

TO: MUNICIPALITY 1  
FROM: HOMES PROJECT TEAM  
SUBJECT: REPORT OUTLINE AND  
DRAFT RECOMMENDATIONS  
DATE: SEPTEMBER, 20##



### **What is *Homes*?**

*Homes for a Changing Region* provides technical assistance to municipal leaders, charting future demand and supply trends for housing in communities and developing long-term housing policy plans. The communities of Municipality 1, Municipality 2, Municipality 3, and Municipality 4 were awarded assistance to complete a *Homes* plan through the Chicago Metropolitan Agency for Planning's (CMAP) local technical assistance (LTA) program in the summer of 20##. Since that time, the Metropolitan Mayors Caucus (MMC) and CMAP, with staff support from the Metropolitan Planning Council (MPC), have worked with the four communities free-of-charge. *Homes* plans are not land use plans and will not focus on specific parcels.

### **Summary of Progress to Date**

Since initially meeting with both elected officials and Municipal staff, the project team has undertaken the following:

- Presented a preliminary analysis of the existing and projected housing data to the Municipal Board on Tuesday, May 7<sup>th</sup>.
- Designed, planned, and facilitated one public workshop for the Municipality on Tuesday, June 11<sup>th</sup>, where residents provided feedback on preferred types and locations for housing both throughout the Municipality and in a focus area (Route 31 and Main Street). Approximately 7 residents and elected officials attended this meeting.
- The project team felt that the level of participation at the public workshop was insufficient and therefore created an interactive website (<http://p1.cmaphomes.metroquest.com/>) to supplement responses from the public workshop. 25 visitors left feedback through the website.

### **Next Steps: Feedback on Draft Plan Outline and Policy Recommendations**

By late October, senior staff at Municipality 1 will receive a draft plan that includes both analysis and recommendations, ensuring staff and elected officials have the opportunity to make revisions before design and layout take place. At this time, **the project team is asking for feedback on the plan outline at the end of this memo.** Most of the specific data points are omitted because they have been presented in the past. Staff and elected officials are encouraged to focus their comments on the "recommended strategies" section of the outline. The following questions especially interest the project team:

- What revisions, if any, would you suggest for these recommendations?
- Are there any recommendations that you feel are missing from this outline?
- Do you anticipate that any of these recommendations would not meet with the Board's approval?

**Draft Plan Outline**

Project Summary

- I. Community Strengths
  - a. XXXX River
  - b. XXXX Bike Trail
  - c. Historic downtown
  - d. Strong employment base
    - i. Employer 1
    - ii. Employer 2
    - iii. Employer 3
  - e. Access to important arterial roadways (Route ##, Route ##, XXXX Road)
- II. Community Challenges
  - a. Rental unit quality
  - b. Foreclosures
  - c. Housing affordability
  - d. Balancing residential and non-residential development throughout the community

Existing Conditions

- I. Location – bordering towns
- II. Population and households

	Population	Households
2000 (Decennial Census)	##,###	##,###
2011 (American Community Survey [ACS])	##,###	##,###
Change, 2000-11	##,###	##,###
Change as %, 2000-11	##%	##%
GO TO 2040 Projection, 2040	##,###	##,###
Change, 2011-40	##,###	##,###
Change as %, 2011-40	##%	##%

Current Housing Analysis

- I. Housing units by type
- II. Housing units by tenure
- III. Tenure by household income
- IV. Affordability
  - a. Housing affordability for owners and renters
  - b. Utility Costs
    - i. Household energy use compared to the county as a whole
  - c. Transportation costs
    - i. Employment base
    - ii. Annual transportation costs
    - iii. Commuting patterns
- V. Current owner analysis
- VI. Current rental analysis
- VII. Market segmentation analysis

Projecting Future Housing Needs

- I. Future ownership needs
- II. Future rental needs
- III. Combined housing needs
- IV. Urban Design Focus Area (visualization)

Capacity for Growth

- I. Total capacity for development and redevelopment by unit type
- II. Vacancy analysis

Conclusion and Recommendations

- I. Capacity for growth vs. projected future housing need by unit type
- II. Recommendations (see next page)

## Draft Recommendations

1. Numerous stakeholders expressed concern over the quality of the Municipality's existing rental housing stock. With the number of single-family rentals in Municipality 1 combined with the higher local foreclosure rate and growing future demand for rental housing, developing a regulatory system that allows the Municipality to improve the condition of the current stock and maintain the quality of new rental development is key. Currently, the Municipality annually licenses all local rental units. As part of these requirements, the landlord is required to complete a crime-free housing seminar administered by the Police Department and a copy of the lease must be submitted to the Municipality to demonstrate that the crime-free lease addendum has been included. Each rental unit is inspected by the Community Development Department once every four years.

While Municipality 1 should consider adopting many of the strategies included in MPC's *Managing Single Family Rental Homes* white paper, the Municipality should specifically focus on modifying its licensing structure to ensure a balance between providing additional opportunities for inspections and offering incentives for landlord compliance. A good model for Municipality 1 is the system adopted by the Village of Addison in 2011. Under this system all local rental units, including single-family homes, are licensed annually. At the time of initial licensure, units are inspected and graded as "Very Good," "Satisfactory," and "Unsatisfactory" based on the number of code violations. Very Good units can waive inspections for the following year. Satisfactory units have one extra yearly inspection. Unsatisfactory units are inspected three additional times that year. The Municipality indicates that this tiered inspection structure has increased the percentage of Very Good rentals by 10 percent and decreased Unsatisfactory rentals by 10 percent.

If the Municipality chooses to modify its rental licensing system, the community should ensure that it is coupled with an effective fee structure, designed to cover some of the municipality's inspection costs without overburdening landlords.

2. The XXXX neighborhood in eastern Municipality 1 contains suburban single-family homes built in the 1950s, 60s, and 70s. In total, homes in this area provide almost 40 percent of the Municipality's housing stock. The area has been identified as a major source of local foreclosures and a number of stakeholders discussed the need to improve the aging housing stock in this area. Any strategy for addressing the long-term health of the Municipality's housing stock must stabilize this neighborhood.

The Municipality already recognizes the need for this focus. Over the past year, staff has worked on revising the R-2 zoning standards that cover most of the area. The current standards create a number of non-conformities and, therefore, property owners must often seek variances when considering large (expansion) and small (decks and porches) improvement. By revising the R-2 standards, the Municipality hopes to reduce regulatory barriers and spur rehabilitation.

While this effort should be completed, the Municipality should also consider additional avenues to stimulate rehabilitation in the area. Much like XXXX, the Parkside neighborhood in the Village of Tinley Park is a post-war subdivision containing older single-family homes. Tinley Park

developed the Architectural Enhancement Program to increase rehabilitation activity in the area and ensure that the homes would remain appropriate for the young growing families that occupied most units. Under this program, Tinley Park hired an architectural firm to survey the units in the neighborhood, finding that most fell into one of four standard types. The firm then developed standard options for how the units could be modernized. Plans for these stock rehabilitations were available through the Municipality and because staff was familiar with the plans, permitting was fast-tracked.

Multiple funding sources will be brought to bear on issues in the Municipality 1 area over the next few years, including the following.

- The County annually receives Community Development Block Grant (CDBG) funding, approximately \$1 Million in 20##.
- The County Home Consortium annually receives Home Investment Partnership Program (HOME) funds, approximately \$600,000 in 20##.
- The Local Community Foundation was awarded \$3 million in funding from the Illinois Attorney General's office under the National Mortgage Settlement for the redevelopment of approximately 40 properties as a first step in a broader regional revitalization strategy.
- Neighborhood Housing Services (NHS) received \$1.75 million from the Illinois Attorney General's office under the National Mortgage Settlement for the expansion of lending, construction, and outreach from local offices.

Moreover, Municipality 1 has benefited from private rehabilitation by local firms.

Targeting regional rehabilitation efforts and funding sources into the Meadowdale area, combined with the creation of an architectural enhancement program by the Municipality, will focus public, private, and non-profit efforts on improving the neighborhood. Given the likely growth of the senior population, rehabilitation efforts should focus on improving accessibility and adaptability. Access to these public funding sources may be critical for rehabilitation of homes for low-income seniors.

3. A major focus of the Municipality's efforts should be on the best ways to accommodate the projected growth of the local senior population over the next 30 years. Much of this increase will be among senior-lead households earning less than \$35,000. Review of local market segmentation data highlights existing demand for multigenerational housing options that will likely only grow in the coming decades as the local population ages. Therefore, Municipality 1 should consider how best to accommodate multigenerational housing options in the community through its zoning code, including the permission of accessory dwelling units in appropriate locations.
4. Given that meeting future demand would require more multifamily and small-lot single-family homes than are currently permitted under local ordinances, the Municipality should consider zoning changes that increase opportunities for both types of development.

The mapping exercises undertaken as part of this plan demonstrate interest in re-envisioning the intersection of Route ## and XXXX Street with multi-family and mixed-use development, including senior housing. The growth of retail along the Randall Road corridor coupled with a

desire to spur commercial redevelopment along Route ## increases the need to consider non-retail options when reworking the Route ## corridor. While Municipality 1 should explore regulatory changes that would allow for non-commercial development, the Municipality should also keep in mind that it shares the responsibility for the long-term health of the area around XXXX Mall with Municipality 2. Therefore, the two communities should work together to explore how best to ensure the long-term economic health of development in the area.

The recently completed *XXXX Plan* recommends attached single-family homes along XXXX Avenue, additional small-lot single-family homes in Old Town, and the pursuit of at least one senior housing development. The findings of this report emphasize the importance of continuing to implement the *XXXX Plan*, including completing the changes necessary to allow these housing types.

5. A key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers show openness to current and future residents of all backgrounds. The following strategies outline ways Municipality 1 can continue fostering openness throughout the Municipality.
  - a. Municipality 1 understands the importance of embracing its diversity. A critical component of fostering openness is intentionally seeking the involvement of community members from all backgrounds. Many communities have found that the development of a community relations commission (CRC) is a good method to demonstrate intentionality.

CRCs can play many different roles. Some groups focus on leading community outreach efforts related to housing and diversity. CRCs can play an important role in providing accurate and balanced information on topics including housing needs, racial and cultural sensitivity, accessibility, and community change. The best CRCs proactively engage residents through regular forums and surveys and provide objective input on timely issues that have an impact on the community. Many CRCs are given adjudication powers for fair housing complaints. Municipality 1 should create a CRC and consider what role it would best play in the community.

- b. The Municipality provides a welcome packet to residents that include information on the community, such as the history, contact information, and descriptions of local services. Currently this packet is only available in paper form. The Municipality should consider posting the document online. Moreover, the Municipality should ensure that this packet reflects the community's commitment to openness by including a statement of welcome for peoples of all backgrounds.
    - c. An important part of demonstrating openness is ensuring residents can communicate about local issues. The Municipality website does not appear to currently provide information about how residents can file complaints about housing discrimination. Therefore, Municipality 1 should provide such contact information on its website along with including the information in the welcome packet.

- d. Statewide, the Illinois Accessibility Code (IAC) requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the federal Fair Housing Act. Because of this discrepancy, a municipality may issue a permit to a builder even though the plans, in actuality, violate federal law. This is not an uncommon occurrence according to Access Living of Metropolitan Chicago, which has conducted numerous tests of new multifamily housing units.

Therefore, when Municipality 1 issues residential building permits, the community should confirm that it evaluates whether the proposed designs demonstrate compliance with the new construction provisions of the Fair Housing Act, ensuring accessibility/usability by persons with disabilities. These provisions require that multifamily housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas).

- e. Universal design reflects the broad concept that building, products, materials, and environments should be inherently accessible to people with and without disabilities. As applied to housing, the idea is embodied by “visitability,” creating homes that accommodate those with and without physical impairments, such as construction modifications to doorways, hallways, and bathrooms. Communities such as the Municipality of Bolingbrook and the City of Naperville have adopted visitability ordinances to ensure that new construction or major housing renovations can provide for the needs of the disabled and growing senior populations. Therefore, Municipality 1 should adopt a visitability ordinance to incorporate these principles into local codes and ordinances.