Village of Johnsburg Development and Governmental Affairs Committee

January 26, 2022 David G. Dominguez Municipal Center Approved

In attendance:

Chairman: Tom Curry

Committee Members: Dick Doyle, Len Keil, Chris Myers and Sarah Hagen Staff Members: Administrator Sofiakis and Assist. Admin. Lamontagna

Meeting Started at: 6:30

TOPIC	DISCUSSION	NEXT STEPS
Approval of Minutes	Committee Member Keil moved to approve the December 1, 2021 minutes. Seconded by Committee Member Myers. All Committee Members present voted aye. Motion carried.	
New Business	Sig Strautmanis from General Capital Group attended the meeting to discuss a new housing development they are proposing on property at Route 31 and Johnsburg Road, adjacent to the Marathon gas station. He explained that they are proposing a workforce housing development on the site utilizing Section 42 housing credits as was done at the Berkshire development located on the former Bush School site. Mr. Strautmanis explained how Section 42 differs from Section 8 in that Section 8 provides payment for rent and Section 42 provides credits which reduce the cost of construction so a more affordable rent can be established. He added that the units will be income restricted but not age restricted. The development would include 49 townhome units in 7-unit buildings consisting of 25 – 3 bedroom units, 11 – 2 bedroom units and 13 – 1 bedroom units. The development will accommodate 131 parking spaces and some carports will be available.	
	Mr. Strautmanis explained that General Capital Group proposes to utilize an income averaging approach to the affordability limitations usually required by the program which will enable them to offer some units at up to 80% of the metro income which is higher than the 60% maximum typically allowed. He stated that the development will include a community room and outdoor amenities and reviewed the building materials and exterior appearance, explaining that they are utilizing energy efficient materials and preparing the buildings to be Net Zero ready.	
	Committee Member Doyle raised questions regarding traffic impacts. Mr. Strautmanis stated that he anticipates being limited to a right in/right out access off of Route 31 and hopes to receive a ¾ access on Johnsburg Road. He added that he is working with IDOT and McDot regarding the access points and proceeding with a traffic study. Discussion continued in regards to the parking spaces within the development.	
	Committee Member Hagen raised questions regarding the averaging of the rental prices and income restrictions. She questioned if the	

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	development could become Section 8 housing in the future. Mr. Strautmanis referred to an exhibit that reflects the pricing for each unit and explained that historically they have retained all of their developments beyond the obligation period and it is unlikely to become Section 8. He added that any housing can become Section 8 housing if it meets the requirements.	
	The Committee questioned how many people can reside in one unit. Mr. Strautmanis explained that local codes will dictate how many people can reside in a unit.	
	Discussion took place of the financial program's longevity. Mr. Strautmanis explained that the program requires that General Capital retain the property for 17 years and it must remain affordable for at least 30 years. He added that General Capital Group has never sold any of their properties. Even when the program requirements expire, they have retired them and in some cases pursued new program funding to update and improve the properties. He added that deed restrictions are placed on the property.	
	Discussion continued regarding unit size, landscape features, accessible units and garbage storage.	
	Committee Member Doyle questioned if supply chain challenges could prevent the project from being completed. Mr. Strautmanis explained that once the contract is signed the project has to be done as there is a completion requirement associated with the program. He added that supply chain and other challenges were experienced with the Berkshire project, yet, with the exception of the site work, it is complete and residents have moved in.	
	Mr. Strautmanis discussed the development timeline which would enable rentals to begin in the Spring of 2024. He explained that he will present the concept to the Village Board at their February 1 st meeting to obtain additional input and then proceed to the Planning and Zoning Commission.	
Adjournment	Member Doyle moved to adjourn the meeting. Committee Member Keil seconded the motion. All members present voted aye. Motion carried at 7:38 p.m.	