

Update on Senior Housing Rent

Homer Township, we heard you at the last Township Board Meeting.

I promised as a candidate to hold the line on taxes, and that is what drove the decision to propose a rent increase at the Founders Crossing facility. Since the initial wave of residents occupied this facility in 2005, there has only been one rent increase, and that was in 2016.

The Operating expenses for the Founders Crossing Senior Housing complex continues to rise, outpacing the rent collected. It is like your personal check book, when you spend more than you deposit into your checking account, you eventually are overdrawn. The same has been true for the Senior Housing Township budget... the Township has been, and will continue to, lose money... With National inflation causing building materials, energy, and labor costs to rapidly increase, this deficit will continue to accelerate. So, we have a problem.

Before we made the final decision on a proposed rent increase (a 6% increase -- \$850 per month to \$900), representatives from the new Township Administration presented their case to the Founders Crossing residents at an on-site meeting June 16, 2021. The rationale for the proposed increases were outlined:

- **DEFICIT OPERATION:** Operating costs are greater than the rent collected for the last 4 years. Last year that deficit was over \$20,000.
- **SAFETY:** The sidewalks and asphalt are in disrepair. There were some accidents involving residents tripping on unsafe sidewalks this past year, at least one resulting in injury.
- **REPAIRS and MAINTENANCE:** In addition to normal building repairs, the residents have a long list of requests for external and internal repairs or improvements.
- **LOCAL RENT COMPARISON:** Data on the cost of equivalent Senior Housing costs were presented and Homer Glen was the best value. In addition to a comparison to other Townships and Villages, the positive value of these Senior Housing units is reflected in the fact that there is a 10-year long waiting list for these units! Certainly, there are not many folks that are leaving; therefore, we have to assume that the unit cost is very competitive.

Senior Facility	Bed	Bath	Garage	Rent
Founders Crossing	2	1	Single (attached)	\$850.00 Beg. Sept 1 st \$900.00
Thomas Price	2	1	Single (not attached)	\$1,040.00
New Lenox Senior Housing	2	1	No	\$950.00
Frankfort Landing	2	2	Yes (attached)	\$1,410.00

One of the key reasons that we have Public Comment at our Board Meetings is to hear your concerns. As I said earlier, we heard you loud and clear. I have directed my team to investigate ALL possible cost cutting options to limit the rising

operating costs of the Founders Crossing facilities. As reported, we are pursuing a refinancing of the underlying bonds that supported the construction of Founders Crossing. We may find additional cost savings, but these will not be enough to delay September's \$50 increase. These units are not subsidized and so the costs and repairs need to be funded by rental dollars not our taxpayer dollars. As costs continue to rise fueled by inflation, and essential repairs become unavoidable, future rent will be based on the cost of completing these projects. More to come on this at the next Township Board meeting in August.

You also asked for improved transparency and communication. This is the 1st communication on the Township Website under a new page called "What's Happening". There will be many more to come!

As always, you can communicate your viewpoints, or ask me questions by calling me at my office number or emailing me at my office email address.

Homer Township Supervisor

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