



Minutes
Village of Glen Ellyn
Roosevelt Road/Taft Avenue Hotel Site Ad Hoc
Work Group
Thursday, May 5, 2022
7:00 PM
Glen Ellyn Police Department Community Room
65 S. Park Blvd., Glen Ellyn, IL 60137

A. Call to Order

President Senak called the meeting to order at 7:05 pm.

B. Roll Call

The following Ad Hoc Work Group members were present.

President Senak
Trustee Payne
Donna Kemp
Kevin McGrane
Norris Eber
Vik Mehta
Nick Nelson
Clara Hughes
Renie Atchison
Rachna Thakkar
Dr. Emily Tammaru
Rev. James Shannon
Mark Shannon
Mark Pfefferman

Village Staff noted in attendance, Village Manager Mark Franz and Assistant Village Manager Emily Rodman.

C. Audience Participation

Public Comment

Naazish Yarkhan spoke about her children attended school in D41. Lives in Glendale Heights and works at social services organization. Could not afford to live in Glendale Heights without two incomes. We lose diversity when we assume low-income means bad people. Consider who you are keeping out, people like me and my husband, highly educated.

Debbie White lives near Blackberry market, wants affordable housing in Glen Ellyn, like DuPage Habitat for Humanity. Shared stories of Habitat for Humanity home owners. Affordable housing residents are just looking for safe, reliable housing for their families.

Kim Reed shared she's a resident and volunteer. Supports affordable, accessible, supportive housing. Wants to dispel concerns about number of students generated by affordable housing and shared statistics. She shared stories of Glenbard South and West graduates and expressed need for affordable housing.

Bob Deitch shared he can see the hotels from his house. He appreciates the Village purchasing the property and the public input process. High school taxes in D89 is self-inflicted due to referendum. Housing location is good due to proximity to grocery. School overcrowding is a separate issue. Glen Ellyn to provide housing for all need to impact for walkability, signage, traffic safety and suggested Pulte Homes property may be a better location.

Jen Bystry commented property was awful for the past eight years. Spoke to objections to affordable housing. Safety: can make affordable housing safe; school overcrowding: will all affordable housing residents have children attending schools?; taxes: there are other opportunities for common space. Have an opportunity to show leadership and be a model for how to do affordable housing right.

Roger Houghes is a member of DuPage United and addressed the following concerns:

- Commercial development is not really viable
- Community center – the Village doesn't want to own property, residential development will create constant stream of tax revenue
- Affordable housing will general same number of service calls – Glen Ellyn Police doesn't show that
- Taft Ave is too dangerous for housing – let's do a traffic study and let experts determine
- Too close to gas station – there are other examples of housing next to gas stations
- Too noisy – there is housing next to the Metra station

Affordable housing is viable and desirable option and consistent with Village values.

David Firchau recalls 1985 when hotels went downhill. Received a voucher back when he was an addict from his church which enable him and others to feed their addiction. He is low income and would like to see some recreational amenity. Bowling alley, swimming pool, recreation center, show some love to south Glen

Ellyn. Put supportive housing at Main Street Recreation Center, it's a better location. Affordable housing will bring people from outside Glen Ellyn, not serve our own residents. Sean Castens office says he's been working with the Village on affordable housing on this site.

Paul Kuchuris stated poor site for residential because of traffic. Affordable housing, we don't need it on this site. Downtown Glen Ellyn has 2 developments that could be affordable housing. Sympathetic to need for affordable housing, more than our share of affordable housing on south side.

Scott Waldbusser stated the way we view the issue has been skewed. No one is against affordable housing and helping others. People are skewing the facts and being condescending. Empathize with the need for supportive housing, it would be a horrible place to put disabled adults. Its dishonest to say that people don't like poor people. How involved were affordable housing advocates with downtown developments?

Senak commented: [Affordable Housing] was not discussed with Apex, two (2) units are being included in the McChesney development.

Carlos Chivardi is opposed to housing being built on this site. Not against affordable housing in general, but doesn't support rezoning for this purpose. Stress on schools and expenses which drives property taxes, current residents have to pay for affordable housing, making the whole community less affordable. Need to do what is in the best interest of taxpayers. Site is not appropriate for housing, it is dangerous for kids and isolated. Put affordable housing in areas already zoned residential, it would be better integrated and more dignified. Building affordable housing on this site is a breach of trust with the community.

President Senak introduced the two members of the work group who were not at the last meeting.

Member Pfefferman commented that affordable housing and community use are not mutually exclusive.

Reverend Shannon, from People's Community Church, didn't understand the connection between housing and crime. Affordable housing doesn't result in crime infestation.

President Senak called the on another person to comment on public comment.

Michael Chung is concerned and frustrated. Feels that a promise has been made by the Village Board to build affordable housing on the site already. Frustrated because he feels the Village Board should be listening to those most closely impacted, those who are nearby. Panfish Park can become the Lake Ellyn of south Glen Ellyn. Concerned because as a resident, feels that affordable housing will be pushed

through regardless of what is said by residents. Board should be listening to opinions of residents that live in the Parkview school area. Panfish area should be the Lake Ellyn of this area.

Senak commented: No vote has been taken regarding the site and this process would not be happening if a decision was already made regarding the redevelopment of the site.

Payne commented: The [Village] Board acts by vote, and no vote has happened, no promises have been made.

Discussion

Work Group discussed the minutes. Pages 1 & 5, correct the spelling of Member Atchison's name. Page 5 Hughes changed from he to she. Strike "this not necessarily affordable housing depending on how its defined".

Approval of Minutes was tabled in order to distribute to other members.

Milton Township Assessor Chris Levan was introduced to address questions about how property taxes are assessed.

Assessor Levan explained that they use the market, income and cost to assess value, typically use market and income. For affordable housing, section 42 & section 8 can only use income value to assess based on Illinois statute. Rent paid is fixed, owner pays utilities, rent equals 30% of income and rest is funded by federal government, below market value.

Assessor Levan provided the example between affordable housing and market rate development taxes: For a 300-unit property, affordable housing \$442,096 taxes vs. market rate \$582,590 taxes.

McGrane asked about the difference between 42 & 8 housing?

Levan: They are taxed the same. Section 42, all revenue comes from the residents. Section, residents only pay 30% of the revenue and the federal government pays the difference.

Norris: Are there a lot of sales of affordable housing developments?

Levan: No, rarely sold because how they are financed, 1% loan amortized over 50 years.

Norris: How does affordable housing compare to commercial (e.g. Chick fil A)?

Levan: Hard to answer hypotheticals.

Nelson: How do commercial properties on Roosevelt Road compare to rest of township?

Levan: Roosevelt Road is at \$10, downtown area is \$40 because of land value. But Roosevelt Road properties are doing just fine.

Franz: Are multi-family units and affordable housing units considered commercial uses?

Levan: Yes, but can only base affordable housing on income.

Nelson: Confirmed that all else being equal, an affordable housing development would be assessed lower than a market rate development; income vs. income/market rate.

Levan: Yes.

Nelson: Do you know the assessed value of the hotel site currently?

Levan: It is pretty low.

Franz: Taxes when the Village purchased it were \$60,000.

Franz: Confirmed that assessed value of affordable housing is done on commercial market and income basis, except for 42/8.

Levan: Correct.

Audience member: What if only a few units are affordable housing in a market rate building?

Levan: Assessed at market/income approach.

Cat Vielma, Redstone Equity Partners, was introduced by President Senak to speak to Low Income Housing Tax Credit (LIHTC)- Section 42 housing. She provided history of LIHTC program. HUD sets rents for program and Illinois Housing Department Authority (IHDA) sets broad parameters for what housing must look like. Federal government awards LIHTC credits to states and then IHDA awards the credits to the "best" development. LIHTC are good for 10 years and are often higher than development actual tax bill. Developer sells the tax credits to banks because banks are required to invest in community. Banks provide oversight on property because its an investment asset for 30 years (IHDA).

Thakkar: Is there an assessment done before IHDA awards credits to evaluate appropriateness?

Vielma: Yes, IHDA looks at Phase I, market study, safety, etc. as part of evaluation. Project is then evaluated again by investment firm.

Chivardi: Inquired about liability of property owner.

Vielma: There is always an owner operated behind the LLP, LLC. LIHTEC funds 98% of affordable housing (used to build housing). LIHTEC applies primarily to 100% affordable housing, sometimes used for mixed use. IHDA qualified allocation plan is a document that sets forth standards for LIHTC development. Oversight by National Low Income Housing Council.

Kon Savoy shared a brief presentation of Tax Increment Financing. Answered questions about how TIF works.

McGrane: Stressed that he would like to see as much emphasis put on commercial uses for the site as on affordable housing.

Kretchmer: Consider that a developer may build a commercial property but lease it out to non-sales tax generating businesses [service]. Which would not add to the total tax revenue.

Eber: Another proposal is going to Plan Commission for more housing within the TIF district. If this site goes residential also, that's an impact on the TIF.

Tammaru: Expressed concern over the EAV in D89, which is almost \$20M less than the other school district. So considering what will be built and how that will impact the EAV going forward.

Franz: how do you compare the EAV, district over district?

Tammaru: Looking at one community with similar boundaries and less commercial sales tax dollars. Comparable housing different students per school district. D89 has less.

Nelson: Have any steps been taken to listing the property now? Knows developers interested but don't feel invited to participate.

Senak: The Board will be considering whether to list the site now rather than wait. Would like the authority to move forward with listing it.

Nelson: when will the public know.

Senak: Once a broker is hired and it is listed for a priced decided by the Board it will become public.

Eber: Look for a national retail brokerage company.

Senak: Yes, is the short answer. Someone who can produce results.

Eber: Glen Ellyn over paid for the site, anyone who is interested probably won't pay what the Village paid. Will the Village engage with Choose DuPage and other organizations.

Senak: once the Board decides to list then the Village will engage with all development partners.

Franz: Once the board determines direction, staff will partner with all the organizations to help promote the development of the site.

Nelson: Shouldn't we be engaging with these organizations right now.

Senak: Those are not mutually exclusive and we'll work through all these groups and explore all options.

Payne: We can do both and will be a little confusing to find the direction for the developers.

McCrane: Pricing will vary based on use.

Senak: The questions will be how much do we want to incentivize any development.

McCrane: Developers see it as an opportunity because the Village owns it. Can the process be faster?

Franz: Same process for approvals regardless if the Village owns it or not.

Kemp: Does the property have to be demoed?

Franz: Nothing will be able to be reused, but not necessarily demoed right now.

Senak: Wait on demolishing in case a developer wants it and is willing to tear it down. If not maybe the Village demolishes it and then it will be more interesting for developers.

Franz: Concern about the duo track for the project and sending mixed messages to developers about what the Board wants to see at this site.

Next meeting the Group requested additional information on commercial development and public safety.

F. Discussion

- 1) Available Information: [TIF Presentation Shared at the Meeting](#)
- 2) Public Feedback Received To-Date
- 3) Minutes from April 6, 2022 Adhoc Work Group Meeting with edits

G. Next Meeting Date

June 2, 2022, 7:00 PM at the Police Department Community Room, 65 S Park Blvd

H. Adjourn

Meeting adjourned at 10:45 pm.