call

3. Approval of Agenda

A motion was made by Payleitner and seconded by Eakins to approve the Agenda. Motion carried. – Voice Vote.

4. Approval of Housing Commission Minutes

A. June 20, 2013 Housing Commission Minutes.

Motioned by Hansen and seconded by Hall to approve the June 20, 2013 Housing Commission minutes. Motion carried – Voice Vote.

5. Discussion Items

A. 2013 Annual Affordable Housing Update -DRAFT

O'Rourke presented the findings of the annual affordable housing update, and that he was able to turn the data analysis around a little faster due to the established methodology. O'Rourke stated that since this is an annual analysis he did not feel the need to go over all the bullet points but highlighted the following key findings:

- The total housing affordability in St. Charles has risen to over 25%.
- The number of affordable rental units is decreasing.
- That this data comes from the Township Assessor which is a three year average. This is the first year that the three year average does not include any data points from the beginning of the recession, which explains the jump in the affordable housing stock.

Member Henningson asked what year is this data based on. O'Rourke stated that this is the 2012 data which is the last full year of data that the Assessor has.

Member Hall asked what the cut off in the ordinance is to not require affordable units. O'Rourke stated that at 25% affordable units are no longer required. He further stated that this does not mean the ordinance goes away and that developers who want to take advantage of the density bonus for providing onsite units may still do so.

Member Hansen stated that as he looked at the data he also noticed that vacancy is increasing. O'Rourke stated that vacancy rates are not something he tracks, but that the numbers of single-family rental properties are increasing. Member Hall stated that in his price range the sales and prices are increasing and that he could see the affordability percentage decreasing rapidly as well. O'Rourke stated that the report does show that the average sale price of homes is increasing.

O'Rourke stated that he is not able to discern any real trend in the data since it is changing every year. O'Rourke stated his bigger concern is the increase in rental unit rates and this is coupled with a decrease in the rents determined by IHDA that are considered affordable. O'Rourke stated that he didn't count some rental units as affordable that he has in years past because they are now too close to the IHDA rental rate.

Member Eakins stated that her organization is going through a similar issue regarding these drops fair market rents from HUD as well.

Member Amundson asked for clarification regarding the increase in median income and the change in data providers. O'Rourke stated that the vendor was changed in the last year and that this is their number. He stated that they might use different base numbers or methodologies to produce their estimate so he is not able to confirm how the difference is created. O'Rourke stated that's why this change was specifically called out in the report.

O'Rourke stated that one encouraging sign is the number of home sales in the last year. He stated that in 2010 there were approximately 40 total sales and that this has increased to approximately 100 in 2012,

O'Rourke stated that his biggest concern are those families that fall in between 80% of AMI and 60% of AMI and where they will be able to find housing.

Member Henningson asked if short sales limit a person's ability to purchase a home for two years. Member Hansen stated that it is not that bad, but it absolutely affects your credit score and ability to obtain a future loan for about 2 years. Hansen stated that this is policy by Freddie Mac and Fannie May.

O'Rourke stated that the Commission should keep in mind that this is one data point. He also stated that the Commission will have the CMAP study to analyze and this will give direction as to where efforts should be focused. Member Hansen stated that there still is the Housing Trust Fund as well. O'Rourke stated that this is exactly right, and that once we have a better target for housing in mind through that study, there will be plenty of work to do.

Member Henningson asked when Staff was planning on presenting this information to the Planning & Development Committee. O'Rourke stated that the plan is for the September meeting.

O'Rourke stated that in looking at the incomes of St. Charles residents that a gap between the number of affordable units and number of households below 80% of AMI still exists, and that the market is not going to provide units to families at 15% of AMI. Member Eakins stated that the elderly is a big part of that. O'Rourke stated that families on fixed incomes are definitely a part of it.

Vice Chair Amundson stated that he is interested to see where this goes, and that St. Charles is not necessarily the Chicago region. He will be interested in seeing where home prices go in the next few years. O'Rourke stated that based on the data, everything is still pretty volatile and we will have to keep tracking the prices.

Member Hansen asked if the affordable housing number is mentioned in the Comprehensive Plan. O'Rourke stated that there is general language about providing housing opportunities for all families that want to live and work in St. Charles, but there is no specific reference to the affordable housing percentage.

6. Additional Business

Member Pierog stated that Arlington Heights is putting together a program using gambling funds, and it might be interesting to see how that develops.

7. Next Meeting Dates

- A. August 15, 2013 (meeting was cancelled)
- B. September 19, 2013

8. Meeting adjourned at 7:34 p.m.

Motion made by Eakins and seconded by Hansen to adjourn.
Voice Vote – Motion Carried