



**DUPAGE
COUNTY**

COMMUNITY SERVICES

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TO: Home Advisory Group

FROM: Mary A. Keating, Director,
Department of Community Services

DATE: June 25, 2025

SUBJECT: HOME Program Application - \$1,750,000 – Full Circle Communities, Inc.
– Taft & Exmoor – Conditional Commitment Recommendation & Policy
Waiver Request

**Community
Development**
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Family Center
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**Housing Supports
and Self-Sufficiency**
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Fax: 630-407-6501

Intake and Referral
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Senior Services
630-407-6500
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Action Requested:

Staff recommend waiving the Funding-HOME Applications, Risk Analysis and Monitoring/Financial Viability of HOME Funded Projects Policy, Section 5. Conditional Commitment and recommend approval of a Conditional Commitment of \$1,750,000 of HOME Investment Partnerships (HOME) Program funds for the Full Circle Communities, Inc. (FCC) Taft & Exmoor Development contingent upon the following:

1. Completion of an Environmental Review per regulations found at 24 CFR Part 58; and
2. Confirmation of all other funding sources; and
3. Successful purchase by FCC from the Village of Glen Ellyn needed for the project; and
4. Further County underwriting once all other funding sources are obtained by FCC; and
5. The development including ten (10) County HOME units, all of which are proposed to be designated as Low-HOME units; and
6. Agreement upon terms associated with the County HOME loan; and
7. Debt-Coverage Ratio of at least 1.15 throughout the HOME affordability period; and
8. The project adhering to a twenty (20) year affordability period commencing when the project is completed in HUD's Integrated Disbursement and Information System (IDIS); and
9. County approval of a Tenant Selection Plan, Affirmative Marketing Plan, HOME unit lease, and other required documentation to effectuate the transaction; and
10. Any additional review and underwriting that the County staff deem necessary to complete the County's due diligence before advancing the project to the HOME Agreement.

Details:

The Funding-HOME Applications, Risk Analysis and Monitoring/Financial Viability of HOME Funded Projects Policy, Section 5. Conditional Commitment states, "A recommendation for a conditional commitment indicates there are no outstanding contingencies, and the project may proceed to a HOME Agreement and placement on the Human Services Committee agenda, and County Board approval". The Developer is seeking to complete the financial closing necessary to acquire the proposed property by late August. Due to the requested closing timeframe, the need for further document review, and the County Board Committee schedules, CDC staff recommend waiving the policy and moving forward with a conditional commitment sooner than the department normally would.

A preliminary set-aside of HOME funding was approved by this committee on 03/01/2025.

FCC has submitted an application to the County for new construction of a three-story, elevated forty-two (42) unit integrated permanent supportive housing development to serve both working families and persons with disabilities. The proposed development will be located at 640 Taft Avenue, Glen Ellyn, IL 60137. The development will take place on approximately 0.92 acres along an amenity-rich commercial corridor in Glen Ellyn. The property is in close proximity to a public park, fire department, and police station.

The development will include a mix of studio, one, and two-bedroom apartments and many common area amenities, including the following: on-site laundry, a business center, a resident lounge, a community room, and a fitness room. There will also be 45 surface parking spaces. In addition, tenants will be able to access optional supportive services such as case management, financial literacy and credit counseling, benefits coordination, counseling, and health and wellness services. FCC will partner with the Association for Individual Development (AID) to offer services free of charge.

The developer has experience in completing similar projects, not only in DuPage County, but throughout the Chicago metropolitan area, Michigan, and Iowa.

The project proposed to create ten (10) County HOME units. HOME Regulations require at least two (2) of the 10 County HOME units to be designated as Low-HOME rent units, which must be occupied by residents at or below 50% (AMI), based upon household size. For a one-person household, that limit is currently \$42,000, and for a two-person household, that limit is currently \$48,000.

Proposed permanent financing sources include a bank loan, Low Income Housing Tax Credits (LIHTC), Illinois Affordable Housing Tax Credits, deferred developer fee, ComEd energy efficiency grant, and County HOME loan. Terms of the County HOME loan are in negotiation and will be presented to the Human Services committee as part of the HOME Agreement once all financing sources have been secured. Such a structure allows the rents charged to be substantially below fair market rents, benefiting low-income residents.

All the units will be income restricted and occupied by tenants at or below 80% of the AMI, with 37 units to be occupied by households at or below 60% AMI and 16 units to be occupied by households at or below 30% AMI. The current 60% AMI for a one-person household is \$50,400, and the current 30% AMI for a one-person household is \$25,200. Additionally, 26 units will offer Project-Based Voucher (PBV) rental assistance through the DuPage Housing Authority (DHA), allowing residents to pay income-based rents of up to 30% of their incomes. Of these 26 units, seven units will provide permanent supportive housing for households with special needs and/or experiencing homelessness or at-risk of experiencing homelessness and will be filled through referrals from the State Referral Network (SRN).

HOME Program regulations require a twenty (20) year affordability period for new construction projects. The Operating Cash Flow Projection indicates sufficient debt coverage ratios throughout the affordability period, from 1.50 in year one to 1.25 in year twenty. This is largely due to the higher rate of increase for operating expenses versus gross income potential increases. As a Permanent Supportive Housing Development, FCC expects the property to have higher management staffing needs than a comparable market rate or affordable development of the same size. The gross income potential increase of 2.0% is based upon historical increases in the HUD-defined HOME rent limits. The debt coverage is subject to change as the terms of all financing sources are finalized.

Further changes to the County's HOME application and/or underwriting will be presented to the Human Services Committee as part of the HOME Agreement recommendation.