



Chicago Metropolitan Agency for Planning

233 South Wacker Drive
Suite 800, Sears Tower
Chicago, IL 60606

312-454-0400 (voice)
312-454-0411 (fax)
www.cmap.illinois.gov

Housing Working Committee Meeting Minutes

March 19, 2009

Offices of the Chicago Metropolitan Agency for Planning (CMAP)
Cook County Conference Room
Suite 800, 233 S. Wacker Drive, Sears Tower, Chicago, Illinois

Members Present: Phil Ashton, Paul Colgan, Beth Dever, Adam Dontz, Nancy Firfer, Adam Gross, Nicole Nutter, Alan Quick, Andrea Traudt, Linda Young, Judy Levey, Stacie Young (of behalf of Marti Wiles)

Staff Present: Lee Deuben, Bob Dean, Jesse Elam, Matt Stratton, Ryan Ames, Shana Alford, Kristin Heary, Annie Byrne, Andrew Williams-Clark, Erin Aleman

Others Present:

1.0 Call to Order and Introductions

The meeting was called to order at 9:00 by committee Co-Chair, Beth Dever

2.0 Agenda Changes and Announcements

Lee Deuben introduced two new housing committee members: Judy Levey, Urban Land Institute's Preservation Compact, and Marti Wiles, DePaul University.

3.0 Approval of Minutes – March 19, 2009 Housing Committee Meeting

A call for a motion to approve the minutes of the January housing committee, as presented, and a motion was made by Nancy Firfer and seconded Phil Ashton. All in favor the motion carried.

4.0 Report Bank from Planning Committee Meeting: Nancy Firfer

Nancy Firfer briefly recapped the March Planning Committee meeting. She commented that most of the meeting focused on an analysis of federal priorities and commended CMAP staff on the comparison hand-out between federal priorities and CMAP.

5.0 Developments of Regional Importance Final Comments: Beth Dever

The housing committee was asked by committee Co-Chair Beth Dever to provide any final comments regarding the Development of Regional Importance report for inclusion in the

comments back to the Programming Committee meeting on April 8, 2009. Nancy Firfer suggested that further examination of the thresholds; she wasn't sure how many projects would actually qualify if the thresholds were set too high. Nicole Nutter commented that the RTA will be submitting formal comments to CMAP which include the thresholds including transit trips rather than exclusively auto trips generated. Adam Dontz, suggested that CMAP carefully look at the thresholds to ensure that they capture projects such as the EJ&E and CN acquisition. Paul Colgan, responded that the Attainable Housing Alliance does not favor changing the number of thresholds from one to two to qualify as a DRI. Mr. Colgan opposes changes to the threshold number and commented that the AHA thinks that the DRI process should be left as it is currently proposed. Adam Dontz, emphasized support for adding additional criteria for transit use. Nicole Nutter restated that the RTA will make formal transit threshold recommendations.

6.0 Update on Foreclosure and ARRA Initiatives: Lee Deuben, Adam Gross & Beth Dever

Lee Deuben provided the committee with a brief overview of housing related ARRA programs including the Neighborhood Stabilization Program, Weatherization Program and the Homeless Prevention and Rapid Re-Housing funds. Ms. Deuben suggested that without knowing the HUD guidelines for the next round of NSP dollars which is federally competitive grant, that CMAP is preparing strategies to assure that the northeastern Illinois region is competitive for these dollars. CMAP is willing to coordinate efforts among jurisdictions if it means that the region is more competitive. Next, she asked the committee for any information on the Weatherization program (this program is a twenty-fold increase from the typical annual weatherization allocation) and inquired as to whether or not there might capacity issues to spend the money in time and in a targeted fashion. Staci Young of DePaul University commented that they have looking at this program as part of the Preservation Compact's energy savers keystone, in partnership with the Center for Neighborhood Technology. Ms. Deuben indicated that CMAP will continue exploring the opportunity for further coordination of these funds among partner agencies. Paul Colgan stated that he could help locate contractors if more labor is needed for these efforts. Nancy Firfer inquired as to whether or not there is a database of contractors available to do the work.

Beth Dever provided a brief update on the Neighborhood Stabilization Program and initiatives to establish inter-jurisdictional agreements between municipalities in south and west Cook County.

Adam Gross provided an update on the Vacant and Abandoned Building Legislations currently in Springfield. He reported that the legislation is aimed to do three things: 1). Provide notification on foreclosed properties to municipalities, 2). Provide municipalities the authority to establish land banks and 3). Provide municipalities the authority to maintain vacant properties as well as to move up municipal liens over bank liens so that municipalities can recover costs incurred by maintaining foreclosed properties. Adam Dontz inquired as to what controls might be in place in terms of what a municipality can do to upgrade housing (painting, siding, etc.), Adam Gross explained that municipalities

haven't expressed any interest in upgrading buildings because the invest wouldn't realize a cost/benefit. Paul Colgan warned that this might be further researched so that it isn't abused by municipalities. Phil Ashton, emphasized that the purpose of ordinances the relationship between property owners and the ability to protect property values. Beth Dever, reemphasized that the proposed legislation is State legislation not local legislation.

7.0 Corridor Development Initiative : Erin Aleman

Erin Aleman provided the housing committee a brief reintroduction to the Corridor Development Initiative, a planning partnership between the Metropolitan Mayors Caucus and CMAP. Ms. Aleman announced that applications are now being accepted for inclusion into the CDI planning process- two municipalities will be selected this year. Applications can be found on MPC's website.

8.0 GO TO 2040 Summer 2009 Outreach Activities: Erin Aleman

This agenda item was postponed due to time constraints

9.0 GO TO 2040 Scenario Description: Bob Dean

Bob Dean provided a presentation on the scenario development process. Mr. Dean described the four scenario categories: baseline, preservation, and reinvestment and innovation. Mr. Dean described how the strategies have been modeled and how scenarios will be constructed. He explained that the scenarios should not be seen as mutually exclusive, rather, that the result will be some combination of the various strategies within each scenario.

10.0 GO TO 2040 Housing Preservation Panel Discussion: Andrew Williams Clark

Next, Andrew Williams Clark presented the housing committee with a Housing Preservation strategy as part of the GO TO 2040 planning process. The strategy panel discussion report can be found at: [Preservation Strategy Panel Discussion Report](#)

Notes from this presentation are as follows:

- Why is there not more "preservation need," as defined by the index, in South Suburban Cook County? Perhaps there is not as much cost burden, but the area is still in need of preservation.
 - The index of preservation need was created by summing two equalized variables at the subzone level: percent of units in structures built before 1950 and percent of units with two or more financial or physical conditions. The financial condition is cost burden (households paying at least 30% of income on housing). The physical conditions in the second variable are extreme (see first question), and are therefore considered to be indicative of overall housing condition. CMAP staff will continue to seek data that better describes overall housing stock condition.

- What are “incomplete kitchen facilities” and “incomplete plumbing facilities”?
 - These are variables from the decennial census, summary file three. Complete kitchen facilities include: (1) a sink with piped water, (2) a range or cookstove, and (3) a refrigerator. Housing units are classified as lacking complete kitchen facilities when any of the three facilities is not present. Complete plumbing facilities include: (1) hot and cold piped water, (2) a flush toilet, and (3) a bathtub or shower. Housing units are classified as lacking complete plumbing facilities when any of the three facilities is not present.

- The sample program excludes all private market activity, which is widely regarded as the dominant mode of both affordable housing development and preservation.
 - Revisions to the sample program will take this point into account. Revised report text will include a better description of the market share that subsidized preservation activities occupy, relative to the private sector. Likewise, an upcoming strategy panel discussion will focus entirely on mitigating regulatory barriers to affordable housing preservation and development. There will also be a strategy panel discussing inclusionary zoning as a strategy for affordable housing preservation and development. Finally, in developing housing cost projections for the reference scenario, CMAP staff will continue to work with experts and the committee to make reasonable assumptions pertaining to the market share of private affordable housing developers vs. subsidized developers.

- Can residential permit data help determine the gap between subsidized and private activity?
 - Residential permit data released by the decennial census does not differentiate between rehabilitation and new construction, nor does it differentiate between private and subsidized construction. Furthermore, census permit information is only available at the municipal and county level.

- CMAP should look into studies on the multiplier effects of public investments at the community level (specifically Galster’s research on the impact of CDBG investment in Denver census tracts).
 - CMAP staff will look carefully at George Galster’s work at Wayne State University on assessing the property value impacts of dispersed housing subsidy programs and other multiplier effects. It is our goal to include this work in future revisions to the sample program.

- Why not compare the characteristics of neighborhoods with a majority of housing built before 1950 to those without?

- One of the references cited in the original [strategy report](#) is a report by [Donovan Rypkema](#) that documents the differences between older and historic neighborhoods (those built primarily before 1950) and those built after.
- There was some discussion about the relative amount of preservation activity since the decline of the housing market beginning in 2006. Some committee members asserted that private preservation activity has declined, while needs have increased. While others noted that there has been a recent uptick in subsidized preservation activity because new construction is very difficult to finance.
 - Due to the limitations of public information available at the regional level, it will be difficult to illuminate this discussion. However, as previously noted, CMAP will continue to seek better information.
- It was suggested that CMAP should include transportation, property tax and energy costs in housing cost burden calculations.
 - CMAP will work with our partners to assess the potential to include these in housing cost burden estimates. CNT is currently working with CMAP to apply their H+T index (housing plus transportation) to CMAP's scenarios, and is also involved in developing the approach of the *GO TO 2040* plan to energy.
- IHDA has more strict affordability standards that would cause more units to be added at lower cost buckets. Therefore, it would be more accurate to model several different scenarios based on different assumptions to come up with ranges of preserved units in 2040 based on different affordability levels.
 - The IHDA cost accounting tables presented in the report show the number of units produced at different levels of affordability. CMAP will use this as a baseline for revised sample program modeling.
 - The sample program report does not account for cost savings compared to new construction. Addressing the cost savings aspect is challenging because of the ricocheting effects of housing construction activity through the regional economy. CMAP is open to methodological suggestions for conducting such an analysis.
- The sample program should account for the environmental benefits of housing preservation in terms of opportunity costs compared to new construction.
 - CMAP will endeavor to estimate the environmental benefits of the sample program in terms of the reduction in demolition and construction waste.

- The assumption of reduced EAVs is flawed, because without preservation, some units' values would increase, while others would decrease
 - This is excellent feedback and will be reflected in subsequent revisions to the report and sample program.
- While the private market creates the majority of affordable housing, that housing may or may not remain affordable through 2040. Only properties with affordability restrictions (subsidized units) are guaranteed to remain affordable for any length of time.
 - This is also good feedback. As noted in the first response, housing strategies in the GO TO 2040 plan will incorporate a mix of public and private solutions to issues of affordability.

Other Comments

- It was suggested that CMAP should include some discussion of the context in which staff developed the broader framework/definition of housing preservation.
- Others noted that Cook County has good mitigation programs to offset the impact of property taxes on affordability.
- Some committee members warned that municipal programs and regulations increase the cost of housing production, and this should be addressed.

11.0 Public Comment

There were no public comments.

12.0 Next Meeting

The next scheduled meeting of the Housing Working Committee is Thursday, April 16 2009 at 9:00 am in the CMAP offices.

4.0 Adjournment

A call for a motion to adjourn was made and a motion was made by Beth Dever and seconded by Paul Colgan. All in favor the motion carried.

Respectfully submitted,



Lee Deuben