



HOMES FOR A CHANGING REGION

PHASE 3: IMPLEMENTING BALANCED HOUSING PLANS AT THE LOCAL LEVEL

YEAR FOUR: HAZEL CREST, LANSING, OLYMPIA FIELDS AND PARK FOREST

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING



January 2012

Over the last fourteen months, four organizations – the Metropolitan Mayors Caucus (MMC), the South Suburban Mayors and Managers Association (SSMMA), the Chicago Metropolitan Agency for Planning (CMAP), and the Metropolitan Planning Council (MPC) have partnered on a forward-looking housing planning exercise with four communities in south suburban Cook County – Hazel Crest, Lansing, Olympia Fields and Park Forest. With the ongoing technical support of Fregonese Associates, an expert urban planning consultant, and CMAP, the four-partner team has worked with municipal officials and their staffs to develop housing policy action plans for each of the participating communities. The partners have also looked at current and projected housing data for the entire south suburban subregion and have developed some general recommendations.

We want to thank outside contributors to the project – the Illinois Housing Development Authority, the Chicago Community Trust, and the Harris Family Foundation – for their financial support. We also want to thank Mayor Robert Donaldson of Hazel Crest, Mayor Norman Abbott of Lansing, Village President Deborah Meyers-Martin of Olympia Fields and Mayor John Ostenburg of Park Forest as well as their staffs for the extensive help they provided for their community studies.

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INTRODUCTION

This year's *Homes for a Changing Region* report marks a clear departure from our past work.

Instead of working with one community in a given subregion, we are working with four communities – Hazel Crest, Lansing, Olympia Fields and Park Forest – all within a given subregion. Our previous work in Oak Forest and Blue Island, also Cook County south suburban communities, has contributed to our understanding of the housing issues faced by this key subregion and has helped crystallize our thinking about broader subregional action which could help many nearby communities in addition to the ones that we have studied.

Our choice of the south suburban subregion for our first multi-community study made sense, because this 42 community subregion, under the leadership of the South Suburban Mayors and Managers Association (SSMMA), has made significant strides in recent years trying to re-energize an area which historically prided itself in having vibrant working class neighborhoods, neighborhoods which helped drive the industry and commerce that significantly contributed to the growth of the Chicago metropolitan region. In the past few years, the communities of the SSMMA have been working collaboratively to address housing issues across jurisdictional borders through the Chicago Southland Housing and Community Development Collaborative (Housing Collaborative). In 2009, with support from the local foundation community, mayors and municipal staff from SSMMA hired a Housing Coordinator to advance a work plan which serves as the foundation of a sustainable approach to housing and community development in the south suburban subregion. Through SSMMA and the Housing Collaborative, government grants for planning and housing renovation have recently been secured. A bold plan – the Green TIME Zone initiative which covers a complete range of key development issues – has been created which outlines in detail a strategy for development on a broad range of issues.

As the Green TIME Zone report points out, the south suburbs have notable advantages which can be exploited for sustainable future growth. They have very good transportation and rail resources. They have ideal sites for locating factories and distribution outlets which can serve the entire Midwest. They have an abundance of affordable workforce housing which can serve the needs of families of all sizes. Perhaps most important of all, they have a growing number of municipal and regional leaders who are aggressively trying to focus state and national leadership, both governmental and not-for-profit, on the opportunities in the subregion.

At the same time the south suburbs continue to be challenged by other issues which have hampered growth and development. Capitalizing on the subregion's racial and economic diversity has been a challenge and continues to segregate parts of the south suburbs. Lowered property values have led to less money available to effectively support schools, upgrade infrastructure and spur economic development. A noticeable lack in certain areas of retail stores serving everyday needs has made a difficult situation worse. On top of these problems high Cook County taxation, in comparison to taxation in neighboring jurisdictions, continues to motivate businesses to leave for more attractive locations.

The challenges are obvious, but the subregion's determination to turn things around is starting to make positive developments happen.

This report does not address many of the key issues facing the south suburbs. Its focus is housing, specifically the future housing needs of the subregion and four communities within it.

MARKET BACKGROUND: A NATION AND REGION IN CRISIS

Home prices have, on the average, plunged over 33% from their peak in 2007,¹ and 387,500 residential mortgages in the Chicago area, roughly one in four, were “underwater” – having a resale value less than the value of their mortgage – by June of 2011.²

The impact on families and neighborhoods is painful to describe. A large number of families have seen their most valuable asset – their home – plunge in value and become a liability thanks to “underwater” mortgages. Those who want to move find it very difficult to find buyers for their property, especially if their home is in a neighborhood racked by foreclosures. Rising unemployment in the region has exacerbated the problem – more and more people have lost their jobs and are struggling to make their mortgage payments to avoid foreclosure.

City and Village officials are confronted by the most difficult economic situation they have ever faced. Property values are sharply declining, impacting tax revenues. Fee income from new construction and redevelopment, income which helped finance planning and development activities, has nearly evaporated. Vacant property often creates security issues, and maintaining vacant property has added a cost burden to municipal budgets.

State and federal programs meant to address the current housing crisis have only made a modest impact on the market:



Roughly one in four mortgages in the Chicago region is underwater and foreclosures remain a huge challenge.

Mortgage payment relief programs have fallen far short of their original goals. Their basic designs have had a key flaw; they have not included major incentives to “cram down” and reduce mortgage principal so that mortgages and their required monthly payments reflect the current value of properties they cover. The programs also heavily depend on mortgage servicing companies many of which do not have the capacity in terms of skilled, language fluent personnel to deal with the millions of home owners now in the foreclosure process.

Counseling programs, while providing valuable advice to families in the midst of foreclosure proceedings, have been modestly funded and have only been able to serve a small fraction of families needing help. There are very few counseling agencies located outside of the City of Chicago. The shortage of counseling agencies has left families in regions like the south suburbs without needed resources and information.

1 Illinois Association of Realtors.

2 *Chicago Tribune*, September 14, 2011 quoting data from CoreLogic.

MARKET BACKGROUND: A NATION AND REGION IN CRISIS

Programs to rehabilitate or tear down vacant homes, most notably the Neighborhood Stabilization Program (NSP), have been completely inadequate in scope. The Chicago metro area offers a case in point. NSP I and NSP II, which provided over \$270 million in funding, will end up impacting less than 7,000 properties in a regional market that has already experienced over 275,000 foreclosures.³ At best a few properties in a foreclosure plagued neighborhood have been upgraded for future sale.

Even the U.S. Treasury's ambitious "Hardest Hit" program, a program that has provided \$443 million to the State of Illinois to help homeowners faced with mortgage challenges, will only provide temporary relief to roughly 15,000 families.⁴ Significantly, the State has earmarked \$100 million of these funds to a public-private partnership run by Mercy Portfolio Services, which will purchase "crammed down" mortgages at a significant discount and restructure them in such a way as to keep up to 6,000 homeowners in their homes. Had this program design been the centerpiece of a much larger federal mortgage relief program, the scope of today's foreclosure crisis might have been much narrower.



Image credit: Scott Olson/Getty Images North America



³ An estimate which assumes that the cost of rehabbing, land banking or demolishing a property averages \$40,000 (acquisition and rehab will cost more; land banking or demolishing will cost much less).

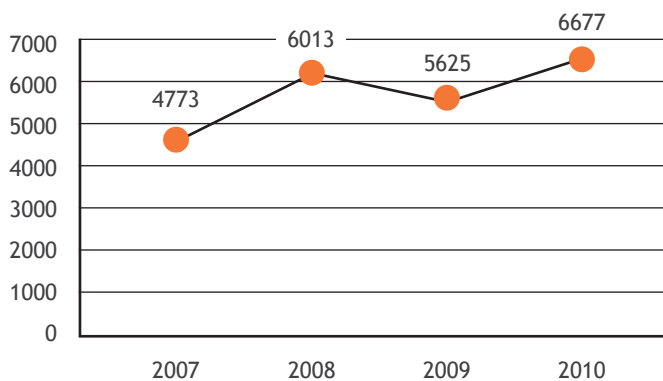
⁴ Chicago Tribune, September 14, 2011 quoting Mary Kenney, Executive Director of IHDA.

TODAY'S FIRST PRIORITY NEED: EFFECTIVELY ADDRESS THE FORECLOSURE CRISIS

Unless the current foreclosure crisis is met head on with effective national and regional programs, a large number of communities and neighborhoods across the nation will see their social and economic life deteriorate on a long-term basis.

The south suburban Cook County subregion which is the subject of this report offers a case in point. As Figure 2 shows 23,088 homes in the subregion filed for foreclosure between 2006-2010, and thousands more are likely to follow over the next few years.

Figure 2: Foreclosure Filings - South Suburban Cook County



Source: Woodstock Institute

What can be done, not just in the southern suburbs but in the Chicago metro area, to reverse current foreclosure trends and restore stability to impacted neighborhoods? Governments should be encouraged to prioritize these action steps in this era of limited government resources:

Federal, state and high profile local leaders, using their "bully pulpits" to maximum advantage, should pressure banks and lending institutions to "cram down" mortgage principal in foreclosure situations and restructure mortgages in such a way as to keep families in their homes. We believe that many banks have already sharply written down delinquent mortgages under their control. We also believe that federal legislation is needed to force holders of securitized mortgages to do the same and not be held hostage by holders of second mortgages or junior note holders.

Federal government financial incentives, perhaps in the form of modest home equity insurance, should be created to get banks to provide mortgages to would-be home buyers interested in purchasing such homes. It is critical to get residents into vacant homes. While we recognize that down payment requirements are going back to their traditional 20% level, we also note that the prices of foreclosed homes are far lower than they were four or five years ago. Moderate and middle income families should be in a position to buy such homes.

Funding into a recently created subregional land bank should be expanded. The land bank will allow SSMMA and its member communities to hold and maintain properties to prevent further deterioration, to assemble them for redevelopment and manage associated liabilities, then to convey the properties to new owners while ensuring their long-term use consistent with community goals, particularly housing affordability. Four south suburban communities have

TODAY'S FIRST PRIORITY NEED: EFFECTIVELY ADDRESS THE FORECLOSURE CRISIS

already agreed to act as a pilot group in structuring a land bank which additional communities can join once the structure is in place. In addition, SSMMA is establishing a Land Acquisition Fund, seeded via a HUD Challenge Grant, to integrate public, philanthropic, and Community Reinvestment Act investments to provide an inexpensive and flexible source of capital that can be used to add properties to its land bank. By acquiring these properties, SSMMA will be able to leverage public investments, such as brownfield remediation funds, to prepare them for private investment.

Private sector investors should likewise be provided with governmental incentives to create scattered site rental programs, including rent/buy option programs, if they are willing to buy up and restore, if needed, vacant homes that have gone through foreclosure. Banks and other lending institutions should be encouraged to lend such investors money to establish such programs.¹ Any such incentive programs should require investors to work closely with municipal officials to make sure that such rental programs are well designed, well managed, and fit with community development goals. We recognize that scattered site rental programs have been problematic in the past, but new housing challenges demand creative thinking. Getting 10-20 families to rent vacant property in a given neighborhood can have a big impact on neighborhood stability. In some of the south suburban neighborhoods we visited this year, scattered site rental programs could work without being burdensome to investors. One key, though, to making such programs viable will be local government oversight in the form of regular yearly inspection of rental properties or Crime Free Housing programs. Home rule communities in Illinois already

inspect rental property on a yearly basis. Non-home-rule communities cannot, and this situation should be corrected with new State legislation.

Those federal and state government resources that are available for housing programs should be focused on large scale rehab programs directed at vacant, salvageable, low-cost single-family homes and multi-family properties that have been foreclosed. To make large scale rehab programs possible, subregional entities must be expanded or created with the capacity of rehabbing 60-100 of these low-cost homes and apartments per year via a network of private sector rehabbers. Recently, the Chicago Metropolitan Housing Development Corporation (CMHDC), through its suburban entity CMHDC Development Services, has begun large-scale acquisition and rehab of single-family and multi-family properties throughout the south suburbs, and we encourage it to continue to work closely with SSMMA and the Housing Collaborative. We believe that such an organization could be supported via HUD funding, under the direction of the South Suburban Mayors and Managers Association via a yearly investment in the range of \$1.5-\$2.0 million. This investment would cover staff and administrative costs plus a sizeable amount of subsidy funding needed for selective rehabs. With many vacant homes and apartments currently available in the \$30,000-\$50,000 range, rehab and resale of housing units in the \$80,000 to \$150,000 range should be possible with modest governmental subsidies.

We note that five or six such subregional rehab organizations could be funded in the metropolitan Chicago area for \$10-12 million per year (\$50-60 million over five years) for a small fraction of what is currently being spent on the Hardest Hit program (\$443 million). Once the homes and apartments were rehabilitated, they could be sold to new homeowners if area banks were incentivized

¹ The region's Preservation Compact has a working group that has been actively been studying successful private sector firms that purchase, rehab and sell/rent foreclosed or abandoned homes. Out of this work will hopefully come models for expanded private sector action in this area.

TODAY'S FIRST PRIORITY NEED: EFFECTIVELY ADDRESS THE FORECLOSURE CRISIS

to provide affordable fixed-rate mortgages to these would-be homeowners. In this regard, we believe area leaders should play close attention to Chicago's Micro-Market Recovery Program which is being launched with seed money from the MacArthur Foundation.

Transit oriented development of housing units should continue to be encouraged. The SSMMA's planned use of recently granted HUD funding to lay the groundwork for mixed use residential development near transit stops is clearly a step in the right direction.

As for two and three flat properties which have been foreclosed, banks should be pressured by government leaders to provide working capital funding to qualified private sector rehabbers, both small and mid-sized, who can, without government incentives, rehab and restore such properties and make them attractive to rent to families, young professionals or simply people who want to live in one unit and rent out one or two other units as investment property.

Larger multi-family properties that have run into financial difficulties and are deteriorating rapidly should be referred to regional organizations which specialize in the restoration of such properties.

Communities should participate and utilize the Housing Collaborative's multi-family initiative which is modeled after Chicago's Troubled Buildings Initiative utilizing the Preservation Compact resources.

Communities should actively address vacant property issues, including through strong code enforcement efforts. The Vacant Property Toolkit, developed by Business and Professional People for the Public Interest (BPI) in partnership with the Metropolitan Mayors Caucus and CMAP, can be very helpful in this area, as can experience gained by the City of Chicago with its new Foreclosed Property Maintenance Ordinance.



Ongoing foreclosure prevention counseling and workshops – currently provided by the South Suburban Housing Center, the Chicago Area Fair Housing Center, Action Now, Spanish Coalition, and NHS Chicago – should be continued with additional funding. Local agencies providing staff support and resources for such events such as the Housing Collaborative should be funded as well.

Finally, south suburban communities should keep collaborating on a wide variety of issues. We applaud federal government agencies which are starting to reward collaborative efforts.

FORWARD LOOKING REGIONAL HOUSING PLANNING AFTER THE SHOCK

What role should forward-looking housing planning take given the shock that regional housing markets have experienced over the last four years? With so many homes caught in the foreclosure crisis and new construction at near an all-time low, why bother to plan for future housing development? First, as daunting as it now appears to be, the current wave of foreclosures will subside and, over a period of years, foreclosed homes will either be reoccupied or torn down. Second, the demographic trends we described in our first *Homes for a Changing Region* report will come to pass and create demand for new housing. Population in the six county Chicago metropolitan region will increase from eight to ten million people by 2035. The senior population will nearly double and surpass 1,700,000; The Latino population will also double, reaching 3,300,000. Third, and perhaps most important, thoughtful housing planning on a community-by-community basis can avoid the mistakes that contributed significantly to the current housing crisis, mistakes which included:

- Building too many large-lot, single-family homes priced beyond the reach of moderate and middle-income working families.
- Building too few moderately priced dwelling units, be they small sized homes, townhomes or attached homes, especially in the region's higher job growth communities. In today's housing market "moderately priced" equates to homes priced between \$140,000 and \$200,000.
- Not creating housing options for multi-generational families that want to live together.
- Not focusing on the need for rental housing, especially affordable rental housing accessible to moderate income working families.

The need to focus on the future need for rental housing cannot be emphasized enough. As a recent Urban Land Institute report points out,¹

the days of ultra low home down payment terms are over. New bank lending standards will make far more families put down 20% to buy a home. Borrowing requirements will tighten as well, making fewer families eligible for mortgages. Banks, now mandated to hold at least 5% of mortgages they generate, will be more cautious than they have been in recent years. Mortgage interest rates may rise as well, reaching perhaps seven to eight percent. The overall home ownership rate may decline five to ten percent and have a big impact on rental and owner-occupied housing markets. As Dr. Arthur C. Nelson observes,² "The likely alternative, where the homeownership rate falls by five percent, means that about three-quarters, or more, of the net new demand for housing will be for rentals between 2010 and 2020, and will be about 60 percent to two-thirds of the demand over the entire scenario period from 2010 to 2035."

Nelson speculates that new construction is likely to be focused on townhomes, multiplexes (2, 3 and 4 unit structures) and small-lot homes, initially built for renting with the intent of selling later. He also sees a rise in construction of accessory dwelling units and other multi-household configurations. Nelson's speculations reflect a response to the demographic trends we mention above.

While future housing planning typically focuses on new construction, the reality is that the majority of the south suburbs' future housing stock already exists today. We should emphasize the importance of future planning for housing rehabilitation. In nearly every community we have worked with over the last five years there was an obvious need for single-family and multi-family housing rehabilitation. Communities developing future housing plans must identify organizations which can oversee multi-year bulk rehabilitation work that may involve the rehabilitation of 10-30 homes per year.

¹ "The New California Dream: How Demographic and Economic Trends May Shape the Housing Market.", Dr. Arthur Nelson, Urban Land Institute, December 2011.

² Ibid, page 25

COMMENTS ON COOK COUNTY'S SOUTHERN SUBURBS

While this report focuses on four communities in Cook County's southern suburbs – Hazel Crest, Lansing, Olympia Fields and Park Forest - its comments and observations are in many cases relevant for the majority of the 42 communities that work together via the South Suburban Mayors and Managers Association (SSMMA).¹ Statistics we have compiled for the entire 42 community SSMMA subregion illustrate this point. As Figure 3 shows, the subregion actually has a surplus of moderate to middle income owner-occupied housing units. Figure 4 indicates that the same situation exists for rental units. Shortages occur in both categories at the top end and lower end of the market. The shortage at the lower end of the market, in particular, has resulted in a large number

of residents stretching to afford their monthly rent or mortgage payments.

We definitely see long-term opportunities to create balanced housing options which cater to market demand on both ends of the spectrum near transit stations. We believe that similar opportunities exist for affordable senior rental housing developments in most of the south suburban communities. Construction of such senior housing will obviously be dependent on the availability of federal government subsidy funding.

Expanding the supply of upscale owner-occupied housing may be a more complicated challenge. Vacant land for upscale planned unit developments

Figure 3: South Suburban Cook County's Owners' Incomes and Housing Costs Compared

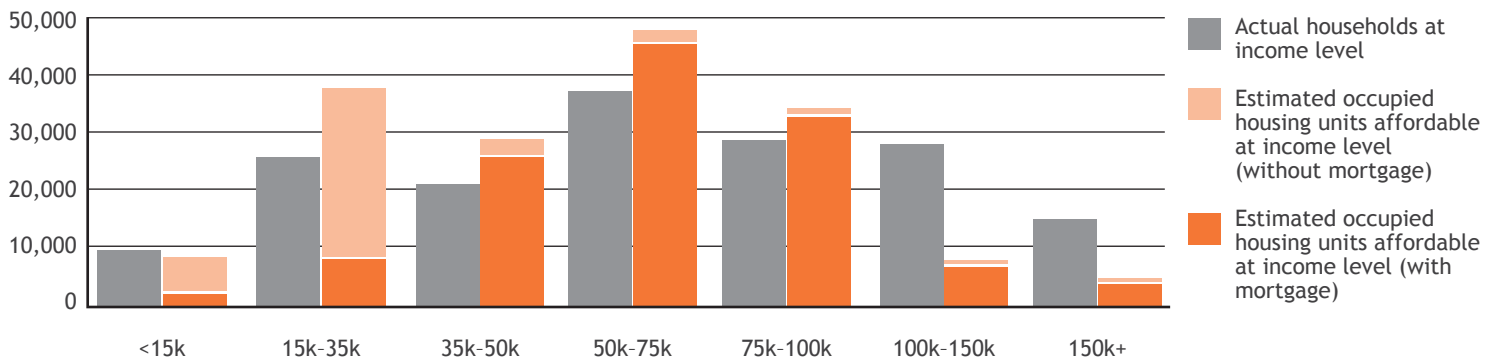
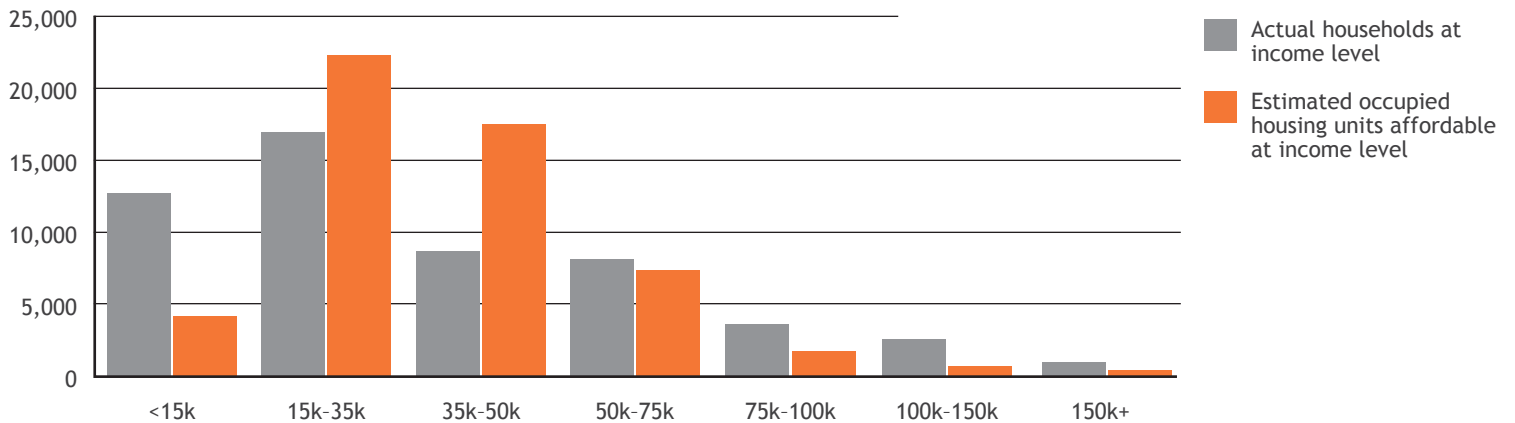


Figure 4: South Suburban Cook County's Renters' Incomes and Housing Costs Compared



Source for figures 3 and 4: U.S. Census American Community Survey* and Fregonese Associates analysis
 * Note: Unless otherwise stated, all U.S. Census American Community Survey reflects 2005-2009. Additional detail regarding methodology is available on pages 93-96.

¹ Please note that in past Homes for a Changing Region reports, we have also profiled two other SSMMA members – Blue Island and Oak Forest.

COMMENTS ON COOK COUNTY’S SOUTHERN SUBURBS

is not widely available in the southern suburbs. While adding upscale housing in affluent communities like Olympia Fields is a fairly straightforward matter, building and marketing homes priced at over \$300,000 is more challenging in less affluent communities. Upgrading existing single-family housing stock and pursuing infill opportunities, however, are viable strategies throughout the subregion. Homeowners at all levels of the housing market are increasingly interested in making their dwelling units more energy efficient and sustainable. Opportunities exist to expand lot sizes in certain neighborhoods, via the tear down of deteriorated housing, and upgrade housing and green space on these larger lots.

Another strategy worth pursuing is what we might call bulk infill housing – having a single developer build moderately priced single-family homes, that can be purchased for under \$175,000, on vacant lots throughout a neighborhood. We have seen this strategy work in at least one neighborhood in the City of Chicago, and we believe it can work in several south suburban communities. The southern suburbs might even consider creating prototype infill plans which would include a streamlined permitting process. We should also note, in passing, that selected opportunities exist to build more upscale single-family homes on vacant lots. The addition of such housing could certainly upgrade a street and a neighborhood.

We also see opportunities for middle-income and upper-income condominium development near Metra stations. Sale of such units will be more viable if commercial development near Metra stops succeeds. With this broad range of housing development opportunities available, the Housing Collaborative could consider:

- Seeking government grants to launch technical assistance programs for housing developers, assistance which might include workshops for developers, an infill development handbook, and outright grants for pre-development analysis.
- Encouraging local businesses to take advantage of state incentives to offer employer assisted housing to those wishing to live nearer their workplaces.
- Actively seeking energy efficiency and weatherization grants to spur rehab work.

Final Thoughts

Creating an effective long-term housing strategy makes sense for any community, but the housing market does not operate in a vacuum. Good quality housing cannot be built or sustained unless a given community is economically viable and has a well regarded school system. Cook County’s southern suburbs have challenges in both of these areas.

As we pointed out earlier, the southern suburbs have been steadily losing jobs and businesses, in many cases to more appealing taxing entities. Cook County’s high business tax rate is a major impediment to economic development in the south suburban subregion. We strongly believe that Cook County leadership should take a fresh look at its taxing policy in the subregion and make it competitive with competing jurisdictions.

Educational outcomes in many suburban schools are not regionally competitive. Without a strong local revenue base, these communities are not in a position to invest heavily in their schools. To make matters worse, these communities depend, in part, on state educational assistance which may now be in jeopardy because of the state’s fiscal problems. There is no simple answer to these educational funding issues. We would, recommend, however, that school boards across the subregion actively solicit help from regional educational institutions as well as nationally recognized school improvement groups.



HOUSING POLICY PLAN HAZEL CREST

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING

PROJECT SUMMARY

Hazel Crest's vision is to be "the Gem of the South Suburbs." As its Centennial nears, there are many reasons to be hopeful that the village is moving in this direction. Hazel Crest has a socio-economically diverse population and a housing stock in a variety of types and price ranges. The village has strong anchor institutions, including MI-JACK and Advocate South Suburban Hospital, along with other large employers in nearby south suburbs.

Hazel Crest is also a community divided by a freeway, I-80/I-294. The oldest part of the village, "Hazel Crest Proper," is defined by its historic core, street grid system and proximity to the Hazel Crest Metra Station. The rest of Hazel Crest is defined by its more suburban subdivision layouts, separated land uses and orientation towards the automobile. We see significant potential to bring out the best of both parts of Hazel Crest to solidify the village's future. This means creating a more pedestrian-friendly Hazel Crest, with a mix of desirable uses relatively close to people's homes. This also means bringing momentum to Hazel Crest Proper as the village works to revitalize its historic core. When the *Homes* project team first toured Hazel Crest, we were struck by the unique feel of Hazel Crest Proper and its long-term potential.

This report analyzes Hazel Crest's existing conditions, future needs, and includes recommendations focused on:

- **Rehabilitating and retrofitting Hazel Crest's existing housing stock.**
- **Revitalizing the area around the Hazel Crest Metra Station.**
- **Encouraging new infill development in other key areas including along W. 167th, at the intersection of W. 175th and Kedzie Avenue and on W. 183rd west of Kedzie Avenue.**



Hazel Crest's original business district is one of the village's biggest opportunities.



image credit: dpappis

Hazel Crest has a housing stock today of single-family homes, duplexes, townhomes and multi-family housing.

EXISTING CONDITIONS

Demographic and Economic Trends

Hazel Crest is located in southern Cook County between Country Club Hills and East Hazel Crest. Hazel Crest has a population of 14,100 according to the 2010 U.S. Census, a decrease of 4.8% since 2000. The Chicago Metropolitan Agency for Planning (CMAP) projects that, if its GO TO 2040 Plan is implemented, it could boost the population of the village to 17,070 by 2030.¹

Hazel Crest’s employment base is varied, led by health care and social assistance, wholesale trade, and professional services. The largest employers in Hazel Crest are Advocate South Suburban Hospital, MI-JACK Products, Graycor Construction, Gierczyk Real Estate, and Waterford Estates Retirement Community. The village has two special incentive districts: Palmer Lake Corporate Business Park, which includes the eight firms within the business park; and the Phoenix-Harvey-Hazel Crest Enterprise Zone, which covers all commercial areas in the village.

Just 3.7% of the people who work in Hazel Crest live in the village, while approximately 13% of the workforce commutes from Chicago (see Figures 6 and 7). Another 13% of Hazel Crest workers are residents of the nearby communities of Country Club Hills, Homewood, Tinley Park and Markham. But where do the people who live in Hazel Crest actually work? Nearly all of Hazel Crest residents travel outside the village to work (see Figures 8 and 9). Close to 30% of residents commute to Chicago. Another 12% work in the nearby communities of Chicago Heights, Homewood, Harvey and Tinley Park. The rest commute elsewhere. The average commute time for a Hazel Crest worker is 30 minutes or more, according to the 2005-2009 American Community Survey 5-year estimates.

¹ 2030 was chosen as the first year for this study both to coordinate with the original Homes report and to ensure a tangible future planning horizon for Hazel Crest.

Figure 5: Hazel Crest Population and Household Forecast

	2010*	2030†	% change
Population	14,100	17,070	21%
Households	5,003	5,960	19%

Source: *U.S. Census 2010 and †Chicago Metropolitan Agency for Planning

Figure 6: Where Do Hazel Crest Workers Live?

City/Town	Percent of Workforce
Chicago	12.9%
Country Club Hills	4.3%
Hazel Crest	3.7%
Homewood	3.5%
Tinley Park	3.1%
Markham	2.4%
All Others	70.1%

Figure 7: Where Do Hazel Crest Workers Live?

County	Percent of Workforce
Cook County, IL	65.20%
Will County, IL	12.60%
Lake County, IN	8.00%
DuPage County, IL	3.60%
All Others	10.6%

Figure 8: Where Do Hazel Crest Residents Work?

City/Town	Percent of Workforce
Chicago	28.9%
Chicago Heights	2.9%
Homewood	2.7%
Harvey	2.6%
Hazel Crest	2.0%
Tinley Park	2.0%
All Others	58.9%

Figure 9: Where Do Hazel Crest Residents Work?

County	Percent of Workforce
Cook County, IL	77.1%
DuPage County, IL	6.6%
Will County, IL	5.9%
Kane County, IL	1.5%
All Others	8.9%

Source for Figures 6-9: U.S. Census - 2009 Longitudinal Employer-Household Dynamics

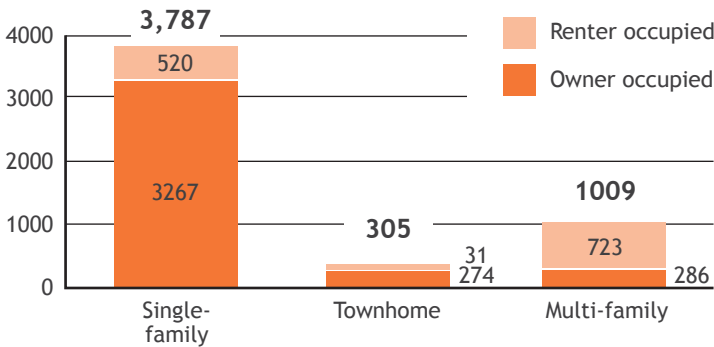
CURRENT HOUSING ANALYSIS

Hazel Crest has a range of housing options today, including small, aging, single-family homes; newer, and larger, single-family homes; townhomes; and some apartments (see Figure 10). Most of the village’s housing is owner-occupied though some rental units are available. Many of Hazel Crest’s owners and renters are being stretched in terms of housing affordability. Their burden is made worse by transportation costs related to the long commute to work many of them face each day. The Illinois Department of Transportation estimates that households in Hazel Crest drive 52% more miles annually than the average Cook County household.

WHAT IS “AFFORDABLE HOUSING”?

- While varying from household to household, “affordable housing” is housing that costs no more than 30% of household income (including utilities, insurance and taxes).
- If family transportation costs are included (housing costs plus transportation costs), then “affordability” jumps to 45% of household income.

Figure 10: Housing Type by Tenure



Source: U.S. Census American Community Survey*
 * Note: Unless otherwise stated, all U.S. Census American Community Survey reflects 2005-2009. Additional detail regarding methodology is available on pages 93-96.

Figure 11: Renter Housing Affordability

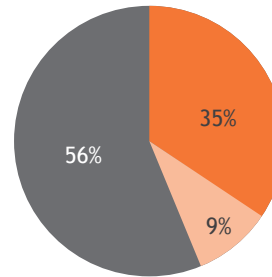
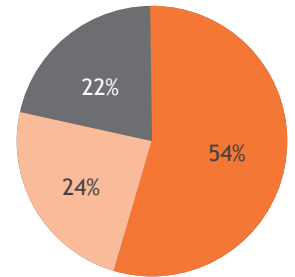


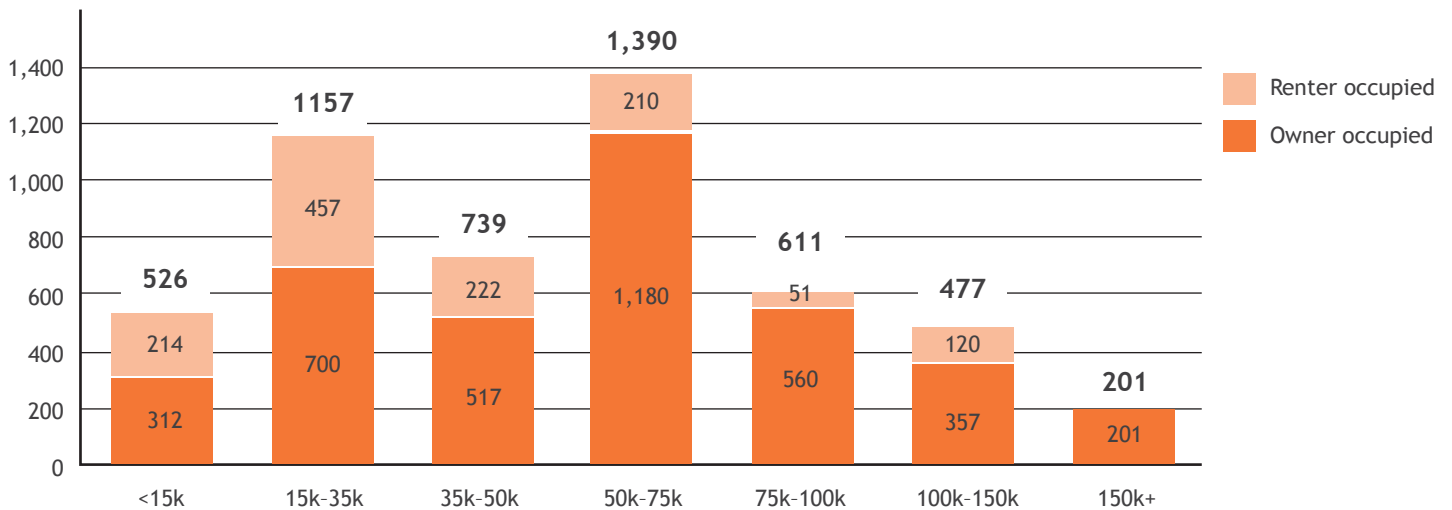
Figure 12: Owner Housing Affordability



Legend for Figures 11 and 12:
 Affordable (light orange)
 Unaffordable (dark orange)
 Severely Unaffordable (grey)

Source: U.S. Census American Community Survey and Fregonese Associates analysis

Figure 13: Tenure by Household Income



Source: U.S. Census American Community Survey

CURRENT HOUSING ANALYSIS

Current Ownership Housing

Most of the Hazel Crest owner-occupied housing is affordable to households earning between \$40,000 and \$75,000 annually (see Figure 14). While most of this housing is detached single-family housing, Hazel Crest does have a limited number of attached dwelling units, townhomes and condominiums. In 2009 about 54% of the owners in Hazel Crest were living in housing affordable to them, while 22% were living in severely unaffordable housing (defined as a household spending over 50% of its gross income on housing costs). The situation has almost certainly worsened as a result of the recent economic downturn.

Current Rental Housing

The village's renters live in a mix of rented single-family homes and multi-family buildings. There are very few rental townhomes. Most of these renters earn less than \$35,000 per year, and a large percentage are being stretched in terms of affordability (see Figure 15). About 56% of Hazel Crest's renters are facing severe affordability problems, and 9% are facing moderate affordability problems (spending between 30% and 50% of their incomes on housing costs).

Figure 14: Hazel Crest's Owners' Incomes and Housing Costs Compared

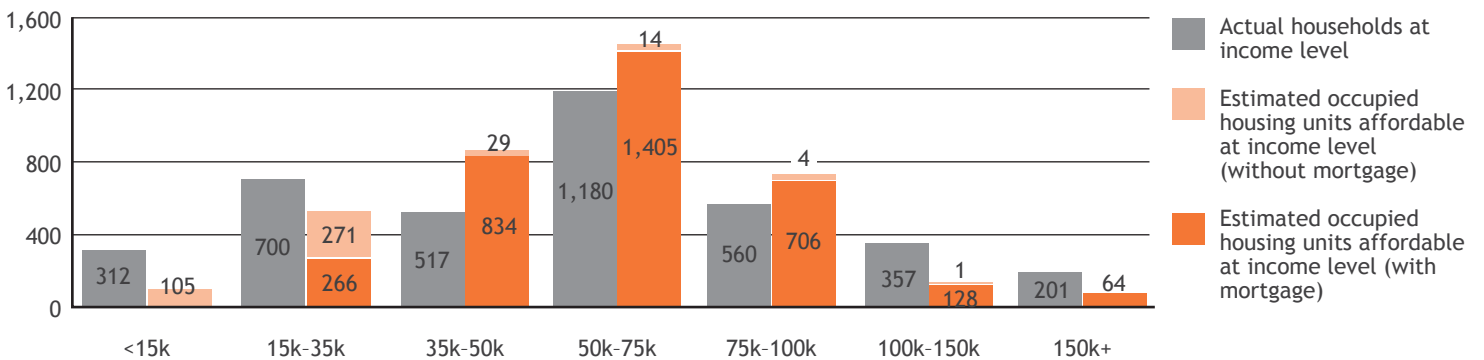
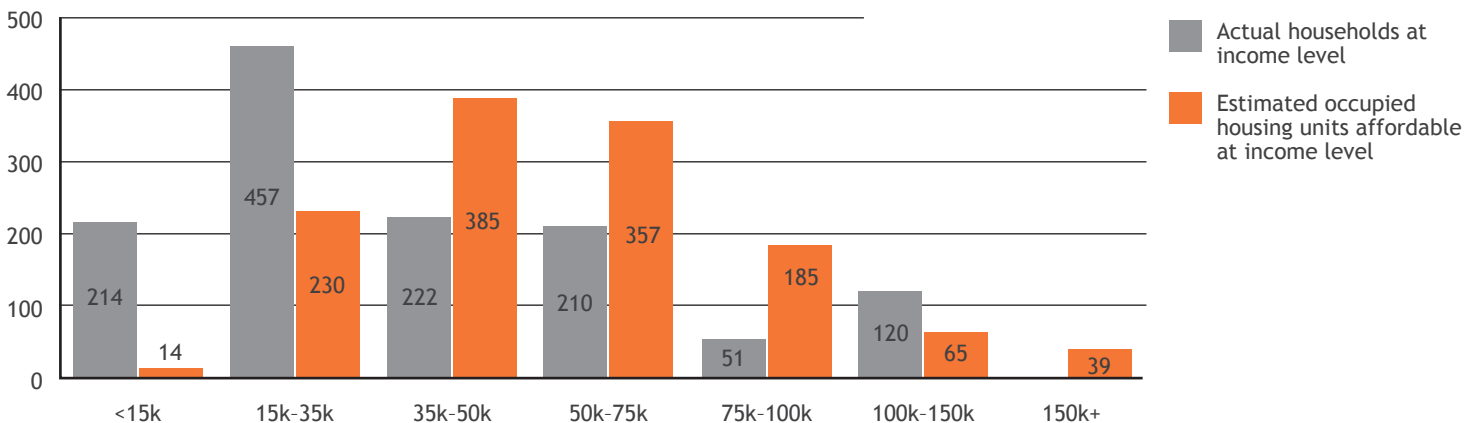


Figure 15: Hazel Crest's Renters' Incomes and Housing Costs Comparison



Source for figures 14 and 15: U.S. Census American Community Survey and Fregonese Associates analysis

CURRENT HOUSING ANALYSIS

Today's Market Segments and Market Preferences

We used analytical tools developed by a well-known national market research firm, Nielsen, to gain a better understanding of the housing types preferred by families that live in Hazel Crest today. Nielsen Claritas PRIZM consumer segmentation system combines demographic, consumer behavior, and geographic data to help marketers, including those selling new or existing housing, identify, understand and target their customers and prospects. It defines every U.S. household in terms of 66 demographically and behaviorally distinct types, or "segments," to help marketers discern consumers' likes, dislikes, lifestyles and purchase behaviors. PRIZM segments are memorably named and summarize complex consumer profiles in a way that is intuitive and easy to communicate.

We have identified five such segments which we believe comprise over 90% of Hazel Crest's population today: **Mainstream Families**; **Cautious Couples**; **Young Accumulators**; **Midlife Success**; and **Conservative Classics**. So what does this mean for Hazel Crest's future housing needs? First, it means that there are several groups with at least moderate propensities for compact neighborhoods. Compact neighborhoods are defined as neighborhoods with a range of housing types that are walkable and located on transit.



"Mainstream Families" comprise 30% of the village and have a medium propensity to live in a walkable neighborhood.

The largest such group are the "Mainstream Families." These households are best served by small single-family homes and some townhomes in walkable neighborhoods. The next largest group, the "Cautious Couples," are nearing retirement age, no longer have children at home, and are seeking options that can allow them to age in place. Many of these couples are looking for lower-maintenance townhomes, condos and apartments near retail, medical services and transit. Additionally, there is another smaller contingent, known as "Midlife Success," who are middle-aged with high incomes and no children. While some of these couples may be looking for single-family homes, others are seeking housing that allows them a high-amenity, yet low-maintenance, lifestyle.

Figure 16: Hazel Crest Market Segments

Market Segment with Claritas Descriptor	Broad Demographic	% of Current Households	Propensity for Walkable Neighborhoods
Mainstream Families	\$30-75K income, age 30-55 with children	29.7%	Medium
Cautious Couples	\$10-50K income, age 55+ without children	20.8%	Medium
Young Accumulators	\$25-45K income, age 25-45 with children	15.4%	Low
Midlife Success	\$100K+ income, age 30-50 without children	13.3%	Medium
Conservative Classics	\$50-75K income, age 55+ without children	12.3%	Low

64% of current households have at least a medium propensity for living in walkable neighborhoods.

PROJECTING FUTURE HOUSING NEEDS

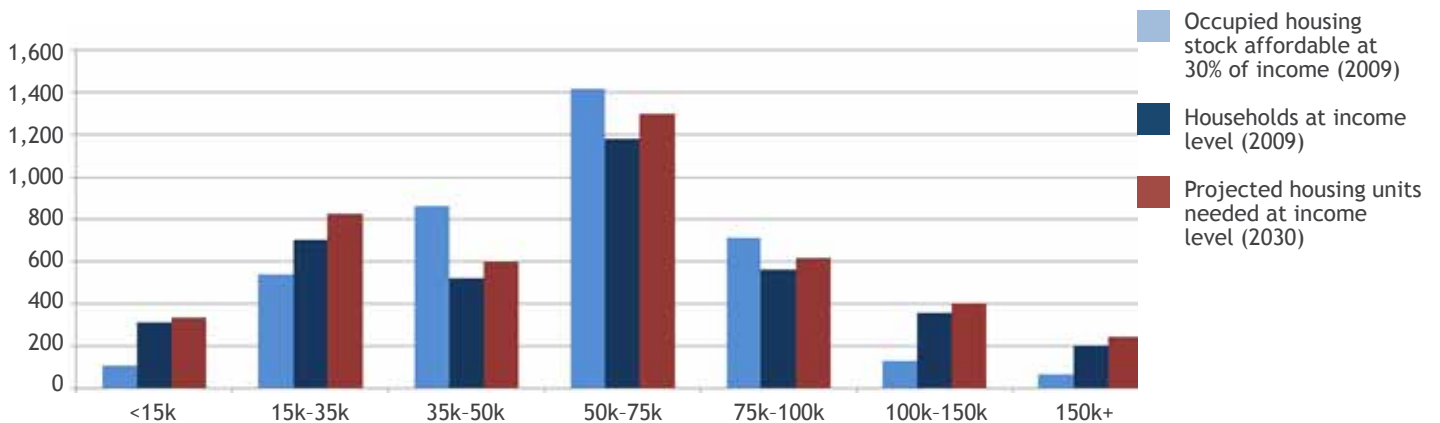
From Census data we have information on Hazel Crest’s current stock of owner-occupied and rental housing units as well as the number of households in the village. From CMAP data we have projections on the village’s population and households for the year 2030. From the State of Illinois, we have age projections for the 2030 Cook County population. Mixing this information with the Claritas PRIZM market segment data mentioned above, we can make some realistic guesses as to what kind of housing the village will need to meet the needs of its population by the year 2030.

Future Ownership Needs

Like the South Suburbs as a whole, Hazel Crest has future needs for ownership housing across the spectrum (see Figure 17). Today, the largest share of Hazel Crest’s owners earn below \$75,000 per year. These middle-income homeowners are likely to continue to form the backbone of Hazel Crest’s

future owner-occupied housing as well. The majority of these homeowners are over 45 years of age, and about 20% are over 65 years of age. If CMAP’s population forecast holds true, Hazel Crest could grow by over 900 households. Almost 500 of these households could be targeted for owner-occupancy housing units. It is likely, however, that the types of ownership units that future households will seek will differ from those currently available in Hazel Crest. Future units will need to be affordable to middle-income home buyers, they will need to be easily accessible for an aging population, and they will need to be located near mass transit lines that serve Chicago and surrounding suburbs where Hazel Crest’s residents work. In order to meet the need for a balanced mix of ownership housing in Hazel Crest, new development should include mostly small-lot single-family homes, along with some ownership townhomes and condominiums.

Figure 17: 2009 Owner Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

Future Rental Needs

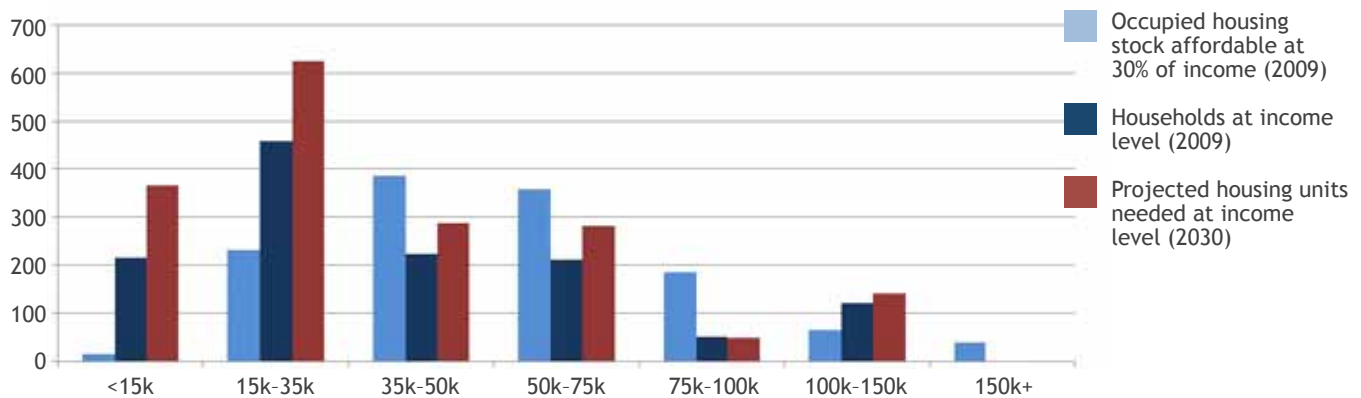
In terms of its rental housing today, Hazel Crest has a large number of households earning less than \$35,000 per year; 40% of these households are headed by a senior aged 65 or older. Hazel Crest has a higher proportion of low-income seniors than the subregion as a whole. The Village has a large number of rental housing units available at relatively low rents. An estimated 594 households in Hazel Crest are using Housing Choice Vouchers and almost 90% of these households are headed by women.¹ There are, however, still not enough homes affordable to many of the village’s rental households. Seniors are the age group expected to grow most in Hazel Crest and across the South Suburbs, followed, to a lesser extent, by those in the 25-44 age range. Moving forward, these groups and others will have major needs for new rental housing (see Figure 18). The majority of their housing needs can be met through new, well-designed multi-family housing along with some rental townhomes. These units, ideally located near the Metra station, will help ensure senior mobility as Hazel Crest’s population ages. Additionally, Hazel Crest has a future need for several dozen higher-amenity rental units targeted at households earning above \$75,000.



image credit: ajohanneson

¹ Illinois Assisted Housing Action Research Project (IHARP) Subsidized Housing Database; Chicago Area Fair Housing Alliance (CAFHA) 2003.

Figure 18: 2009 Renter Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

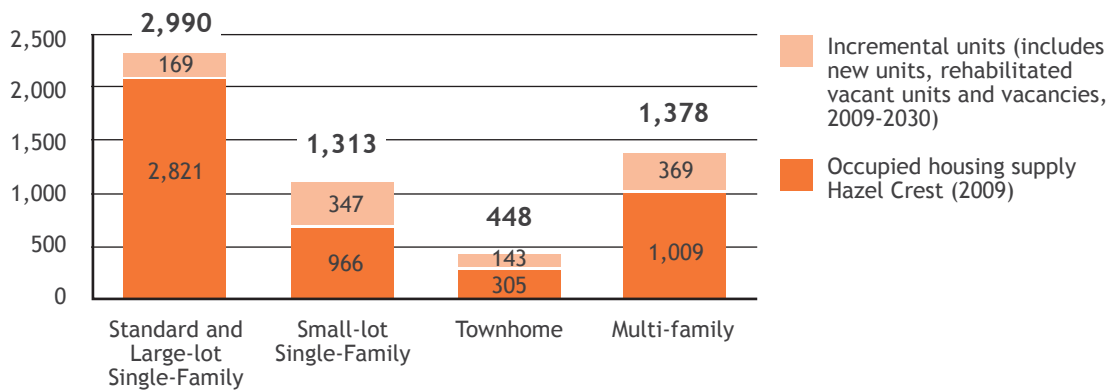
PROJECTING FUTURE HOUSING NEEDS

Combined Housing Needs

When we combine our projections for new owner-occupied and rental housing in the future, we get a clearer picture of Hazel Crest’s future new housing needs which feature small-lot single-family housing, townhomes and multi-family housing. When combined with its existing housing stock, what emerges is a housing profile featuring “balanced housing” which will meet the needs of village residents by 2030 (see Figure 19).



Figure 19: Future Balanced Housing



Source: U.S. Census American Community Survey and Fregonese Associates analysis



image credit: dpappis



image credit: ajohannesson

PROJECTING FUTURE HOUSING NEEDS

Prototype Households

In order to illustrate the housing needs of Hazel Crest's future residents, several prototypical households were created. These hypothetical households were based on the village's estimated median household income (MHI) of \$52,547¹ and leading employment sectors. Using a cross tabulation of Census data, the likelihood of a prototype family would own or rent a dwelling was estimated based on the age of the head of the household and overall household income. Generally, as households age and earn higher incomes, their likelihood of owning increases.

¹ U.S. Census American Community Survey.

Prototypical Hazel Crest Households and Preferences



50% MHI

\$26,274

Senior

65+ years old

Retired,
fixed income

RENT

\$660/month
48% likelihood

PURCHASE

\$87,000
52% likelihood



80% MHI

\$42,038

Single Person

25-44 years old

Physical therapist
assistant

RENT

\$1050/month
41% likelihood

PURCHASE

\$140,000
59% likelihood



100% MHI

\$52,547

Family

25-44 years old

Teacher;
Retail salesperson

RENT

\$1,315/month
23% likelihood

PURCHASE

\$176,000
77% likelihood



120% MHI

\$63,065

Family

45-64 years old

Registered nurse;
Wholesale manager

RENT

\$1,575/month
9% likelihood

PURCHASE

\$212,000
91% likelihood

Source: Fregonese Associates based on U.S. Census American Community Survey data and FAB Housing Affordability Calculator at 8.1% mortgage interest rate (based on historical rates)

HOUSING CAPACITY

Capacity Analysis

We conducted a capacity analysis to test the extent to which Hazel Crest could meet its forecasted housing need based on its existing land use regulations. We found that Hazel Crest, under its existing zoning regulations, has the capacity for approximately 928 new dwelling units, which would meet its 2030 need for about 550 new housing units, especially if one considers that the village currently has over 400 vacant units. We expect that a share of its household growth could be met by renovating and marketing its vacant stock. In terms of new housing construction, almost half of the village’s capacity is for multi-family housing. It will be important to develop these condos and apartment buildings with an eye toward high quality construction and good design as Hazel Crest moves to achieve its forecasted growth.

Under existing zoning, the majority of the village’s existing housing capacity (59%) is contained within the village’s residential (R) zones, with R-2 making up the largest component (or 23% of total capacity). Some additional capacity for multi-family and mixed-use housing is found in the business (B) zones. Several areas with notable capacity for new development include Hazel Crest Proper; the area north of 175th Street between Mahoney Parkway and Palmer Boulevard that is vacant and platted for single-family development; the single-family neighborhood between 167th and 171st Streets north of Interstate 80/294 that has numerous vacant lots ripe for infill housing development; and a large area of vacant land near the intersection of 167th Street and Kedzie Avenue, north of Interstate 80, with potential for mixed-use development. On a more general basis, there are a limited number of vacant lots within single-family neighborhoods across the village.

Figure 20: Housing Capacity by Zone

Zone	Units
R-0 Single-Family Residential District	63
R-1 Single-Family Residential District	154
R-2 Single-Family Residential District	213
R-3 General Residence District	119
B-1 Local Business District	27
B-2 Service Business District	352
TOTAL	928

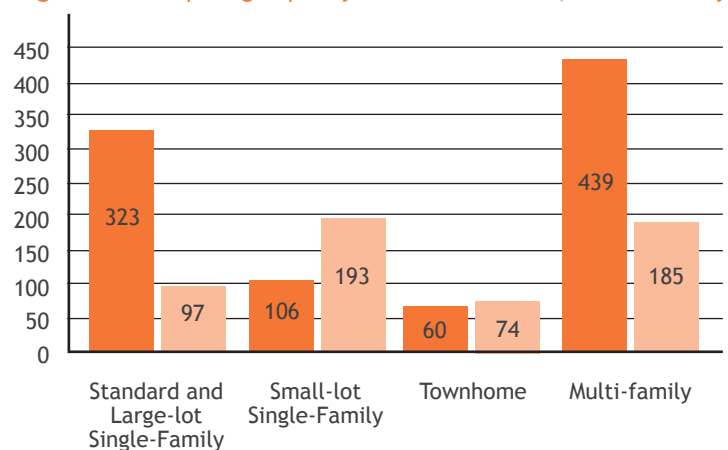
Source: Fregonese Associates

Figure 21: Housing Capacity by Type

Housing Type	Units
Standard and Large-lot SF	323
Small-lot SF	106
Townhome	60
Multi-family	439
Mobile Home/Other	-
TOTAL	928

Source: Fregonese Associates

Figure 22: Comparing Capacity with Future Need (New Units Only)



Source: Fregonese Associates

■ Capacity under current zoning
■ Future need (incremental new units)

SUSTAINABILITY

One of the biggest issues facing the Chicago region, and Hazel Crest, in the future is long-term sustainability. The two biggest energy-using sectors are building energy and transportation energy consumption.

In terms of building sector energy, the Center for Neighborhood Technology (CNT) analyzed and compared Hazel Crest's 2007 residential electricity and natural gas use with all of Cook County. Though the village's mix of electricity and natural gas differs from that of the county, the total energy costs per household are comparable (see Figure 23).

In terms of the village's transportation energy consumption, Hazel Crest, has substantially higher average number of vehicle miles traveled (VMT) by household compared with the entire CMAP region (22,493 versus 17,443 miles), according to Illinois Department of Transportation data. This large difference of over 5,000 miles per year not only translates into 22% higher greenhouse gas emissions for each Hazel Crest household, it could also mean almost \$215 per month in additional costs, based on the 2011 IRS mileage reimbursement rate. These figures are significant. Recent research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled is "by putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other."¹ This should be an important part of Hazel Crest's future land use strategy.

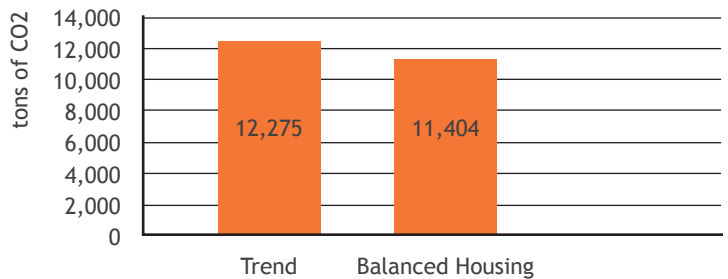
In the Chicago region, 63% of carbon emissions came from energy use in buildings in the form of natural gas and electricity.² In the future, a

Figure 23: Hazel Crest Energy Use Compared with Cook County (2007)

	Hazel Crest	Cook County
Average natural gas use per household	1,108 Therms	1,130 Therms
Average annual \$ for natural gas	\$984	\$1,274
Average electricity use per household	9,831 KWh	7,692 KWh
Average annual \$ for electricity	\$1,058	\$828
Average annual energy costs	\$2,042	\$2,097

Source: CNT Energy Community Profile

Figure 24: Comparing the Carbon Emissions of Trend Development and Balanced Housing (Annual Emissions from New Housing)



Source: CNT Energy, EIA and Fregonese Associates analysis

balanced housing strategy could serve to reduce the community's building- and transportation-related energy use and carbon emissions. We modeled the potential greenhouse gas impacts of a trend versus a balanced scenario for Hazel Crest's future housing development. The trend scenario includes more single-family homes, larger lots, and fewer shared walls. We found that simply implementing balanced housing could reduce Hazel Crest's greenhouse gas emissions by about 7.1% (see Figure 24). Additional savings are possible through implementing energy retrofits for existing construction and green building strategies for new construction.

1 ASCE. Traffic Generated by Mixed-Use Developments -- Six-Region Study Using Consistent Built Environmental Measures. *Journal of Urban Planning*, October 2010.

2 CMAP. The Chicago Region Greenhouse Gas Baseline Inventory and Forecast, July 2009.

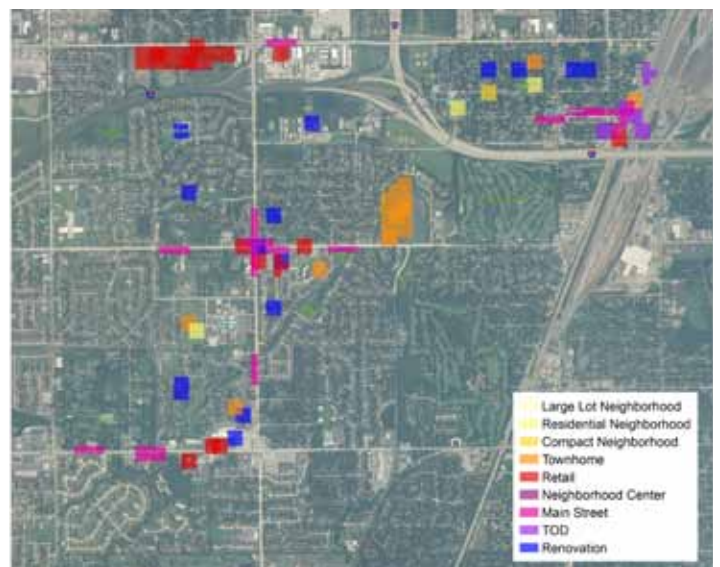
URBAN DESIGN FOCUS AREAS

Design Workshops

During initial conversations with Village officials, the Homes project team was asked to conceptualize possible redevelopment ideas for two specific areas of Hazel Crest, the Metra Station area and a vacant parcel south of West 167th Street and West of Kedzie Avenue. Several months later a select number of village residents were asked to present their views on what could be done in these areas at a community workshop. Their feedback helped shape the recommended strategies.



Community members engaged in a hands-on visioning exercise.



Through the workshop, several corridors and intersections emerged as important places for housing development: W. 170th St. near the Metra station; along 167th St.; at the intersection of 175th St. and Kedzie Ave.; and 183rd west of Kedzie Ave.

URBAN DESIGN FOCUS AREAS

W. 167th Street and Kedzie Avenue

The Homes project team created a concept map for a vacant parcel south of W. 167th Street and west of Kedzie Avenue. This area could be a model for the future of new development in Hazel Crest. It has strong auto access, is located near MI-JACK, and has been slated for future retail development. This design focuses on the potential for adding housing onto the northern part of the site, allowing for a transition from the single-family neighborhoods north of W. 167th Street to the denser housing and retail on the site. The southern part of the site, along I-80, would include retail and some office, but not housing, given its freeway-side location.

Figure 25: W. 167th Street and Kedzie Avenue Concept Map



URBAN DESIGN FOCUS AREAS

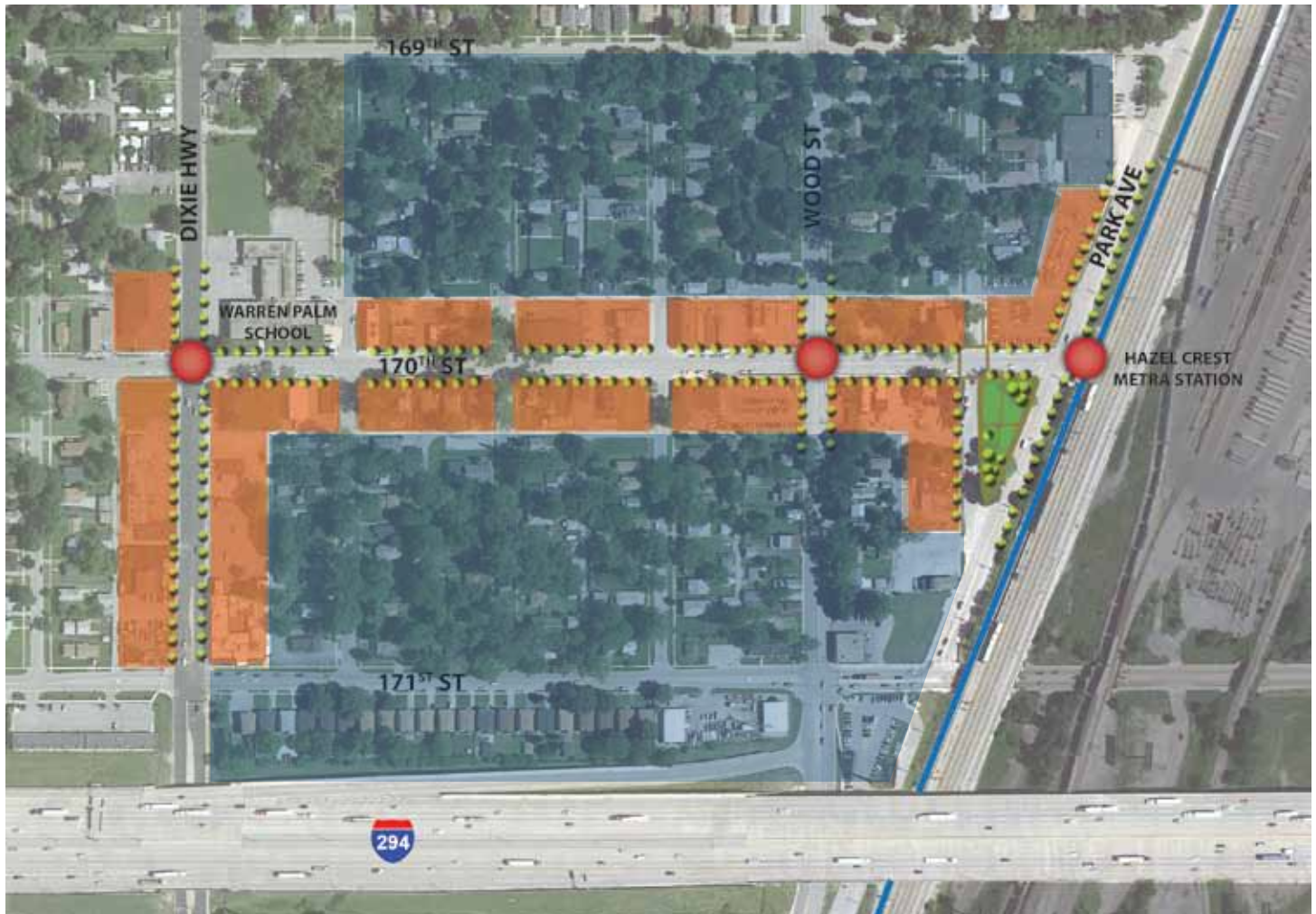
Metra Station Area

The Metra Station area represents a significant redevelopment opportunity. The Village’s Comprehensive Plan observes that “there is no meaningful center of activity for people to conduct business, shop, socialize and interact with one another.” The Plan also envisions this area “as an historic mixed use district with shops, restaurants, cafes, and new housing units.”

The *Homes’* Metra Station redevelopment concept map and visualization builds on this thinking, imagining revitalization over the next ten to fifteen

year horizon. It features two- to three-story infill development with ground-floor retail along W. 170th Street between Lincoln Street and the Metra station. It also includes a new Metra station, along with a reconfigured parking lot that takes advantage of the buildable frontage along W. 170th Street. The neighborhood concept includes new small single-family homes and townhomes on vacant lots along residential streets including Wood Street, Jordan Avenue, and Lincoln Street. Several larger sites are planned for courtyard-style cottage homes.

Figure 26: Hazel Crest Metra Station Concept Map



- Walkable mixed-use corridor
- Key intersection
- Neighborhood infill development and rehabilitation

URBAN DESIGN FOCUS AREAS

Figure 27: Metra Station Area Concept



RECOMMENDED STRATEGIES

Having carefully analyzed Hazel Crest's current and projected housing situation and having reviewed the Village's well-thought Comprehensive Plan, a number of sensible and achievable future housing strategies arise, strategies which can help Hazel Crest build on its assets and strengthen its role within the South Suburbs:

Prioritize infill development along key corridors and at important intersections. At a time when governmental resources for housing are diminishing, the Village should focus on prime private sector development opportunities which exist in several areas where there are large undeveloped tracts of land or where there are many infill lots:

- W. 170th Street near the Metra station presents a strong opportunity for mixed-income transit-oriented development in the subregion. We recommend further market analysis for this area in particular.
- A large vacant parcel along W. 167th Street could include both destination retail and housing units in a walkable design.
- The intersection of W. 175th and Kedzie Avenue is the proposed site of the village center in the 1977 Hazel Crest Comprehensive Plan. While currently dominated by low-intensity, auto-oriented uses, this intersection is well-located and could be transformed into a more compact, pedestrian-friendly hub.
- The commercial strip along W. 183rd Street west of Kedzie Avenue presents an opportunity to increase pedestrian connectivity between nearby neighborhoods and existing retail amenities and, longer term, to create mixed-use development.

Initiate housing rehabilitation on a meaningful scale in older parts of the village, most notably the neighborhoods near the village's Metra Station.

In the opening essay in this report, we suggest a subregional effort to create significant housing



Advocate South Suburban Hospital is one of the village's largest employers and provides an opportunity for an employer assisted housing partnership.



Infill development can encourage a more walkable, vibrant neighborhood.

rehabilitation management and resource capability in the south suburbs. If such capability is created, Hazel Crest should aggressively avail itself of such resources and revitalize key sections of the village.

Proactively improve distressed properties and increase standards for absentee landlords. The Village has a known challenge related to distressed properties and absentee landlords. Hazel Crest's large-scale rehabilitation and revitalization efforts will be difficult to achieve without addressing these properties. We recommend first that the Village use data to closely track both foreclosures and investor-owned homes. Then, along with strictly enforcing Hazel Crest's property maintenance code, the Village can adopt several proactive best practices: offering grants or tax credits to encourage homeowners to occupy properties; partnering with non-profits to transform foreclosed properties into quality entry-level homeownership opportunities; encourage non-profits to offer lease-purchase

RECOMMENDED STRATEGIES

agreements; providing financial incentives to private or nonprofit developers with successful track records to acquire and rehabilitate homes for homebuyers or renters; and providing training or financial assistance to “mom and pop” landlords who are trying to keep their properties in good condition.¹

Expand the housing options for seniors. The Village’s Comprehensive Plan identifies a lack of housing for seniors. Today the Waterford Estates complex provides a 254 unit mix of independent and assisted living for Hazel Crest’s seniors. The Imperial of Hazel Crest is the village’s only nursing home. There are opportunities to incorporate both market-rate and affordable housing for seniors as described in the focus areas.

Work with the Chicago Southland Housing and Community Development Collaborative (Housing Collaborative) and Metropolitan Planning Council to create and expand employer-assisted housing partnerships with major village employers. The village has several major employers, including Advocate South Suburban Hospital and MI-JACK, that could be partners in an Employer Assisted Housing program.

Promote energy efficiency retrofits. The Village, in conjunction with the Housing Collaborative, should work to connect local developers and property owners with the many energy efficiency programs available in Hazel Crest. The State of Illinois and Cook County have programs that provide energy efficiency funding for single-family homes and affordable and market-rate multi-family buildings. Energy Impact Illinois is an alliance of CMAP, local utilities, governments, and non-profit organizations that is working to retrofit the region’s building stock. The Illinois Energy Efficient Affordable Housing Construction program serves affordable housing developers. The Cook County Energy Savers provides incentives for owners of multi-family rental buildings with five or more units.

¹ <http://www.nwaf.org/FileCabinet/DocumentCatalogFiles/Other/PolicyLink%20When%20Investors.pdf>.

Adjust parking requirements in zoning to allow for more urban-style development. Hazel Crest’s current zoning code could be optimized to encourage more Main Street-style buildings. The Village’s current parking standards for multiple-family dwellings are a minimum of 1.5 spaces per unit for studios or one-bedroom units, and 2 spaces per unit for two-bedroom units. A minimum standard that would be more suitable for walkable neighborhoods would be 1 parking space per unit. Developers could certainly choose to offer more parking than the minimum, but a lower minimum parking requirement would offer flexibility to create compact development.

Reduce the minimum lot sizes in several residential zones to allow for compact housing development. The University of Utah’s Dr. Arthur C. Nelson, among other experts, predicts national demand for homes on lots below 5,000 square feet will soar in the coming decades. To meet this demand, the minimum lot size for Hazel Crest’s R-1 zone should be reduced to 5,000 square feet (from 7,200); and the minimum lot size in the R-2 zone should be reduced to 3,500 square feet. Additionally, the allowable densities in the R-3 zone (currently between 6.2 and 14.5 units/acre) should be increased several-fold in order to encourage desirable new forms of infill development.

Utilize available state and federal resources to stabilize the village’s housing. The Housing Collaborative has been doing excellent work helping communities apply for funding programs. While the current outlook for state and federal housing programs is bleak, it is likely that new governmental programs focused on housing will appear in the near-term future. It is important that Hazel Crest continue to participate in the Housing Collaborative, and the Village should carefully categorize its future housing and development needs. A preferred method for doing this will be using a housing investment prioritization tool being jointly developed by the Housing Collaborative and CMAP.

CONCLUSION

Hazel Crest has a strong future ahead. It has a solid base of moderately priced housing and several major employers. Its biggest opportunities exist in rehabilitating this existing housing stock, while also encouraging infill development around the Metra Station area and along key corridors. The strategies in this report are first steps towards Hazel Crest's future ambitions.



HOUSING POLICY PLAN LANSING

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING

PROJECT SUMMARY

Like several other moderate to middle-income communities in Chicago's southern suburbs, Lansing has a number of strategic advantages – its location near major transportation thoroughfares, a municipal airport that is in the midst of expansion, its available work force, and its affordable workforce housing – and one key challenge – overcoming the business tax advantages of neighboring communities to the east and to the south. Lansing, like most other Chicago area communities, also is trying to deal with a foreclosure crisis that is impacting several of its neighborhoods.

On the positive side, Lansing has clear cut opportunities to stabilize and upgrade its neighborhoods via multi-year housing rehabilitation programs as well as opportunities to rejuvenate its commercial corridors and expand economic development near its municipal airport. In general, we see opportunities to continue implementing Lansing's 1995 Comprehensive Plan, which envisions a community with “a more pedestrian friendly environment,” one which maintains “the integrity of neighborhoods” and offers “a range of housing types... for the changing lifestyles of Lansing's residents with an emphasis on increasing homeownership within the community.”

Our recommendations are focused primarily on the housing component of Lansing's future. We suggest that Lansing:

- **Actively plan to rehabilitate its neighborhoods with aging housing stock. To have an impact, rehabilitation needs to impact a significant number of homes in each neighborhood.**
- **Continue to work with other south suburban communities on regional efforts to minimize the impact of the current foreclosure crisis.**
- **Focus on infill development on and near Ridge Road.**
- **Create the kind of housing which will attract younger populations to the village as well as retain its older residents.**
- **Encourage housing in new large scale retail redevelopments, like the Lansing Square Mall.**
- **Adjust zoning to allow desirable types of development.**



Lansing has invested in streetscape improvements and now has a vacant opportunity site near Ridge Road in the downtown area.



Townhomes are an important housing type that will help Lansing move toward its goal of offering “a range of housing types...for the changing lifestyles of Lansing's residents...”

EXISTING CONDITIONS

Demographic and Economic Trends

Lansing is located in southern Cook County, bordering Calumet City to the north; Munster (IN) and Hammond (IN) to the east; and Glenwood and Thornton to the west. Lansing has a population of 28,331, which has not increased since the 2000 Census, but could grow again with new regional development if the Chicago Metropolitan Agency for Planning (CMAP) GO TO 2040 Plan is successfully implemented.

Lansing's population is about 59% white and 32% African-American. The median household income (MHI) is \$53,178, and the mean household income is \$60,573. About 10.6% of individuals live below the poverty line.¹

The employment base in Lansing is dominated by sales and office occupations (30.5% of jobs) and management, professional and related occupations (29%), with service (16%), production, transportation and material moving (15%) and construction occupations making up the balance of jobs.² Of all employees who work in Lansing, the largest segment (or 12.3%) also lives in the village. However, nearly as many (11.5%) travel from Chicago. Lansing's workforce comes from many jurisdictions, often travelling across the state line from communities in northwest Indiana including Hammond, Munster and Schererville.

Over one-quarter of Lansing's residents commute to Chicago for work, while 11% of Lansing residents also work in the village. Nearby communities of South Holland, Calumet City, and Indiana cities of Munster and Hammond are also employment destinations. The average commute time is over 30 minutes according to American Community Survey data.

1 U.S. Census. American Community Survey.*

2 U.S. Census. American Community Survey.

* Note: Unless otherwise stated, all U.S. Census American Community Survey reflects 2005-2009. Additional detail regarding methodology is available on pages 93-96.

Figure 28: Lansing's Population and Household Forecast

	2010*	2030 [†]	% change
Population	28,331	29,611	5%
Households	10,957	11,919	9%

Source: *U.S. Census 2010 and [†]Chicago Metropolitan Agency for Planning

Figure 29: Where Do Lansing's Workers Live?

City/Town	Percent of Workforce
Lansing	12.3%
Chicago	11.5%
Hammond, IN	4.8%
Munster, IN	3.5%
Calumet City	2.1%
Schererville, IN	1.7%
Dyer, IN	1.4%
Highland, IN	1.4%
South Holland	1.4%
Lynwood	1.3%
All Others	58.6%

Figure 30: Where Do Lansing's Workers Live?

County	Percent of Workforce
Cook County, IL	49.30%
Lake County, IN	19.60%
Will County, IL	7.10%
LaSalle County, IL	3.60%
All Other	20.4%

Figure 31: Where Do Lansing's Residents Work?

City/Town	Percent of Workforce
Chicago	27.7%
Lansing	11.1%
South Holland	3.9%
Munster, IN	3.6%
Hammond, IN	2.6%
Calumet City	2.2%
Harvey	2.0%
Chicago Heights	1.7%
Orland Park	1.1%
Tinley Park	1.1%
All Others	43%

Figure 32: Where Do Lansing's Residents Work?

County	Percent of Workforce
Cook County, IL	71.0%
Lake County, IN	11.6%
Will County, IL	4.3%
DuPage County, IL	3.9%
All Other	9.2%

Source for Figures 29-32: U.S. Census - 2009 Longitudinal Employer-Household Dynamics

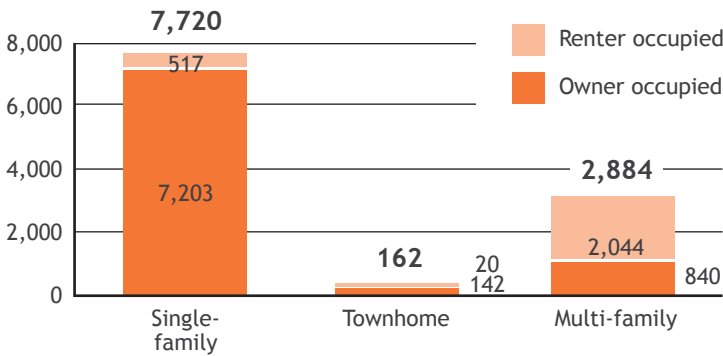
CURRENT HOUSING ANALYSIS

Lansing’s housing today is characterized by a mix of single-family homes and multi-family dwellings with very few townhomes. Its high number of small-lot single-family homes and ownership multi-family (over 800 condos) are both notable, as is its high percentage of renter-occupied housing units (27.9%). Though Village staff and leadership have expressed concern that the stock of small single-family homes is functionally obsolete and its rental product aging, we see an opportunity to spur a bulk retrofit/rehabilitation program that transforms many of these homes, condos, and multi-unit structures into affordable, yet more modern products that retain affordability. Lastly, there is substantial income disparity between the village’s renters and owners.

WHAT IS “AFFORDABLE HOUSING”?

- While varying from household to household, “affordable housing” is housing that costs no more than 30% of household income (including utilities, insurance and taxes).
- If family transportation costs are included (housing costs plus transportation costs), then “affordability” jumps to 45% of household income.

Figure 33: Housing Type by Tenure



Source: U.S. Census American Community Survey

Figure 34: Renter Housing Affordability

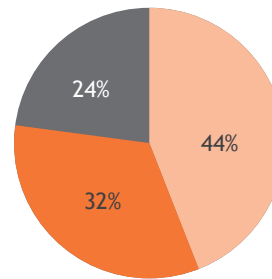
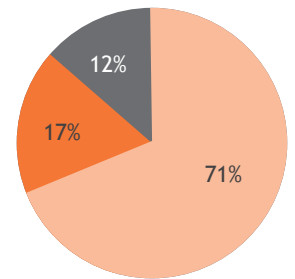


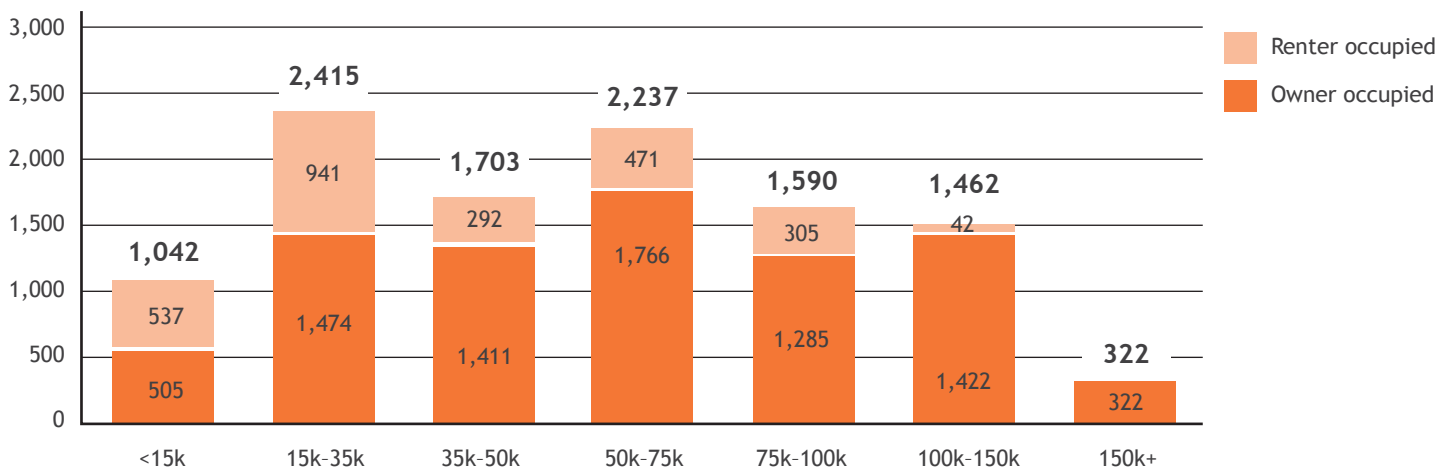
Figure 35: Owner Housing Affordability



Affordable
Unaffordable
Severely Unaffordable

Source: U.S. Census American Community Survey and Fregonese Associates analysis

Figure 36: Tenure by Household Income



Source: U.S. Census American Community Survey

CURRENT HOUSING ANALYSIS

Current Ownership Housing

The majority of Lansing’s owner-occupied homes, primarily single family and condos, are affordable to those earning under \$75,000 per year. This housing stock meets the needs of most of the village’s owners with 71% living in housing that is affordable to them (See Figure 37). Additionally, while the village has about 1,700 households earning over \$100,000 per year, there is very little high-end housing stock. The data suggests that many of these households are choosing to live in Lansing and to spend considerably less than 30% of their incomes on housing. However, the Village should continue to address the foreclosure problem, which plagues similar communities across the region.

Current Rental Housing

Lansing faces disparities between the village’s renters and owners – the village’s owners earn over twice the median household income of its renters, who predominantly live in multi-family housing. Only about 44% of these renters are living in housing that is affordable to them – spending less than 30% of their incomes on housing costs (see Figure 38). The rest of Lansing’s renters face budget stress caused by excessive spending on housing. Most notably, 24% of Lansing’s renters pay more than 50% of their income on housing costs. While Lansing’s renters come from across the income spectrum, including over 300 households earning over \$75,000, about 239 families (8.5% of the rental households) are receiving Illinois Housing Choice Vouchers.¹ Meeting the needs of low income households will be a future challenge for Lansing.

Figure 37: Lansing’s Owners’ Incomes and Housing Costs Compared

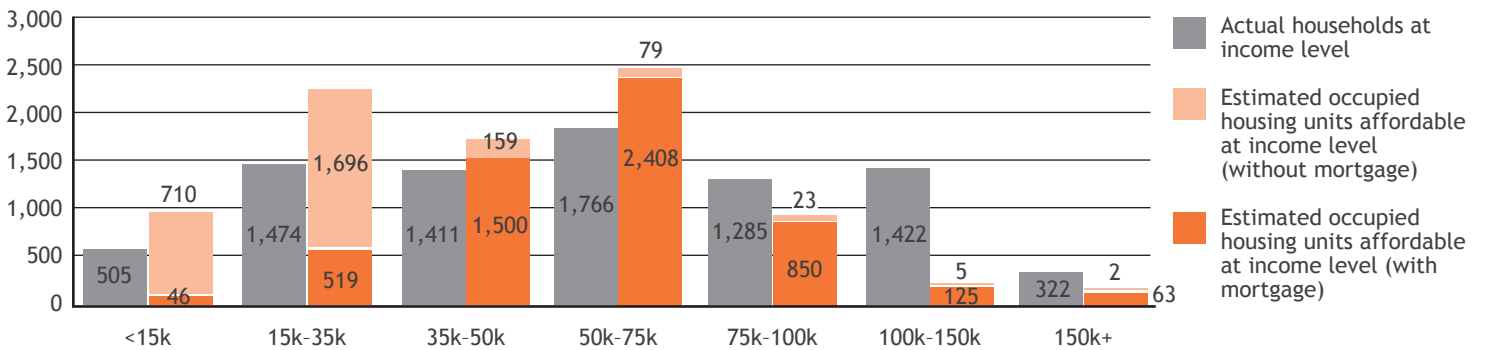
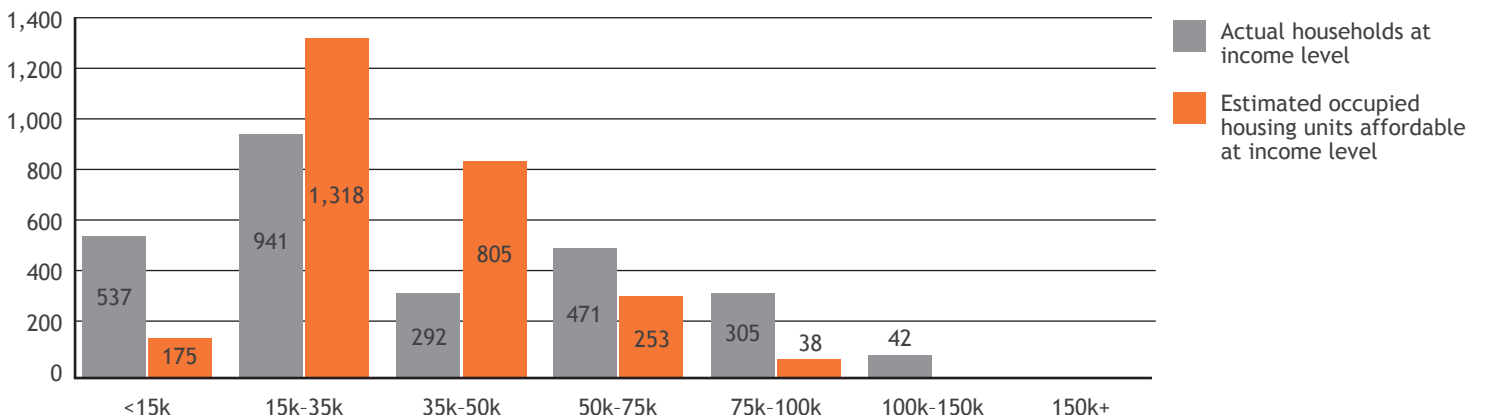


Figure 38: Lansing’s Renters’ Incomes and Housing Costs Comparison



Source for figures 37 and 38: U.S. Census American Community Survey and Fregonese Associates analysis

¹ Illinois Assisted Housing Action Research Project (IHARP) Subsidized Housing Database; Chicago Area Fair Housing Alliance (CAFHA) 2003.

CURRENT HOUSING ANALYSIS

Today’s Market Segments and Market Preferences

We used analytical tools developed by a well-known national market research firm, Nielsen, to try and gain a better understanding of the housing types preferred by families that live in Lansing today. Nielsen’s Claritas PRIZM consumer segmentation system combines demographic, consumer behavior, and geographic data to help marketers, including those selling new or existing housing, identify, understand and target their customers and prospects. It defines every U.S. household in terms of 66 demographically and behaviorally distinct types, or “segments,” to help marketers discern consumers’ likes, dislikes, lifestyles and purchase behaviors. PRIZM segments are memorably named and summarize complex consumer profiles in a way that is intuitive and easy to communicate.

We have identified five life stage segments which comprise over three-quarters of Lansing’s population today and reflect the likely housing preferences of Lansing’s future residents: **Cautious Couples; Young Accumulators; Conservative Classics; Mainstream Families; and Young Achievers**. As Figure 39 shows, the village’s largest life stages range from older retirees with low propensities for compact neighborhoods to young, ambitious households interested in lively



Lansing’s “Mainstream Families” have moderate incomes, children living at home and a medium propensity for more compact housing in walkable neighborhoods.

urban environments. Of these, the most promising segment for infill development in downtown Lansing is the “Young Achievers” group. These are young, single residents with moderate to high incomes and an interest in a walkable lifestyle. The types of housing that this demographic will prefer will likely include a mix of condos and apartments. Additionally, two of the middle-aged and older segments (“Cautious Couples” and “Mainstream Families”) have at least a medium propensity for walkable neighborhoods. For the households that choose not to “age in place,” it will be important to development new or rehabilitate existing townhomes and small single-family homes near services like grocery stores and medical offices.

Figure 39: Lansing’s Market Segments

Market Segment with Claritas Descriptor	Broad Demographic	% of Current Households	Propensity for Walkable Neighborhoods
Cautious Couples	\$10-50K income, age 55+ without children	19.6%	Medium
Young Accumulators	\$30-75K income, age 25-45 with children	19.4%	Low
Conservative Classics	\$50-75K income, age 55+ without children	18.8%	Low
Mainstream Families	\$30-75K income, age 30-55 with children	9.7%	Medium
Young Achievers	\$30-100K income, age 20-30 without children	8.8%	High

Source: 2009 Claritas PRIZM data and Fregonese Associates analysis

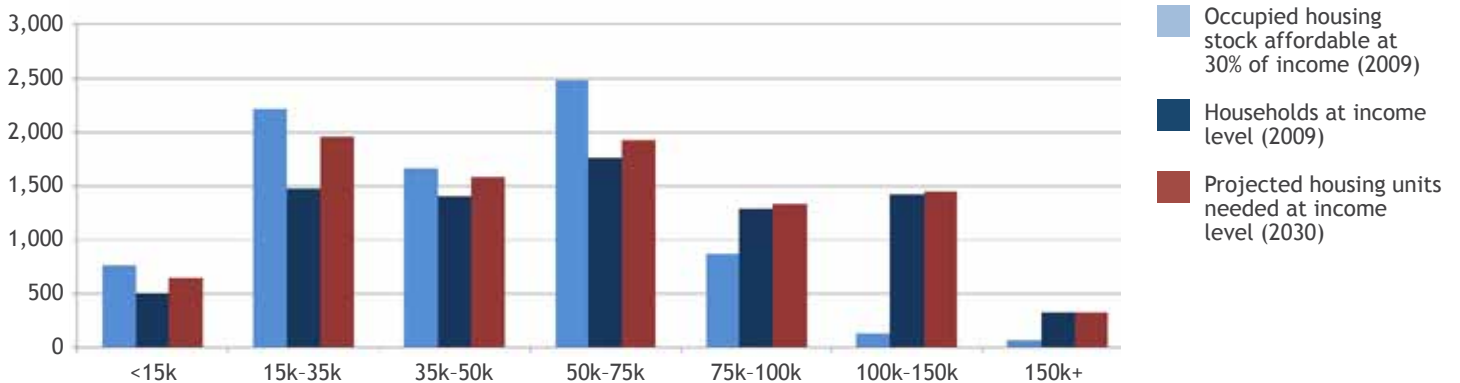
PROJECTING FUTURE HOUSING NEEDS

From Census data we have information on Lansing’s current stock of owner-occupied and rental housing units as well as the number of households in the village. From CMAP data we have projections on the village’s population and households by the year 2030 (see Figure 28). From the State of Illinois, we have age projections for Cook County in 2030. Mixing this information with the Claritas PRIZM market segment data mentioned above, we can make some realistic guesses as to the kinds of housing the village will need to meet the needs of its population by 2030.

Future Ownership Needs

Lansing needs to make sure that its existing stock of moderate to middle-income owner-occupied housing remains in good condition and, in many instances, is enhanced to meet the needs of its households earning more than \$75,000 per year. A well thought through multi-year rehabilitation program can accomplish these goals. If Lansing’s population modestly grows over the next two decades, then there will be a need for new housing as well, most notably housing for more upper income families. We believe that easy to maintain townhomes and condominiums will be especially attractive to them.

Figure 40: 2009 Owner Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

Future Rental Needs

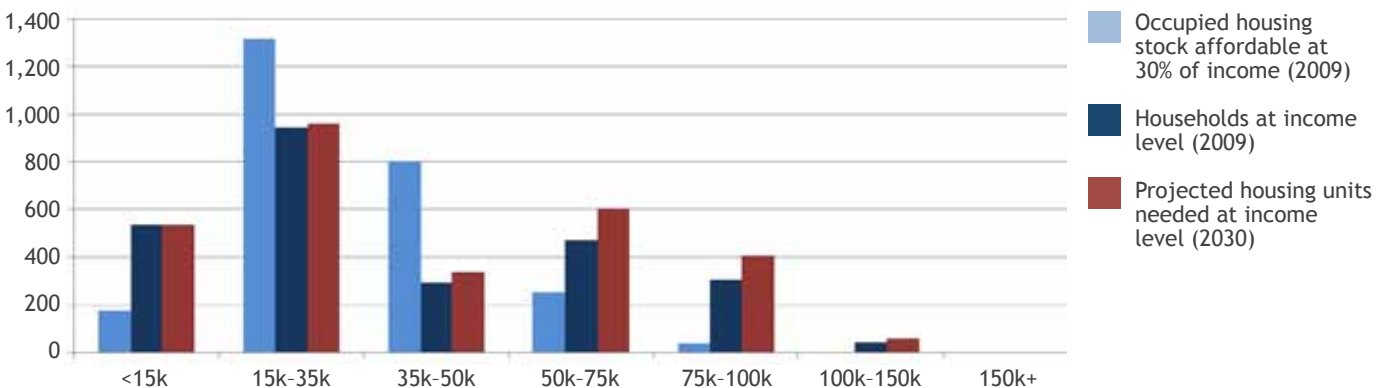
As Figure 41 shows, Lansing has the biggest mismatch at the low-end of the spectrum for those earning at or under \$15,000 per year. Most of these households are spending considerably more of their incomes on rental housing, since most of the rental units today are better matched for households earning closer to \$35,000 per year. These are units that cost between about \$800 and \$1,000 per month. In the future, it will be critical for the Village to maintain the quality of existing rental housing through ongoing rehab, and to upgrade some of it to serve the rental needs of middle-income families, as is the case with similar owner-occupied housing.



Mixed-use development can be an attractive development type for adding new rental and senior housing to Lansing's downtown.

Lansing will also need to plan for additional affordable senior housing. It makes sense to locate new senior housing in areas served by public transit which also have convenient retail stores meeting everyday family needs. We believe there will be opportunities to build mixed-income rental housing, especially in areas served by mass transit. Pace Suburban Bus Route 355 connects Lansing with the Hegewisch Train Station and runs along Ridge Road; Metra's proposed Southeast Service Line, planned with stops in neighboring South Holland and Thornton, could offer residents more options to access employment centers. The area around Ridge Road should be a key area for any new mixed-income infill housing.

Figure 41: 2009 Renter Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

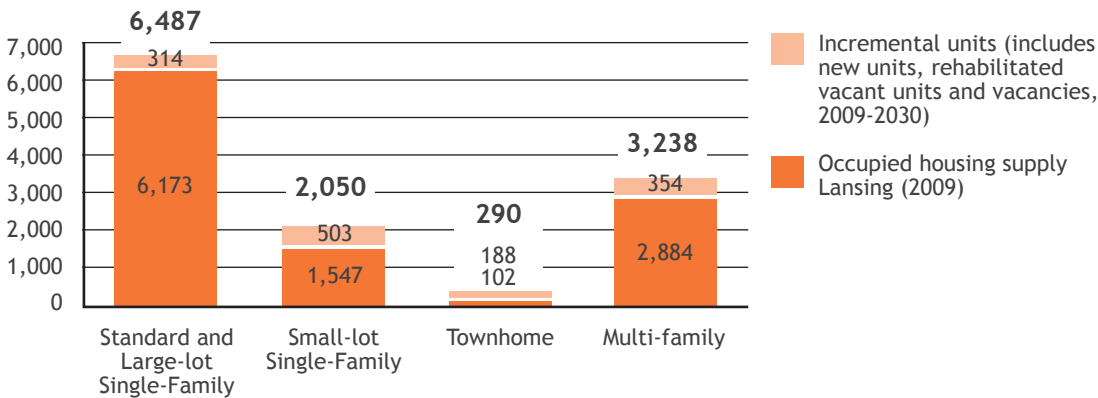
Combined Housing Needs

When we combine our projections for new owner-occupied and rental housing in the future, we get a clearer picture of the types of housing the village will need. What emerges (see Figure 42) is a “balanced housing” profile with about 1,360 new units and vacant units that have been renovated – including compact, yet well-designed, single-family homes along with a lesser amount of standard single-family homes, townhomes and multi-family dwellings.



Detached, compact, homes will be an important component of Lansing’s future balanced housing profile.

Figure 42: Future Balanced Housing



Source: U.S. Census American Community Survey and Fregonese Associates analysis



PROJECTING FUTURE HOUSING NEEDS

Prototype households

In order to illustrate the housing needs of Lansing’s future residents and workers, we created several prototypical households. These hypothetical households were based on the village’s estimated median household income (MHI) of \$53,178¹ and leading employment sectors. Using a cross tabulation of Census data, the likelihood that family would own or rent a dwelling was estimated based on the age of the head of the household and overall household income. Generally, as households age and earn higher incomes, their likelihood of owning increases.

¹ U.S. Census American Community Survey

Prototypical Lansing Households and Preferences



50% MHI

\$26,589

Senior

65+ years old

Retired,
fixed income

RENT

\$665/month
17% likelihood

PURCHASE

\$88,000
83% likelihood

80% MHI

\$42,542

Couple

25-44 years old

Restaurant worker; Retail
salesperson

RENT

\$1065/month
25% likelihood

PURCHASE

\$142,000
75% likelihood

100% MHI

\$53,178

Family

25-44 years old

Teacher;
Medical assistant

RENT

\$1,330/month
31% likelihood

PURCHASE

\$179,000
69% likelihood

120% MHI

\$63,814

Family

45-64 years old

Registered nurse;
Manufacturing

RENT

\$1,595/month
27% likelihood

PURCHASE

\$215,000
73% likelihood

Source: Fregonese Associates based on U.S. Census American Community Survey data and FAB Housing Affordability Calculator at 8.1% mortgage interest rate (based on historical rates)

HOUSING CAPACITY

Capacity Analysis

During our capacity analysis we found that Lansing does not have the housing capacity to meet its CMAP population forecast under its existing zoning regulations. The village has the capacity for approximately 980 new dwelling units, compared with its forecasted growth of about 1,000 households by 2030 (see Figures 42 and 45). However, since we expect that the village could meet much of this future growth by rehabilitating its existing stock of vacant units, we expect that Lansing only needs about 500 newly constructed units.

Although Lansing’s capacity could capture its potential growth, our analysis also showed that the village’s capacity could be better-matched with its future demand. The primary mismatch is that almost one-half of the village’s capacity is for standard and large-lot single-family homes, while we expect only about a fifth of the demand will be for these types. However, as household sizes decrease and the population ages, Lansing can align its zoning to meet the needs of many of these prospective residents by allowing more small-lot single-family homes. In terms of townhomes and multi-family, Lansing’s capacity should be adequate to meet its future demand.

There are several opportunity areas and specific sites that the Village could leverage to match its capacity with future demand. First, there is a strong interest in “Main Street” style development in the downtown area along Ridge Road, east of Burnham Avenue. Today this area includes a number of surface parking lots, and low density buildings which could be successfully redeveloped into multi-family apartments or condominiums. Second, the area north of Bernice Road and east of Oak Avenue is vacant and platted for single-family development. This could be developed as small-lot single-family or clustered housing. Third, on the west side of the village, there are several large vacant parcels along Thornton Lansing Road that could be developed

as new compact neighborhoods adjacent to the Wampum Lake Woods forest preserve. Additionally, there are a limited number of vacant lots within single-family neighborhoods across the village available for infill development.

Figure 43: Housing Capacity by Zone

Zone	Units
R-1 Single-Family Residential District	209
R-2 Single-Family Residential District	195
R-3 Single-Family Attached Residential District	99
R-4 General Residential District	238
B-1 Local Business District	103
B-4 CBD	136
TOTAL	980

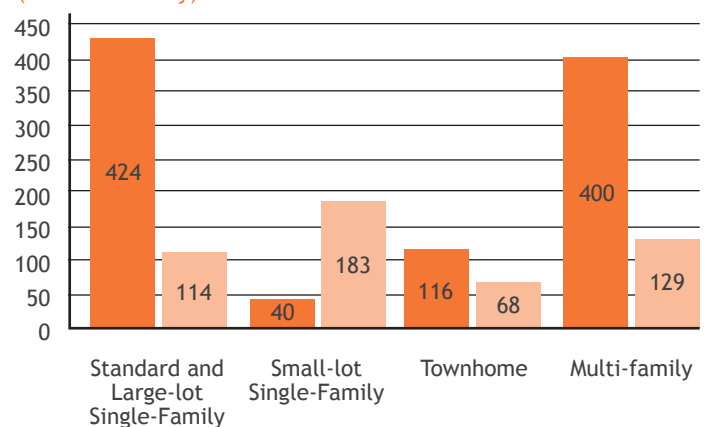
Source: Fregonese Associates

Figure 44: Housing Capacity by Type

Housing Type	Units
Standard and Large-lot SF	424
Small-lot SF	40
Townhome	116
Multi-family	400
Mobile Home/Other	-
TOTAL	980

Source: Fregonese Associates

Figure 45: Comparing Capacity with Future Need (New Units Only)



Source: Fregonese Associates

■ Capacity under current zoning
■ Future need (incremental new units)

SUSTAINABILITY

One of the biggest issues facing the Chicago region, including Lansing, in the future is long-term sustainability. The two biggest energy-using sectors are building energy and transportation energy consumption.

In terms of building sector energy, the Center for Neighborhood Technology (CNT) has analyzed and compared Lansing’s 2007 residential electricity and natural gas use with that of Cook County. Though the village’s mix of electricity and natural gas differs from that of the county, Lansing’s average energy costs per household are over \$300 per year lower than Cook County’s (see Figure 46).

In terms of transportation energy consumption, according to Illinois Department of Transportation travel data, the average Lansing household drove 18,526 miles in 2007, closely comparable with the entire CMAP region’s average of 17,443 miles. Reducing vehicle miles traveled (VMT) will be an important long-term strategy for Lansing. Recent research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled is “by putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”¹ Lansing has an opportunity to incorporate these findings into its future land use actions that focus on creating walkable neighborhoods and increasing employment opportunities within the village.

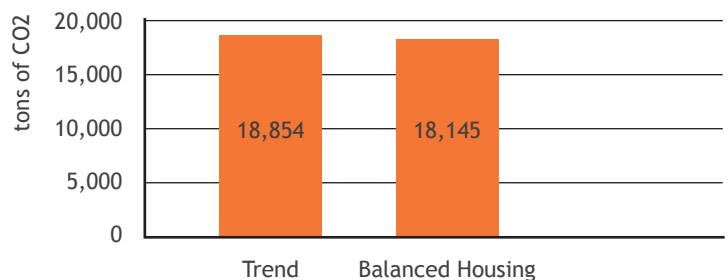
In the Chicago region, 63% of carbon emissions came from energy use in buildings in the form of natural gas and electricity.² In the future, a balanced housing strategy could serve to reduce the community’s building- and transportation-related energy use and carbon emissions. We modeled

Figure 46: Lansing Energy Use Compared with Cook County (2007)

	Lansing	Cook County
Average natural gas use per household	860 Therms	1,130 Therms
Average annual \$ for natural gas	\$764	\$1,274
Average electricity use per household	9,451 KWh	7,692 KWh
Average annual \$ for electricity	\$1,017	\$828
Average annual energy costs	\$1,781	\$2,102

Source: CNT Energy Community Profile

Figure 47: Comparing the Carbon Emissions of Trend Development and Balanced Housing (Annual Emissions from New Housing)



Source: CNT Energy, EIA and Fregonese Associates analysis

the potential greenhouse gas impacts of a trend versus a balanced scenario for Lansing’s future housing development. The trend scenario includes more single-family homes, larger lots, and fewer shared walls. We found that simply implementing balanced housing could reduce the emissions from Lansing’s new housing by about 3.8% (see Figure 47). Additional savings are possible through implementing energy retrofits for existing construction and green building strategies for new construction. Buildings certified by the popular LEED system for green building evaluation have been shown to use 24% less energy than existing buildings of standard construction.³

1 ASCE. Traffic Generated by Mixed-Use Developments -- Six-Region Study Using Consistent Built Environmental Measures. *Journal of Urban Planning*, October 2010.

2 CMAP. The Chicago Region Greenhouse Gas Baseline Inventory and Forecast, July 2009.

3 New Buildings Institute. Energy Performance of LEED for New Construction Buildings. March 2008.

URBAN DESIGN FOCUS AREAS

Design Workshops

During its initial conversations with Village leadership, the Homes project team was asked to consider possible redevelopment and infill opportunities along and near Ridge Road in Lansing's historic downtown. Then, in June 2011, several dozen village residents shared their views on what could be done at a community workshop. Their feedback helped shape the recommendations and designs which appear below.



Community members engaged in a hands-on visioning exercise.



Community participants envisioned a new mixed-use future for Lansing's downtown, centered on Ridge Road.

Ridge Road Area (opposite page)

The Ridge Road area is the historic center of Lansing and benefits from historic buildings, retail establishments, and the Pennsy Greenway and bicycle amenity and connection to the regional Calumet Trail system. Downtown Lansing's retail establishments include hardware, clothing, shoe and merchandise stores, hair salons, restaurants, and specialty shops.

The concept to the right illustrates a townhome and multi-family development on the Village-owned parcel just north of the downtown. This would be an important contributor to supporting renovations and new development along Ridge Road.

URBAN DESIGN FOCUS AREAS

Figure 48: Ridge Road Area Concept



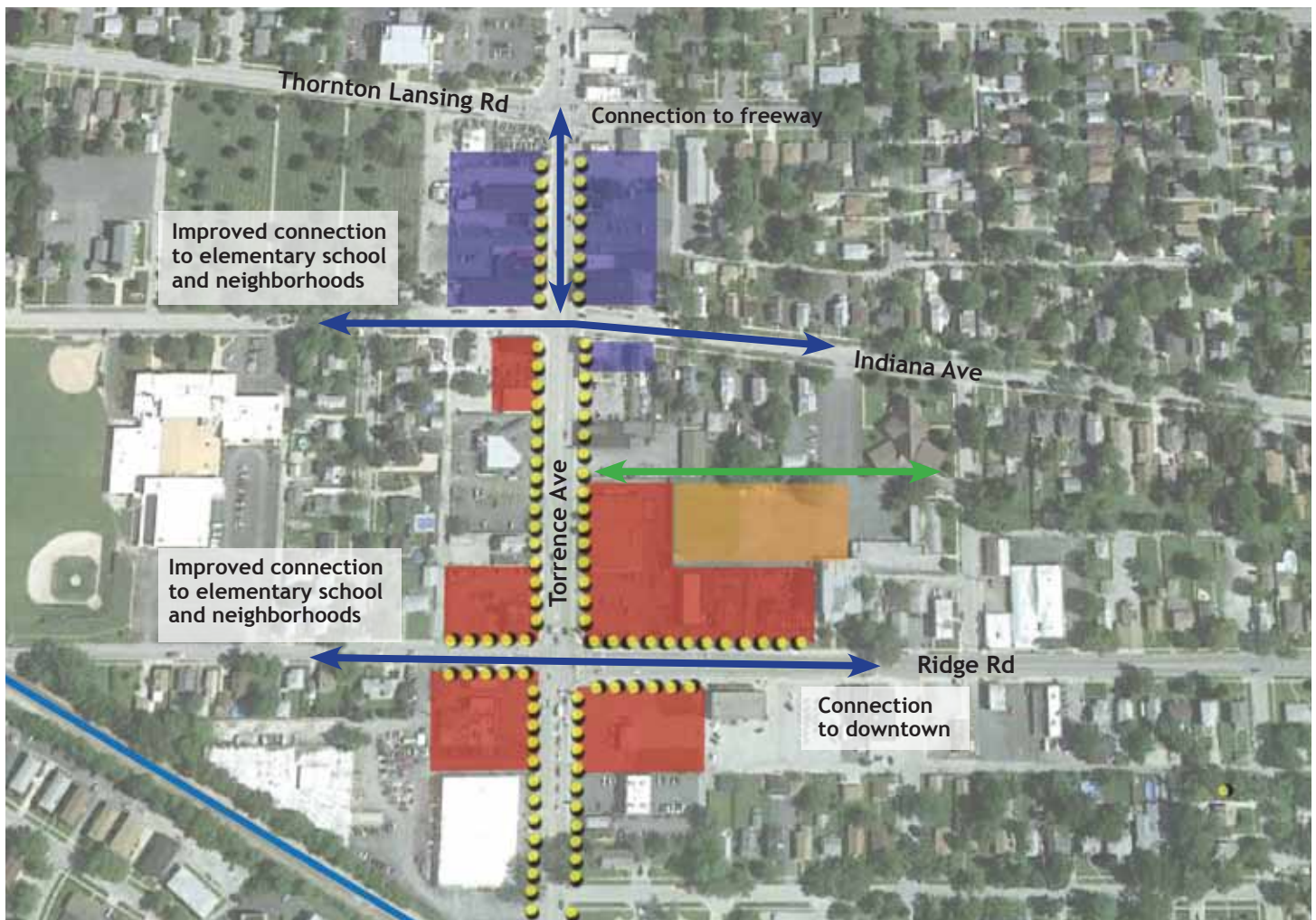
URBAN DESIGN FOCUS AREAS

Torrence Avenue

The Homes project team also created a concept map for Torrence Avenue near Indiana Avenue. This auto-oriented corridor is typical of many in Lansing and throughout the South Suburbs. It also presents an opportunity as a pilot design for reimagining a suburban corridor. This map illustrates a combination of rehabilitating several

existing buildings along with some new mixed-use development. The concept includes reconfigured streetscapes with wide sidewalks, street trees, and some on-street parking. It also includes additional pedestrian connections to the neighborhoods east of Torrence Avenue north and south of Indiana Avenue.

Figure 49: Torrence Avenue Concept Map



- Potential housing development
- Potential mixed-use development
- Preservation and building rehab
- Streetscape improvements along Torrence Ave
- Key connection for autos and pedestrians
- New pedestrian connection

RECOMMENDED STRATEGIES

Having carefully analyzed Lansing's current and projected housing needs, a number of practical and achievable housing strategies have emerged. These strategies can help Lansing expand its competitiveness in the region and strengthen its role within the South Suburbs:

Rehabilitating and retrofitting Lansing's existing stock. The majority of Lansing's future stock is actually its current stock. This means that the Village should continue working with homeowners to rehabilitate and upgrade Lansing's existing single-family and multi-family homes. In the introductory essay to this report, we suggest a subregional effort to create significant housing rehabilitation capability in the SSMMA subregion. Lansing is in a strong position to leverage such a resource in order to revitalize several challenged neighborhoods within the village.

Proactively work through foreclosure crisis. Like many communities in the region, Lansing has experienced a number of foreclosures. The Village has helped publicize foreclosure resources for residents in the Village Vision newsletter, and it is important for the Village to continue working with the SSMMA's Chicago Southland Housing and Community Development Collaborative (Housing Collaborative), the Metropolitan Mayors Caucus and the Metropolitan Planning Council on subregional solutions to this challenge. It is also imperative that the Village continue its building inspection program in order to ensure that vacant homes continue to be maintained.

Target infill development on and near Ridge Road. Downtown Lansing is ripe with potential. Although the area has struggled over the years, this neighborhood reflects an appealing option for both older and younger people who are looking for a walkable neighborhood with small shops, restaurants, and access to the Pennsy Greenway and Calumet Trail system. A revitalized commercial

corridor with a mix of residential, retail, office and other uses will accommodate future growth and support goals established in the village's comprehensive plan. Downtown housing should include high amenity rental housing as well as senior and other affordable housing.



Renovating existing housing stock is a key strategy for the village's future.



Lansing is smartly targeting infill retail and residential development in the village's downtown, along Ridge Road.

RECOMMENDED STRATEGIES

Attract younger populations to Lansing. The village's population is aging. Attracting young singles, couples and families to the Village of Lansing will help create demand for a diverse range of housing options. According to national consulting firm RCLCO, Generation Y (born in the '80s or '90s) is seeking housing and neighborhoods that are walkable, convenient, diverse and balanced.¹ The Ridge Road area is Lansing's best opportunity to create this kind of neighborhood.

Encourage housing in new large scale retail redevelopments, like the Lansing Square Mall.

National trends point toward a shift from single use retail to developments that include retail in a "town square" style, many of which include some housing. Over the next several decades, there is a good chance that large retail sites, like the Lansing Square Mall, will be redeveloped. The village should proactively work with large property owners to encourage vertical or horizontal mixed-use development as part of any redevelopment.

Adjust zoning to allow desirable development

types. In order to allow developers to create more compact, urban forms of development, there are several ways the Village can optimize its zoning code. The R1, R2 and R3 districts have minimum lot sizes for single-family homes that do not permit small-lot single-family (minimum requirements are 8,450 sq ft, 7,150 sq ft and 8,100 sq ft, respectively). The R4 lot area requirements for multi-family housing effectively limit density to no greater than 12.5 units per acre. Multi-family housing or mixed-use residential developments are not currently allowed in the B2 or B3 business districts. The CBD Downtown District is the village's most permissive district in terms of allowing residential development, but the minimum parking requirements of 1 space per bedroom (with a 2 space per unit minimum) make new urban-style development impossible.

CONCLUSION

Though Lansing has struggled at times to attract residents and employers, it has many strong assets on which it can build. It has a diverse, stable housing stock. It has a downtown area with good bones and a large vacant parcel prime for development. It also has citizens, staff and leadership who are eagerly seeking to create opportunities in Lansing. To move forward, the Village needs to focus on rehabilitating its existing housing stock while working with developers to ensure that its new housing furthers the Village's policy goals.

¹ [www.rclco.com/generalpdf/general_Sep2320101200_PCBC-Gen-Y_in_the_marketplace_-_Underwood-6-17-09_\[Compatibility_Mode\].pdf](http://www.rclco.com/generalpdf/general_Sep2320101200_PCBC-Gen-Y_in_the_marketplace_-_Underwood-6-17-09_[Compatibility_Mode].pdf).



HOUSING POLICY PLAN OLYMPIA FIELDS

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING

PROJECT SUMMARY

Olympia Fields is one of the most attractive and prosperous communities in the Chicago metropolitan area. Proud of its successful development to date, the community has actively explored ways it can further enhance the quality of life of its residents and spur positive development in the future.

Like all successful communities, though, the Village faces challenges. Local public school choices for its residents and retail opportunities within the village could be improved through a subregional approach. Its widespread upscale housing and land values have made the development of moderate and middle-income owner-occupied and rental housing difficult, and this limitation of housing choices makes the community less attractive to younger aspiring families and to village seniors who want to move into smaller dwellings yet remain in the community. A final challenge relates to the regional and national economy – the Great Recession has brought hardship to some families within the village, increased foreclosures, and has significantly dampened prospects for development of any kind. The good news here, though, is that the Village has clear cut opportunities to plan for and address these challenges and the progressive leadership necessary to make change happen.

In this report we analyze the Village’s current housing situation and make projections related to future housing needs, projections based on data generated by the Chicago Metropolitan Agency for Planning (CMAP) and a leading market research firm, Nielsen. We consider the village’s “capacity” in terms of available land for development and also focus in on priority development opportunities identified by Village leadership. We then recommend specific actions which can enhance housing opportunities within the village.



image credit: Village of Olympia Fields

Olympia Fields is one of the most attractive and prosperous communities in the Chicago metropolitan area.

These actions include:

- Encouraging new housing types and associated walkable amenities that attract Generation Y and younger families.
- Developing new housing options for seniors.
- Focusing new development on the 203rd and 211th Street Metra Station areas and rezoning them to allow desired types of development.
- Using mixed-use development to diversify the village’s economic base.
- Focusing on energy efficiency retrofits.
- Adding a limited mix of rental housing.
- Continuing to collaborate with neighboring communities.

EXISTING CONDITIONS

Demographic and Economic Trends

Olympia Fields is a village in southern Cook County between Matteson and Chicago Heights. It has a population of 4,988 according to the 2010 U.S. Census, a decrease of 5.4% since 2000. CMAP projects, however, that the population of the village could rise to 6,674 by 2030, if CMAP's GO TO 2040 Plan is implemented (see Figure 50).

Olympia Fields is a majority African-American community. The 2010 Census indicates that approximately 69.5% of residents are African-American, 25.3% are white, 2.3% are Asian, and 1.9% are of two or more races. Approximately 2.5% of village residents are Latino or Hispanic of any race. Median household income was estimated at \$90,298 according to the 2005-2009 American Community Survey, making Olympia Fields one of the Chicago region's high income communities. Approximately 97% of village residents age 25 or older have completed high school, and 51% have a bachelor's degree or higher. At the same time approximately 7% of households were classified as living in poverty.

Very few workers employed in Olympia Fields also live in the village. A little less than 1 in 10 commutes from Chicago (see Figure 51). Olympia Fields also draws workers from the nearby communities of Park Forest, Chicago Heights, and Homewood. Alternately, more than 98% percent of residents living in Olympia Fields travel outside the village to work. Over 34% of residents commute to Chicago. Chicago Heights, Matteson, Harvey and Tinley Park are also commute destinations. Employment is dispersed, and no other jurisdiction save Chicago employs more than 5% of Olympia Fields' residents. The average commute time is 30 minutes or more according to the most recent American Community Survey estimates.

Figure 50: Olympia Fields' Population and Household Forecast

	2010*	2030†	% change
Population	4,988	6,674	34%
Households	1,951	2,452	26%

Source: *U.S. Census 2010 and †Chicago Metropolitan Agency for Planning

Figure 51: Where Do Olympia Fields' Workers Live?

City/Town	Percent of Workforce
Chicago	8.2%
Park Forest	5.0%
Chicago Heights	4.6%
Homewood	4.3%
Tinley Park	2.9%
Frankfort	2.7%
Richton Park	2.3%
Matteson	2.3%
Orland Park	2.1%
Olympia Fields	1.8%
All Others	63.9%

Figure 52: Where Do Olympia Fields' Workers Live?

County	Percent of Workforce
Cook County, IL	61.7%
Will County, IL	18.2%
Lake County, IN	6.2%
DuPage County, IL	3.1%
All Others	10.8%

Figure 53: Where Do Olympia Fields' Residents Work?

City/Town	Percent of Workforce
Chicago	34.1%
Chicago Heights	4.8%
Matteson	3.2%
Harvey	2.6%
Olympia Fields	1.8%
Tinley Park	1.5%
Homewood	1.4%
Joliet	1.2%
Orland Park	1.2%
Park Forest	1.2%
All Others	46.8%

Figure 54: Where Do Olympia Fields' Residents Work?

County	Percent of Workforce
Cook County, IL	75.8%
Will County, IL	7.0%
DuPage County, IL	5.4%
Lake County, IN	3.3%
All Others	8.5%

Source for Figures 51-54: U.S. Census - 2009 Longitudinal Employer-Household Dynamics

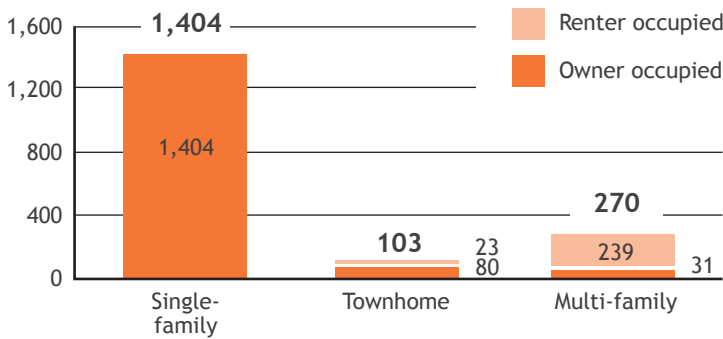
CURRENT HOUSING ANALYSIS

Olympia Fields is a community of mostly large-lot owner-occupied single-family homes (see Figure 55). To a more limited extent the village has some sizable duplexes and townhomes. The village has very few multi-family homes, and most of what exists is currently senior housing. Though there are discrepancies between the American Community Survey data and the Village’s rental registry, the conclusion remains that there is little rental housing in Olympia Fields.

WHAT IS “AFFORDABLE HOUSING”?

- While varying from household to household, “affordable housing” is housing that costs no more than 30% of household income (including utilities, insurance and taxes).
- If family transportation costs are included (housing costs plus transportation costs), then “affordability” jumps to 45% of household income.

Figure 55: Housing Type by Tenure



Source: U.S. Census American Community Survey*
 * Note: Unless otherwise stated, all U.S. Census American Community Survey reflects 2005-2009. Additional detail regarding methodology is available on pages 93-96.

Figure 56: Renter Housing Affordability

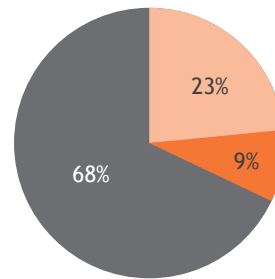
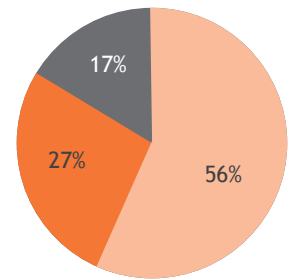


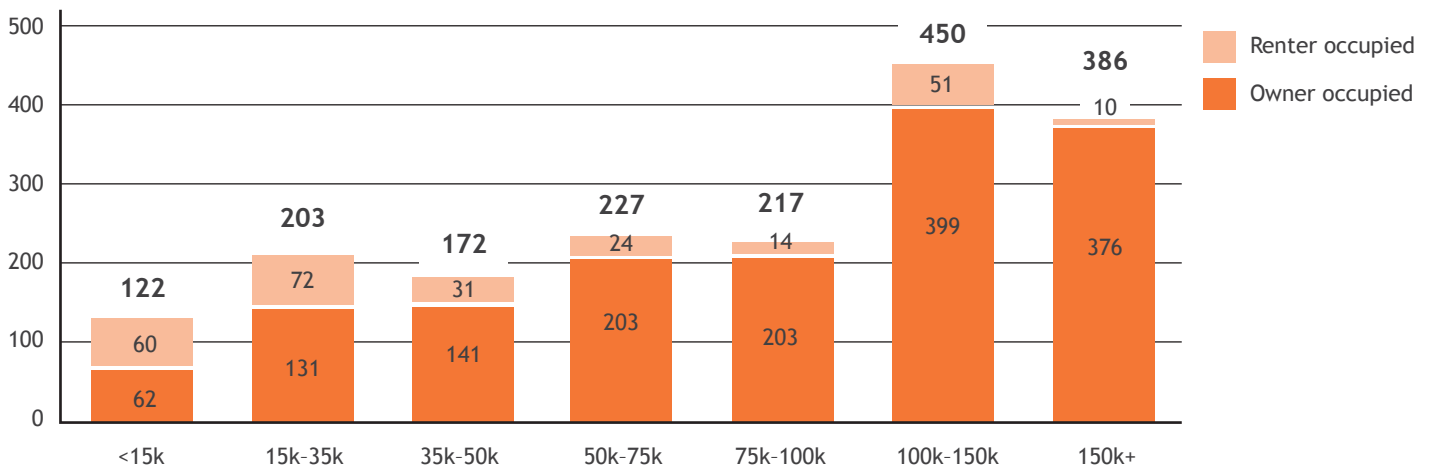
Figure 57: Owner Housing Affordability



Affordable
 Unaffordable
 Severely Unaffordable

Source: U.S. Census American Community Survey and Fregonese Associates analysis

Figure 58: Tenure by Household Income



Source: U.S. Census American Community Survey

CURRENT HOUSING ANALYSIS

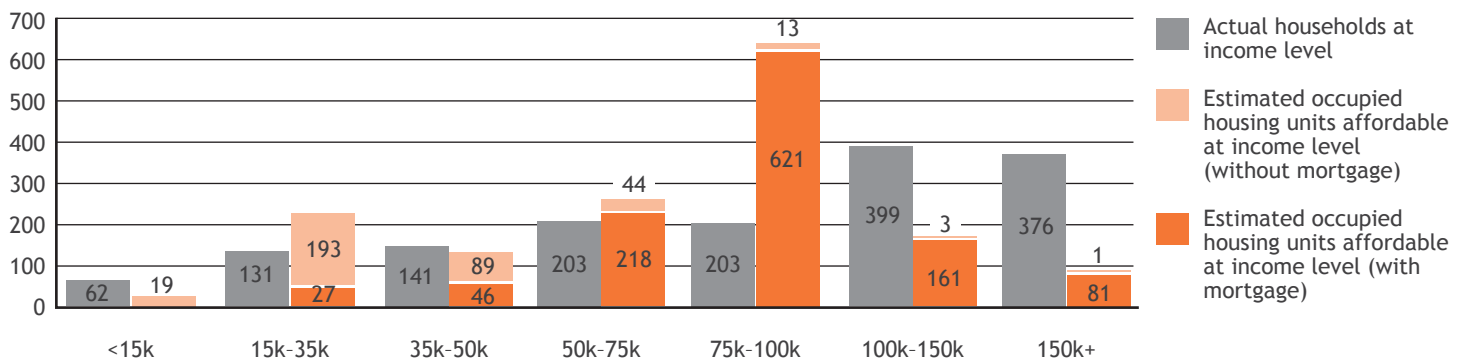
Current Ownership Housing

The vast majority of the village’s housing is owner-occupied, and most of this is single-family affordable to middle-income households (see Figure 59). During the research for this project, we spoke with several people who emphasized that Olympia Fields is one of the best values in the region in terms of high-end ownership housing; however, recent Census data suggests that only about 56% of owners live in housing that is affordable to them (housing which costs less than 30% of household income to live in). This finding suggests that programs to reduce overall housing costs, such as energy efficiency retrofits, would be beneficial to many village families.

Current Rental Housing

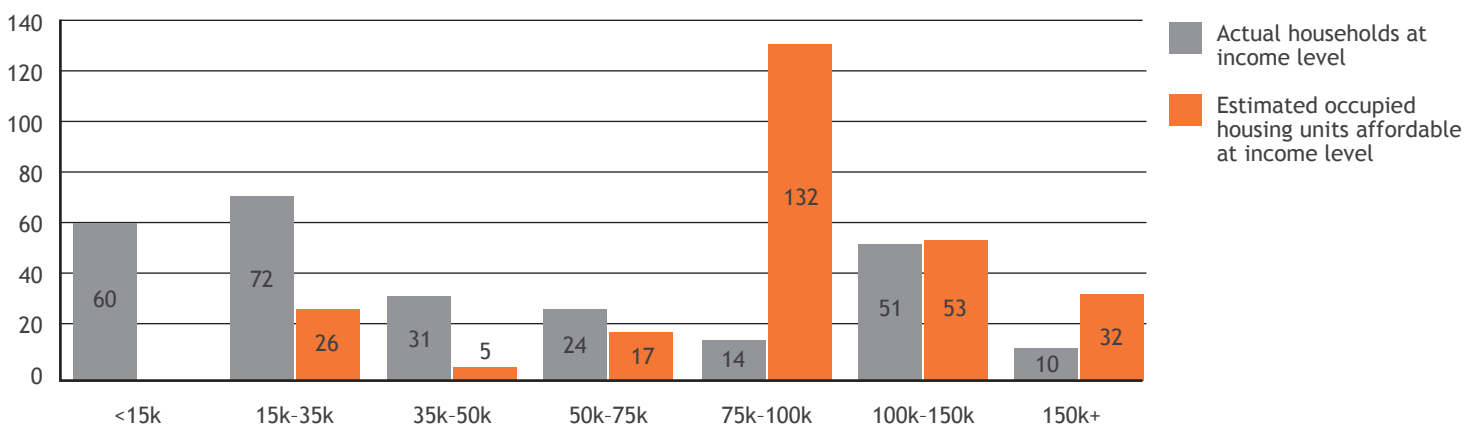
Olympia Fields has very little rental housing, less than 20% of its total stock, according to 2009 American Community Survey data and Village estimates (see Figure 58). Most of this is traditional rental housing and is occupied by seniors. There are, though, some single-family homes that are being rented to families. Those families or individuals that do rent are more often than not paying more than 30% of their income for housing and face some degree of financial stress (see Figure 60). We suspect that many of these people are seniors who want to remain in the village even if more affordable rental units are available elsewhere.

Figure 59: Olympia Fields’s Owners’ Incomes and Housing Costs Compared



Source: U.S. Census American Community Survey and Fregonese Associates analysis

Figure 60: Olympia Fields’s Renters’ Incomes and Housing Costs Compared



Source: U.S. Census American Community Survey and Fregonese Associates analysis

CURRENT HOUSING ANALYSIS

Today’s Market Segments and Market Preferences

We used analytical tools developed by a well-known national market research firm, Nielsen, to try and gain a better understanding of the housing types preferred by families that live in Olympia Fields today. Nielsen’s Claritas PRIZM consumer segmentation system combines demographic, consumer behavior, and geographic data to help marketers, including those selling new or existing housing, identify, understand and target their customers and prospects. It defines every U.S. household in terms of 66 demographically and behaviorally distinct types, or “segments,” to help marketers discern consumers’ likes, dislikes, lifestyles and purchase behaviors. PRIZM segments are memorably named and summarize complex consumer profiles in a way that is intuitive and easy to communicate.

We have identified five Claritas life stage segments which comprise about 95% of Olympia Fields’ population today: **Conservative Classics**; **Midlife Success**; **Young Accumulators**; **Affluent Empty Nests**; and **Accumulated Wealth**. So what does this mean for Olympia Fields’ future housing needs, particularly its demand for compact or walkable neighborhoods? First, most of Olympia Fields’ current residents do not desire to live in compact neighborhoods. Their consumer preferences reflect



Though there are only several dozen “Young Achievers” living in the village today, the strategies described in this section will be crucial to attracting this demographic.

the larger suburban homes they live in today. As they age, though, we believe that they, like their counterparts across the country, will increasingly look for smaller, more compact living units in walkable neighborhoods. We note, though, that one current market segment, “Midlife Success” does already have an interest in more compact living, an interest that might be served by the development of some new housing options in the village. A number of the households in this high-income, empty nest segment may be interested in townhomes and smaller single-family homes with community amenities. The sixth life stage (not included in Figure 61), comprising just 43 village households today, are the “Young Achievers” who are 20- and 30-somethings with high incomes. This is one of the life stage segments that Village leadership is looking to grow. Creating the types of housing choices this segment prefers is an important strategy.

Figure 61: Olympia Fields’s Market Segments

Market Segment with Claritas Descriptor	Broad Demographic	% of Current Households	Propensity for Walkable Neighborhoods
Conservative Classics	\$50-75K income, age 55+ without children	37.7%	Low
Midlife Success	\$100K+ income, age 30-55 without children	19.6%	Medium
Young Accumulators	\$30-75K income, age 25-45 with children	14.5%	Low
Affluent Empty Nests	\$30-75K income, age 45+ without children	12.9%	Low
Accumulated Wealth	\$100K+ income, age 30-55 with children	10.1%	Low

Source: 2009 Claritas PRIZM data and Fregonese Associates analysis

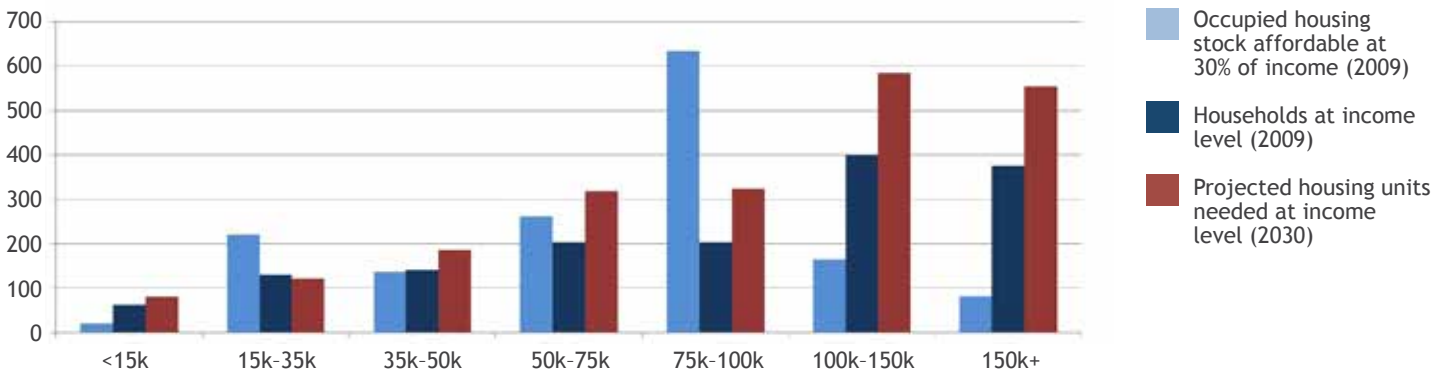
PROJECTING FUTURE HOUSING NEEDS

From Census data we have information on Olympia Field’s current stock of owner-occupied and rental housing units as well as the number of households in the village. From CMAP data we have projections on the village’s population and household growth by the year 2030. From the State of Illinois, we have age projections for Cook County in 2030. Combining this information with the Claritas PRIZM market segment data mentioned above, we can make some realistic estimates about the kinds of housing the village will need to meet the needs of its population by 2030.

Future Ownership Needs

Today the village’s ownership housing is generally well-matched with its households. Over the next two decades, we expect that the village will have continued demand for higher-end ownership housing that meets the needs of households earning over \$100,000 per year (see Figure 62). What we expect could change, however, are the types of units targeted at people in these income groups. Across the country, there is demand from an increasing number of high income buyers for smaller homes with more expensive finishes, convenient locations, and reduced maintenance requirements. Olympia Fields can take advantage of this trend in several potential development areas described later in this report.

Figure 62: 2009 Owner Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

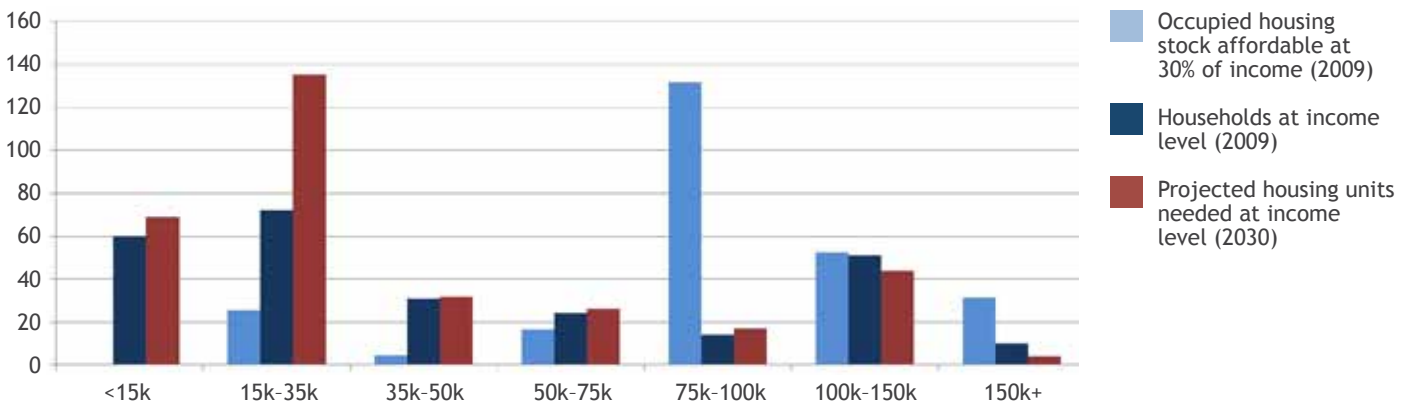
Future Rental Needs

As Figure 63 indicates, Olympia Fields is projected to have a shortage of low to moderate income rental units and a surplus of middle to upper income rental units by 2030. The shortage of low to moderate income units reflects, in part, the needs of a growing population of seniors. Their needs can be met by additional senior housing, ideally located in areas with nearby retail amenities. As for the surplus of middle to upper income rental units, these units, if properly maintained and upgraded in many instances, can be attractive to a growing group of “renters of choice.” These are upwardly mobile renters who are seeking to rent high quality housing in strong neighborhoods. Capturing these singles earning over \$35,000 and couples earning over \$50,000 can solidify existing rental properties and also contribute to the projected transformation of the 203rd and 211th Street station areas into thriving neighborhoods.



High-quality townhomes are one type of rental housing for families who would like to live in Olympia Fields and choose to rent.

Figure 63: 2009 Renter Households and Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

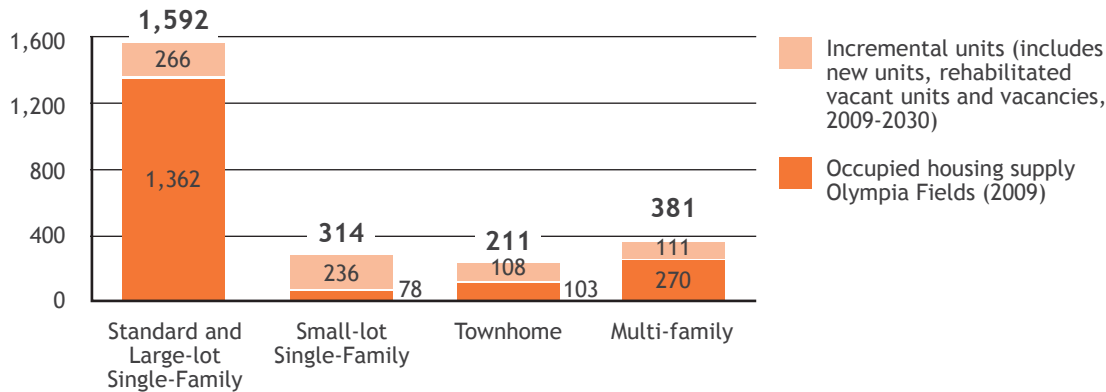
Combined Housing Needs

When we combine our projections for new owner-occupied and rental housing in the future, we get a clearer picture of the types of housing the village will need. What is emerging is a “balanced housing” profile that will meet the needs of village residents by 2030. In short, to achieve a balanced mix of future housing for the village’s households, we recommend focusing on new well-designed, compact single-family development, along with standard and large-lot single-family homes, and a lesser amount of townhomes and multi-family housing.



Though the village has limited vacant land supply, Olympia Fields will continue to have some demand for single-family homes.

Figure 64: Future Balanced Housing



Source: U.S. Census American Community Survey and Fregonese Associates analysis.



New well-designed, compact single-family homes and townhome development will help to create a balanced housing mix in Olympia Fields.

PROJECTING FUTURE HOUSING NEEDS

Prototype Households

In order to illustrate the housing needs of Olympia Fields' future residents and workers, we created several prototypical households. These hypothetical households were based on the village's estimated median household income (MHI) of \$90,298¹ and leading employment sectors. Using a cross tabulation of Census data, the likelihood that family would own or rent a dwelling was estimated based on the age of the head of the household and overall household income. Generally, as households age and earn higher incomes, their likelihood of owning increases.

¹ U.S. Census American Community Survey.

Prototypical Olympia Fields Households and Preferences



50% MHI

\$45,149

Senior

65+ years old

Retired,
fixed income

RENT

\$1,120/month
33% likelihood

PURCHASE
\$150,000

67% likelihood

80% MHI

\$72,238

Single Person

45-64 years old

Physical
therapist

RENT

\$1,800/month
0% likelihood

PURCHASE
\$244,000

100% likelihood

100% MHI

\$90,298

Family

25-44 years old

Health educator;
Financial analyst

RENT

\$2,250/month
0% likelihood

PURCHASE
\$305,000

100% likelihood

120% MHI

\$108,358

Couple

45-64 years old

Computer scientist;
Social worker

RENT

\$2,700/month
0% likelihood

PURCHASE
\$365,000

100% likelihood

Source: Fregonese Associates based on U.S. Census American Community Survey data and FAB Housing Affordability Calculator at 8.1% mortgage interest rate (based on historical rates)

HOUSING CAPACITY

Capacity Analysis

A capacity analysis allows us to compare the amount of allowable development under a community’s zoning code with its future demand. It is an important tool in identifying opportunities for policy changes that will optimize a village’s development potential. We initially conducted a capacity analysis using the Village’s current zoning code. We found a sizeable mismatch between current zoned capacity based on allowable uses in the zoning code and future housing demand in the village. In particular, we found that there was no ability to meet Olympia Fields’ demand for condos and apartments, because there are no zoned acres in the R-3 or R-4 zones. However, we learned through conversations with the community’s leadership and staff that plans for townhomes and condos are underway through the planned unit development (PUD) process. Because anticipated developments better indicate the village’s

capacity for townhome and multi-family housing production, we have included that list rather than an analysis of zoned acres. Based on the Village’s calculations, Figure 65 indicates the expected development capacity in Olympia Fields over the next 15-20 years, listed by development project.

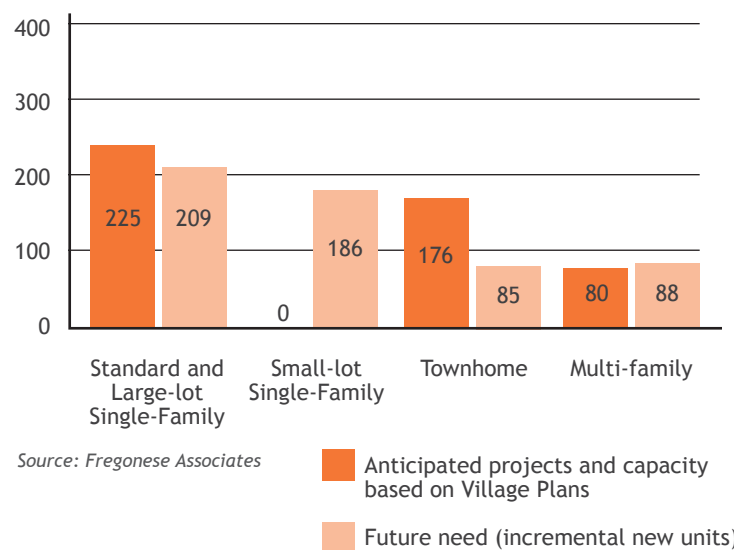
We find the Village has considerably more plans in place for balanced housing than is indicated in its zoning code. In addition, the development list above does not include two projected train station redevelopments – the 203rd Street station development which could include 88 housing units, as shown in the concept design on the page 67, and the 211th Street development which might include as many as 80 condominium units. If all of this development happens, there is a strong possibility that Olympia Fields will meet its CMAP forecast of 500 new households.

Figure 65: Development Capacity: Based On Anticipated Development Projects

Description	Single-Family	Townhome	Multi-Family	Total Units
Olympia Club	77	–	–	77
Olympia Club Condos	–	–	80	80
Traditions	–	65	–	65
Reserves Maynegaite	–	32	–	32
Coves	29	–	–	29
Tolentine	106	79	–	185
Maynegaite VII	13	–	–	13
Total Units	225	176	80	481

Source: Village of Olympia Fields

Figure 66: Comparing Anticipated Development Projects with Future Need (New Units Only)



SUSTAINABILITY

Energy conservation has become a regional and national goal. Forward-looking housing policy should consider the impact that housing development, whether new construction or rehabilitation, has on energy consumption. Home design itself can minimize energy usage. Locating housing near everyday retail stores and near transit stops can maximize walking and reduce the need for auto usage.

In terms of housing and building sector energy consumption, the Center for Neighborhood Technology (CNT) has analyzed and compared Olympia Fields’ 2007 residential electricity and natural gas use with that of Cook County. The village’s electricity and natural gas usage and costs per household are 83% higher, or \$1,385 more per year, than Cook County as a whole. This is due to the larger homes and lack of shared-wall units in Olympia Fields (see Figure 67). This \$115 per month premium highlights the potential for an energy efficiency strategy, described further in the recommendations section.

In terms of transportation energy consumption, according to Illinois Department of Transportation travel data, Olympia Fields household drove an average of 19,852 miles in 2007, almost 14% higher than the entire CMAP region’s average of 17,443 miles. Recent research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled is “by putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”¹ Olympia Fields’ two Metra station areas are the Village’s best opportunities for creating walkable neighborhoods.

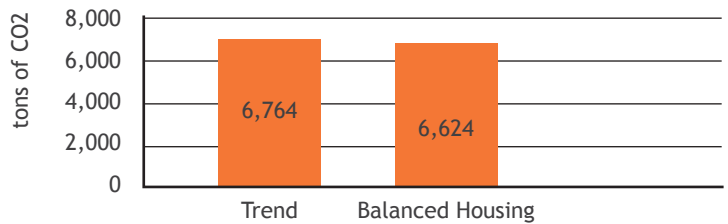
In the Chicago region, 63% of carbon emissions came from energy use in buildings in the form of

Figure 67: Olympia Fields Energy Use Compared with Cook County (2007)

	Olympia Fields	Cook County
Average natural gas use per household	2,071 Therms	1,130 Therms
Average annual \$ for natural gas	\$1,839	\$1,274
Average electricity use per household	15,320 KWh	7,692 KWh
Average annual \$ for electricity	\$1,648	\$828
Average annual energy costs	\$3,487	\$2,102

Source: CNT Energy Community Profile

Figure 68: Comparing the Carbon Emissions of Trend Development and Balanced Housing (Annual Emissions from New Housing)



Source: CNT Energy, EIA and Fregonese Associates analysis

natural gas and electricity.² In the future, a balanced housing strategy, one that includes a mix of housing options, could serve to reduce the village’s building-and-transportation-related energy use and carbon emissions. We modeled the potential greenhouse gas impacts of a trend (a pattern which follows current development practices) versus a balanced scenario for Olympia Fields’ future housing development. The trend scenario includes more single-family homes, larger lots, and fewer shared walls. We found that simply implementing balanced housing could reduce the emissions from Olympia Fields’ new housing by about 2.1% (see Figure 68). Greater savings are possible through implementing energy retrofits for existing construction and green building strategies for new construction. Buildings certified by the popular LEED system for green building evaluation have been shown to use 24% less energy than existing buildings of standard construction.³

1 ASCE. Traffic Generated by Mixed-Use Developments -- Six-Region Study Using Consistent Built Environmental Measures. *Journal of Urban Planning*, October 2010.

2 CMAP. The Chicago Region Greenhouse Gas Baseline Inventory and Forecast, July 2009.

3 New Buildings Institute. Energy Performance of LEED for New Construction Buildings. March 2008.

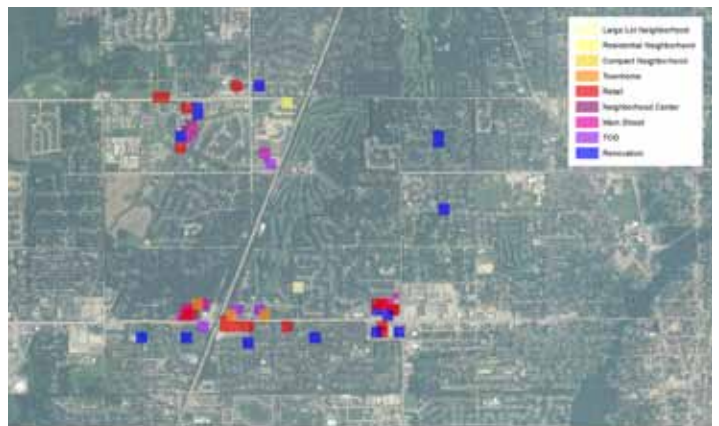
URBAN DESIGN FOCUS AREAS

Design Workshops

In June 2011 approximately 50 village residents shared their visions of Olympia Fields' housing future at a community workshop. Their feedback helped shape the urban design recommendations below.



Community members engaged in a hands-on visioning exercise.



Village residents prioritized several areas for new development and communicated the importance of maintaining the character of the village's existing neighborhoods.

URBAN DESIGN FOCUS AREAS

The 203rd Street Metra Station

The 203rd Street Metra Station is one of Olympia Fields' best assets. This station includes large tracts of vacant land and surface parking, much of which could be developed in a Transit-Oriented Development (TOD) scheme. We have created a conceptual design that includes mixed-use residential development, townhomes, and small single-family homes. The nature of this sort of development allows it to serve people at a range

of incomes, including the targeted Generation Y and Baby Boomer demographics. In addition to the development mix, it also includes a pedestrian network that connects to the surrounding neighborhoods. This means that residents in the surrounding neighborhoods could walk to an area with small shops, cafes, and train service to downtown Chicago.

Figure 69: 203rd Street Metra Station Visualization



The concept for the station area includes a mix of uses and housing types, along with a parking structure. Connections between this new development and open space are enhanced, resulting in a beautiful, livable station neighborhood.

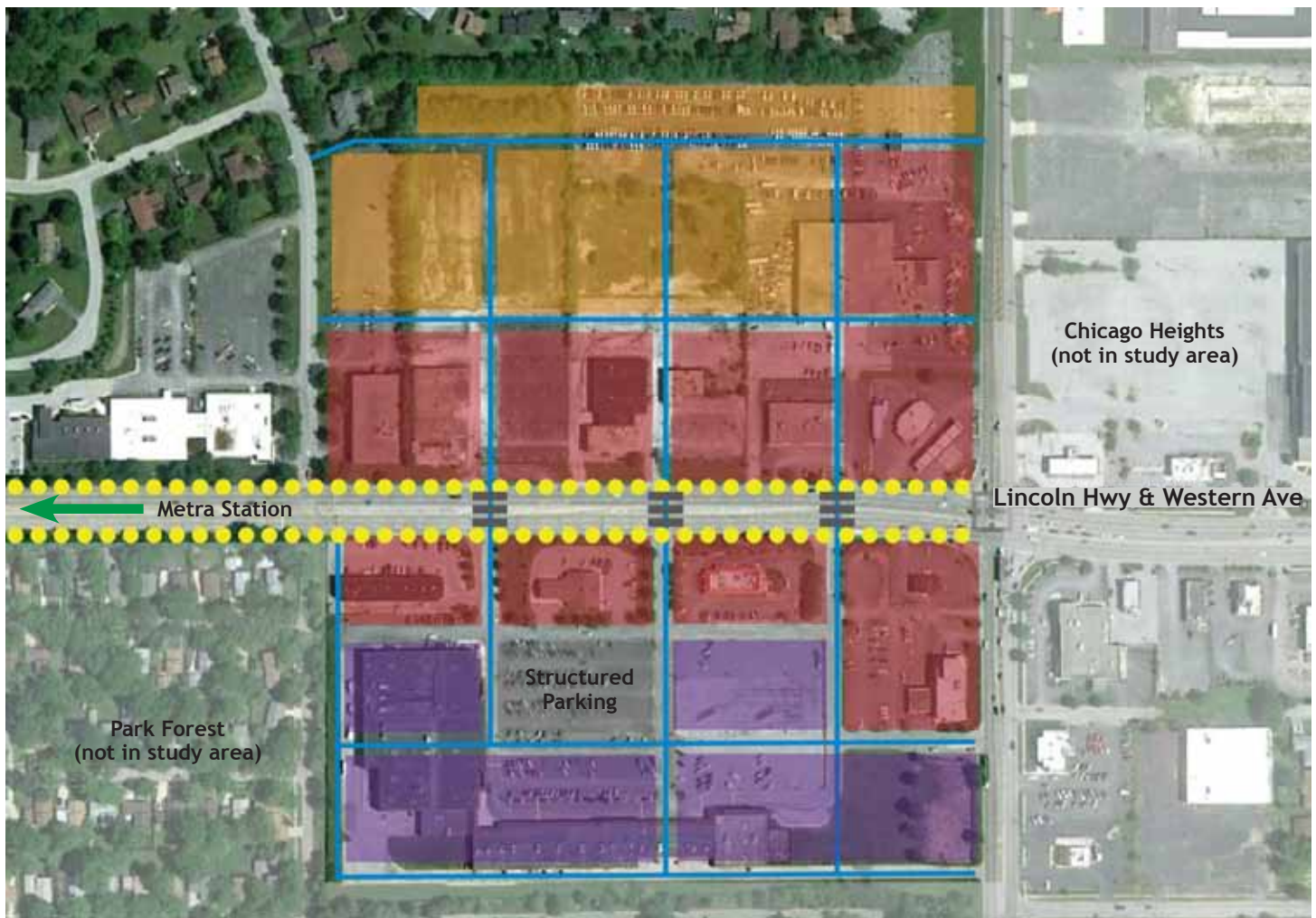
URBAN DESIGN FOCUS AREAS

The Lincoln Highway Redevelopment

In many ways the Lincoln Highway (Highway 30) is representative of many auto-oriented streets in the Chicago region. The highway serves as a barrier for the neighborhoods on both sides of it. This means that it is unpleasant to walk along, let alone cross. There are many state highways around the country, however, that have been transformed with simple upgrades and changes to reduce their role as barriers. In these cases, success has been based on re-imagining the streetscape cross section, as illustrated below. This type of "Complete Street"

includes elements for pedestrians, bicycle riders and drivers. It can help result in increased property values along the roadway, as well as spurring new retail and residential development. This Lincoln Highway concept is focused on tying a street redesign with a future of mixed-use, commercial and residential development on both sides of the road. It also illustrates a new internal street network to give the area a neighborhood feel and several pedestrian crossings along Lincoln Highway.

Figure 70: Lincoln Highway Redevelopment Concept Map



- Commercial area
- Mixed-use area
- Residential area
- Potential street network
- Potential pedestrian connections
- Streetscape improvements

RECOMMENDED STRATEGIES

Having carefully analyzed Olympia Fields' current and projected housing needs, a number of practical and achievable housing strategies have emerged. These strategies will allow Olympia Fields to adapt to a changing national climate, while leaving the village's single-family neighborhoods mostly unchanged.

Encourage new housing types and associated amenities that attract young professionals. Village leaders have expressed a desire to attract young professionals to the village. Recent research on the housing preferences of young professionals points to a preference for living in walkable areas with compact development, open space, and proximity to desirable destinations. Though several multi-family projects in the village have stalled due to the current housing environment, we recommend that the Village continue to explore and encourage this kind of development.

Develop housing options for seniors. Olympia Fields' population is aging and will require housing that allows many seniors to "downsize" and stay in Olympia Fields. Though some seniors may choose to stay in their current homes and "age-in-place," others will want to stay in the community that they love but in housing that requires less upkeep and continued maintenance, which could be condos, apartments, or townhomes, and both ownership and rental options. In the long term, several opportunities exist to create such housing including adding more units to The Traditions and focusing on attracting a mixed-age population to the Metra station areas.

Focus development on the 203rd and 211th Street Metra Station Areas. The two biggest opportunity areas in Olympia Fields are the village's two station areas. As such, it is important that the Village create a vision for each station area and develop implementation steps to achieve this vision. For the 211th Street Station, we understand the challenges that came up with the original proposed townhome development and the subsequent single-family



One of the advantages of station area development is the ability to incorporate retail services.



Creating new housing options for seniors will be important for Olympia Fields' aging residents.

proposal. We also appreciate the Village's patience in waiting for its desired style of development, and we encourage the Village to continue working with Matteson and Park Forest on the second phase of the 2007 Transit-Oriented Development study. For the 203rd Street Station area, we created a mixed-use and mixed-income concept above. We encourage the Village to conduct more detailed planning to create a neighborhood of diverse housing near the station.

Rezone 203rd Street and 211th Street Metra Station Areas. We recommend that the Village consider making policy changes that allow types of townhome, condo and apartment development

RECOMMENDED STRATEGIES

instead of permitting such development only through the planned unit development (PUD) process. Developers are looking for clear regulations and reduced risk when considering projects to pursue. The fact that the village does not have parcels zoned to allow multi-family housing means that any developer looking to create a mix of housing types or a station area development would need to face the PUD process.

Use mixed-use development to diversify the village's economic base. Olympia Fields' economic base is currently comprised of residential real estate and several small shopping centers. The Village has expressed concern about losing the revenue from two auto dealerships. Over the long term, focusing on a mix of retail, office and residential development in the two station areas will help to add additional tax revenue for Olympia Fields.

Focus on energy efficiency. As described previously, the average Olympia Fields household spends 66% more than the average Cook County households on home energy. Most of the village's homes are large, and promoting existing energy efficiency retrofit programs will help reduce residents' costs, while reducing the village's total carbon footprint. The State of Illinois and Cook County have programs that provide energy efficiency funding for single-family homes and multi-family buildings. Energy Impact Illinois is an alliance of CMAP, local utilities, governments, and non-profit organizations that is working to retrofit the region's buildings.

Change perceptions of rental housing. Successful communities around the nation include a mix of rental and ownership housing. National housing experts like Dr. Arthur C. Nelson, in research for the Urban Land Institute, predict that demand for rental housing across the income spectrum will increase in the coming decades. The two demographic groups that the village is seeking to attract and

retain, young professions and seniors, have a higher propensity to rent. We encourage the Village to allow and promote rental housing projects that serve the needs of these groups.

Continue collaborating with neighboring communities. As Olympia Fields knows, housing issues and solutions frequently cross village borders. Areas of stability, along with areas of instability, have the ability to move across jurisdictional boundaries. The 211th Street Metra Station Transit-Oriented Development Study is a prime example of cooperation between Olympia Field and its neighboring communities of Park Forest and Matteson. With this in mind, we encourage village leadership to continue to pursue this form of collaboration and actively participate in the Chicago Southland Housing and Community Development Collaborative (Housing Collaborative) and its efforts to stabilize and strengthen the south suburban housing market.

CONCLUSION

Olympia Fields has certainly been successful in cultivating a strong community. We believe that the coming decades will provide the Village with the chance to shift some of its strategies to encourage high quality new development that leverages the region's demographic trends. The results, if our recommendations are implemented, could include stable and beautiful single-family neighborhoods and thriving 203rd Street and 211th Street Metra station areas.



HOUSING POLICY PLAN PARK FOREST

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING

PROJECT SUMMARY

Park Forest is one of the most interesting and historically significant communities in the metropolitan Chicago region. As the first fully-planned post-World War II suburb, it was developed by American Community Builders to include a cohesive mix of housing types, schools, shopping and parks. Innovation was not limited to village design. Unlike many other suburban communities, Park Forest's leadership worked to racially integrate the village in 1959.¹ Today it faces a number of key challenges. The DownTown revitalization, launched many years ago, needs to be fully implemented. Some of its neighborhoods, now over 50 years old, need selective rehabilitation. And foreclosures in certain areas have become an issue. On the positive side, Park Forest has a strong group of elected leaders who seek to play an important role in guiding the South Suburbs' future direction. Community members, leaders and staff are open to new ideas and clearly willing to try innovative approaches to address the challenges listed above. Planning studies, already in place, have described development possibilities.

Our forward-looking housing planning effort, guided by community input, has identified a series of strategies that can renew and revitalize the Village. These strategies include:

- **Continuing to focus on redevelopment of the Eastgate neighborhood.**
- **Continuing to encourage new commercial and housing development in the DownTown area.**
- **Continuing to move forward with the planning of the Park Forest 211th Street Metra Station.**
- **Coordinating residential rehabilitation programs.**
- **Promoting energy efficiency programs.**
- **Using regulatory changes to encourage mixed-use and commercial development.**
- **Continuing to play a leadership role in subregional housing planning via the Chicago Southland Housing and Community Development Collaborative (Housing Collaborative).**



Park Forest's DownTown and stock of townhomes are strong community assets.

¹ Park Forest Historical Society.

EXISTING CONDITIONS

Demographic and Economic Trends

Park Forest straddles Cook and Will Counties, between Richton Park and Chicago Heights. Park Forest has a population of 21,975, a decrease of approximately 6% since the 2000 Census. However, the Chicago Metropolitan Agency for Planning (CMAP) projects that if the GO TO 2040 Plan is implemented, the population of the village could rise to 24,411 by 2030.

Park Forest's 2010 population is about 59.8% African-American, 33.4% are white, 0.8% are Asian, and 3.6% are of two or more races. Approximately 6.4% of village residents are Latino or Hispanic of any race. The median household income is \$48,069 according to the 2005-2009 American Community Survey, and about 4% of families and 11% of individuals live below the poverty line. Approximately 87% of the Park Forest's residents age 25 or older have completed high school, and 25% have a bachelor's degree or higher.

The employment base in Park Forest is dominated by health care and social assistance workers (48% of jobs) and educational services (21%). Of all workers employed in Park Forest, the largest segment (or 12.9%) lives in Chicago, while approximately 11.6% also live in the village. The remainder of Park Forest's workforce comes from many surrounding jurisdictions, including Chicago Heights, Richton Park and others.

Over one-quarter of residents commute to Chicago, while just 3.6% of Park Forest residents also work in the village. The nearby community of Chicago Heights is also a significant employment destination, although employment is dispersed. More employment options in the South Suburbs would help reduce the average Park Forest resident's commute which currently stands at over 30 minutes, according to American Community Survey data.

Figure 71: Park Forest's Population and Household Forecast

	2010*	2030†	% change
Population	21,975	24,411	11%
Households	8,750	9,803	12%

Source: *U.S. Census 2010 and †Chicago Metropolitan Agency for Planning

Figure 72: Where Do Park Forest's Workers Live?

City/Town	Percent of Workforce
Chicago	12.9%
Park Forest	11.6%
Chicago Heights	3.6%
Richton Park	2.8%
Matteson	2.6%
Homewood	1.8%
Tinley Park	1.8%
Harvey	1.4%
Kankakee	1.4%
All Others	57.5%

Figure 73: Where Do Park Forest's Workers Live?

County	Percent of Workforce
Cook County, IL	59.3%
Will County, IL	13.9%
Lake County, IN	5.8%
Kankakee County, IN	4.5%
All Others	16.5%

Figure 74: Where Do Park Forest's Residents Work?

City/Town	Percent of Workforce
Chicago	28.1%
Chicago Heights	5.0%
Park Forest	3.6%
Matteson	3.2%
Tinley Park	2.2%
University Park	2.0%
Harvey	1.7%
Orland Park	1.7%
Richton Park	1.5%
All Others	48.2%

Figure 75: Where Do Park Forest's Residents Work?

County	Percent of Workforce
Cook County, IL	71.1%
Will County, IL	10.8%
DuPage County, IL	5.4%
Lake County, IN	2.7%
All Others	10.0%

Source for Figures 72-75: U.S. Census - 2009 Longitudinal Employer-Household Dynamics

CURRENT HOUSING ANALYSIS

Park Forest has one of the most unique housing mixes in the entire region. Its history as a planned community led to a village with a mix of ownership, rental, and cooperative housing. While just under two-thirds of the Village’s housing is single family, the remaining housing is largely townhomes with some multi-family units. Over half of these units are in cooperatives.



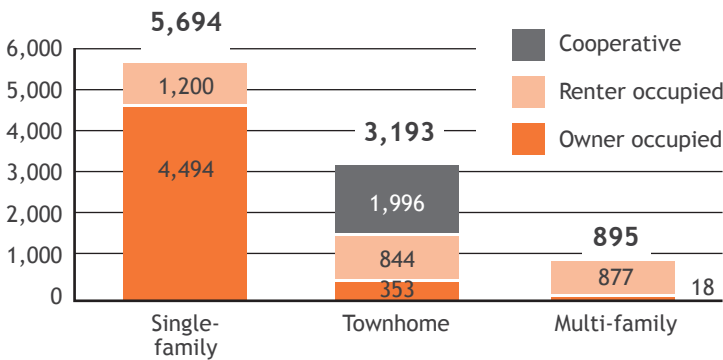
image credit: Raymond Costello

Co-ops are a unique feature of Park Forest’s housing stock.

WHAT IS “AFFORDABLE HOUSING”?

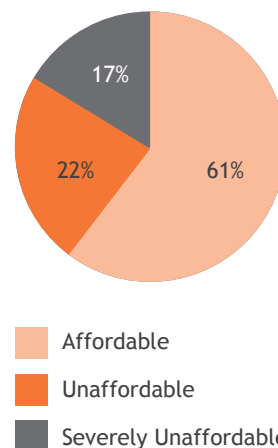
- While varying from household to household, “affordable housing” is housing that costs no more than 30% of household income (including utilities, insurance and taxes).
- If family transportation costs are included (housing costs plus transportation costs), then “affordability” jumps to 45% of household income.

Figure 76: Housing Type by Tenure



Source: Village of Park Forest analysis

Figure 77: Housing Affordability



Source: U.S. Census American Community Survey* and Fregonese Associates analysis

* Note: Unless otherwise stated, all U.S. Census American Community Survey reflects 2005-2009. Additional detail regarding methodology is available on pages 93-96.

CURRENT HOUSING ANALYSIS

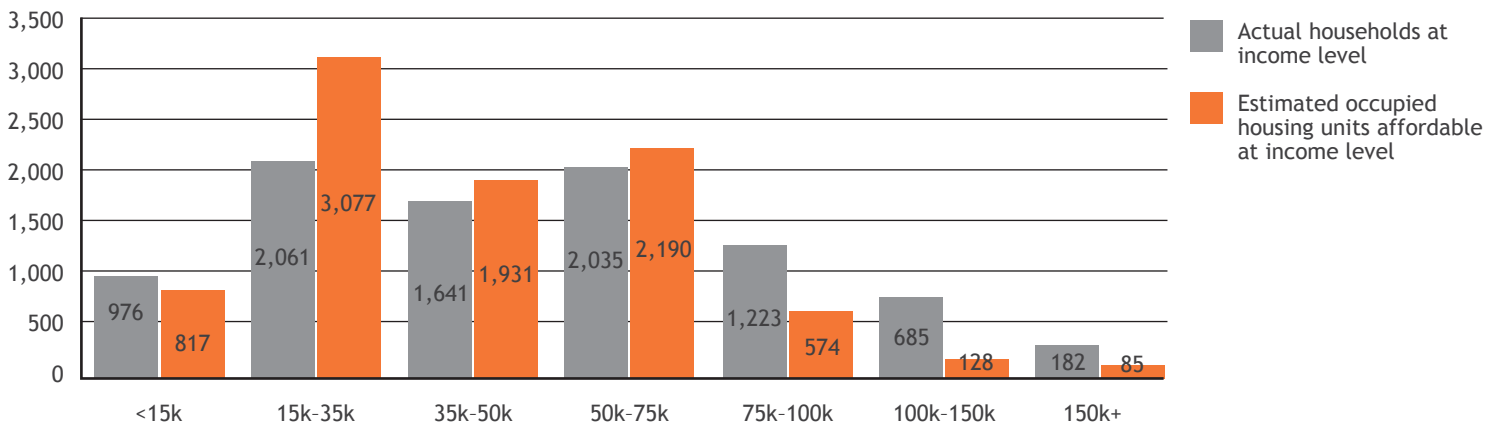
Overall, Park Forest’s housing stock is fairly well-matched with its population, although there are affordability gaps. About 17% of households are spending over 50% of their incomes on housing (“severely unaffordable”), 22% are spending between 30% and 50% (“unaffordable”), and 61% are living in homes that are affordable to them. The Village’s challenge is to create housing options for lower income households earning less than \$15,000 per year. These households are frequently the most financially strained. Included in this group are the 304 households in Park Forest that receive Housing Choice Vouchers (94% of which are female-headed households).¹ Fortunately the Village has resources available in the Housing Authority of Park Forest and in subsidized housing developments including Garden House of Park Forest, Victory Centre of Park Forest, Victory Centre of Park Forest Senior Supportive Units, and Juniper Towers. The Autumn Ridge development, built with subsidies, has out-lived the term of its subsidies and is a good example of the importance of long-term affordable housing preservation in Park Forest.



Park Forest’s “Mainstream Families,” one of its largest life stage demographics (described on the opposite page) are expected to continue to seek housing options in walkable neighborhoods in the village.

¹ Illinois Assisted Housing Action Research Project (IHARP) Subsidized Housing Database; Chicago Area Fair Housing Alliance (CAFHA) 2003.

Figure 78: Comparing Household Incomes with Units Affordable at Each Income Level



Source: U.S. Census American Community Survey and Fregonese Associates analysis

CURRENT HOUSING ANALYSIS

Today’s Market Segments and Market Preferences

We used analytical tools developed by a well-known national market research firm, Nielsen, to try and gain a better understanding of the housing types preferred by families that live in Park Forest today. Nielsen’s Claritas PRIZM consumer segmentation system combines demographic, consumer behavior, and geographic data to help marketers, including those selling new or existing housing, identify, understand and target their customers and prospects. It defines every U.S. household in terms of 66 demographically and behaviorally distinct types, or “segments,” to help marketers discern consumers’ likes, dislikes, lifestyles and purchase behaviors. PRIZM segments are memorably named and summarize complex consumer profiles in a way that is intuitive and easy to communicate.

The PRIZM methodology combines these 66 broader market segments into a set of “life stage” segments, based primarily on generation (age), household income and household size. Five life stage segments comprise about 75% of Park Forest’s population today: **Cautious Couples; Mainstream Families; Midlife Success; Conservative Classics; and Young Accumulators.**

So what does this mean for Park Forest’s future housing needs, particularly its demand for compact or walkable neighborhoods? First, Park Forest has several demographic groups with at least a medium propensity for walkable neighborhoods. The largest of these groups, the “Cautious Couples” comprise about one-fifth of the Village’s households. These are empty nesters over the age of 55 with moderate incomes. What types of housing will this group seek? Some will certainly seek to “age in place” but others will look for new homes that are either single level or in a multi-family building with an elevator. These units will need to be low maintenance and near needed services.

The next largest group, “Mainstream Families,” have moderate incomes but are likely to prefer townhomes with yards or small single-family homes within walking distance of schools. The third largest life stage, “Midlife Success,” are middle-aged, high income and without children. This demographic is a good target for more upscale homes – both small, single-family homes and condos – ideally in the DownTown area and close-in neighborhoods. Lastly, while some of the people in these three life stages will desire new construction, the needs of many others can be met by rehabilitating and retrofitting the Village’s existing stock.

Figure 79: Park Forest’s Market Segments

Lifestage Segment with Claritas Descriptor	Broad Demographic	% of Current Households	Propensity for Compact Neighborhoods
Cautious Couples	\$10-50K income, age 55+ without children	21.1%	Medium
Mainstream Families	\$30-75K income, age 30-55 with children	17.0%	Medium
Midlife Success	\$100K+ income, age 30-50 without children	14.4%	Medium
Conservative Classics	\$50-75K income, age 55+ without children	12.5%	Low
Young Accumulators	\$30-75K income, age 25-45 with children	9.4%	Low
Young Achievers	\$30-100K income, age 20-30 without children	8.3%	High
Affluent Empty Nests	\$75K+ income, age 45+ without children	6.5%	Low
Sustaining Families	\$10-50K income, age 20-45 with children	4.5%	Medium
Sustaining Seniors	\$10-25K income, age 65+ without children	4.0%	High
Striving Singles	\$10-25K income, age 20-30 without children	1.4%	High
Accumulated Wealth	\$100K+ income, age 30-55 with children	0.9%	Low

Source: 2009 Claritas PRIZM data and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

From Census data, we have information on Park Forest’s current stock of owner-occupied and rental housing units as well as the number of households in the village. From CMAP data, we have projections on the village’s population and household change by the year 2030. From the State of Illinois, we have age projections for Cook County in 2030. We combined this information with the Claritas PRIZM market segment data mentioned above in order to make some realistic estimates about the kinds of housing the village will need in order to meet the needs of Park Forest’s residents in 2030.

\$50,000). There are also some limited opportunities to create housing that meets the needs those earning \$75,000 to \$150,000. Many of these higher income households, however, may choose to continue paying well under than 30% of their income on housing given all the high quality of life options that Park Forest offers.

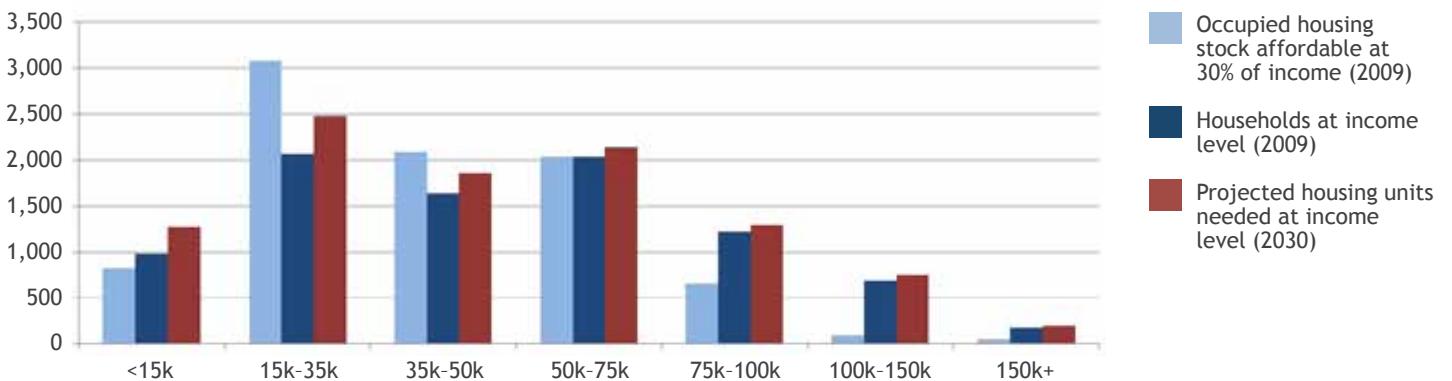
Future Housing Needs by Income

Creating the types of neighborhoods and housing options that both low- and high-income households prefer will be important to the Village’s overall housing strategy. The biggest future needs will be for subsidized housing for those earning \$15,000 or less, most likely senior citizens. Additionally, we expect that there will be demand for market rate housing, the housing that serves people in the highlighted Claritas PRIZM life stage groups above, at price points affordable to those earning low- to moderate-incomes (between \$15,000 and



As Downtown attracts more retail, Park Forest’s residents will have new walkable destinations.

Figure 80: 2009 Housing Stock Compared with 2030 Demand



Source: U.S. Census American Community Survey, State of Illinois population projections, CMAP 2030 household forecast, and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

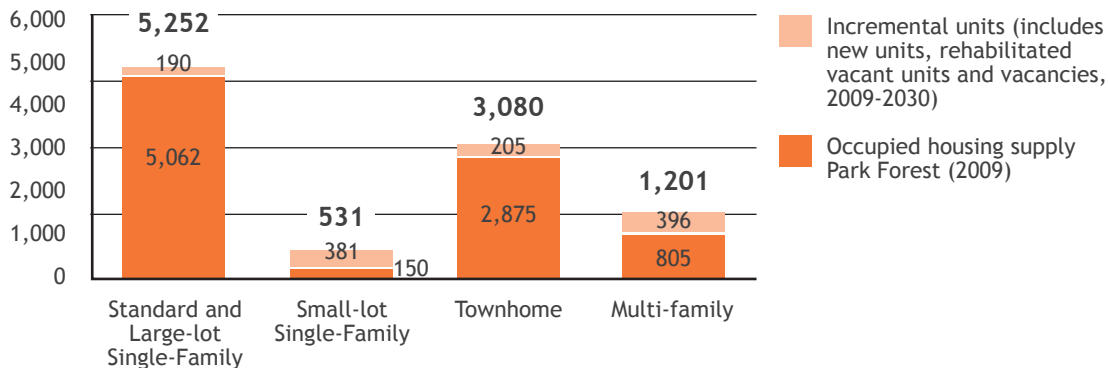
Housing Needs by Type of Unit

Analyzing the housing preferences of each of these income groups, we get a clearer picture of the types of future ownership, rental, and cooperative housing that the Village may need. What is emerging is a “balanced housing” profile that will meet the needs of Village residents by 2030. In short, to achieve a balanced mix of future housing for the Village’s households, we recommend a mix of new units that is about 16% standard and large-lot single-family homes; 33% small-lot single-family homes; 17% townhome; and 34% multi-family homes.

As Park Forest moves forward with its development plans for new housing in DownTown, Eastgate and other areas, the Village should consider encouraging the incorporation of new cooperative housing. Cooperative housing in Park Forest has traditionally meant townhomes, but there are national examples of cooperative housing ranging from single-family units to high rises. Market-rate cooperatives can provide residents with advantages that include the stability of owning combined with, in many cases, the affordability of renting.



Figure 81: Future Balanced Housing



Source: U.S. Census American Community Survey and Fregonese Associates analysis

PROJECTING FUTURE HOUSING NEEDS

Prototype Households

In order to illustrate the housing needs of Park Forest’s future residents and workers, we created several prototypical households. These hypothetical households were based on the village’s estimated median household income (MHI) of \$48,069¹ and leading employment sectors. Using a cross tabulation of Census data, the likelihood that a family would own or rent a dwelling was estimated based on the age of the head of the household and overall household income. Generally, as households age and earn higher incomes, their likelihood of owning increases.

¹ U.S. Census American Community Survey.

Prototypical Park Forest Households and Preferences



50% MHI

\$24,034

Senior

65+ years old

Retired, fixed income

RENT

\$600/month

53% likelihood

PURCHASE

\$80,000

47% likelihood

80% MHI

\$38,455

Single Person

25-44 years old

Police officer

RENT

\$960/month

33% likelihood

PURCHASE

\$128,000

67% likelihood

100% MHI

\$48,069

Family

45-64 years old

Retail worker;
Medical assistant

RENT

\$1,200/month

23% likelihood

PURCHASE

\$161,000

77% likelihood

120% MHI

\$57,683

Couple

45-64 years old

Paralegal;
Manufacturing

RENT

\$1,440/month

15% likelihood

PURCHASE

\$195,000

85% likelihood

Source: Fregonese Associates based on U.S. Census American Community Survey data and FAB Housing Affordability Calculator at 8.1% mortgage interest rate (based on historical rates)

HOUSING CAPACITY

Capacity Analysis

We also conducted a capacity analysis to test the extent to which Park Forest could meet its forecasted housing need based on its existing land use regulations. We found that Park Forest has enough capacity to meet its CMAP forecast under its existing zoning regulations. The Village has the capacity for approximately 1,706 new dwelling units (see Figures 82 and 83), compared with its forecasted growth of about 1,050 new households by 2030 (see Figure 71).

The Village could accommodate its future growth through the development of about 523 new units along with rehab and marketing efforts to fill most

of its currently 649 vacant units.¹ However, analysis showed that there are opportunities to better match the Village’s zoning capacity with its future demand. While some demand may continue for standard and large-lot single-family homes (these are homes on lots above 7,500 square feet) and townhomes, the Village already has a sizeable existing stock of these housing types. The greatest new demand will be for products not currently common in the village, particularly new, small-lot, single-family homes (homes on lots under 7,500 square feet). The future demand for this housing type is estimated to be approximately 145 units above its zoned capacity.

Figure 82: Housing Capacity by Zone

Zone	Units
R-1 Single-Family Residential District	818
R-1A Single-Family Residential District	-
R-1B Single-Family Residential District	5
R-2 Multi-Family Residential District	-
R-2A Multi-Family Residential District	883
C-1 Planned Commercial Neighborhood Shopping District	-
C-2 Planned Commercial Community Shopping District	-
M-1 Light Industrial District	-
M-2 Heavy Industrial District	-
PUD Planned Unit Development	-
TOTAL	1,706

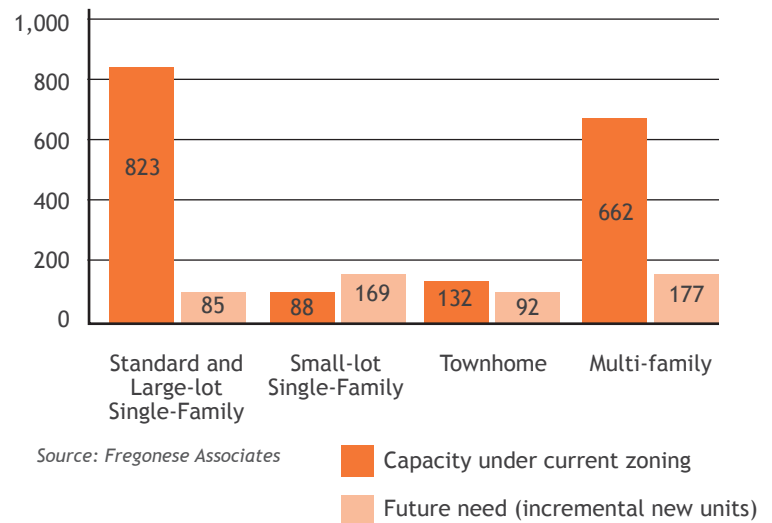
Source: Fregonese Associates

Figure 83: Housing Capacity by Type

Housing Type	Units
Standard and Large-lot SF	823
Small-lot SF	88
Townhome	133
Multifamily	662
Mobile Home/Other	-
TOTAL	1,706

Source: Fregonese Associates

Figure 84: Comparing Future Demand for New Units with Zoning Capacity (New Units Only)



1 U.S. Census American Community Survey.

SUSTAINABILITY

One of the biggest issues facing the Chicago region, including Park Forest, is long-term sustainability. Park Forest has been proactively addressing sustainability for many years through various programs and policies, and has recently been developing a Sustainability Plan with technical assistance from the Chicago Metropolitan Agency for Planning. The Plan’s existing conditions report notes that much of sustainability hinges on reducing energy consumption. The two largest sectors of energy use are energy use in buildings and in transportation vehicles.

In terms of building sector energy, the Center for Neighborhood Technology (CNT) has analyzed and compared Park Forest’s 2007 residential electricity and natural gas use with that of Cook County. The Village’s electricity and natural gas usage and costs per household are significantly lower, with the average annual energy costs for Park Forest households approximately \$576 less than the Cook County average (see Table 7). Park Forest’s housing stock of small single-family and attached homes gives it an energy efficiency advantage.

In terms of transportation energy consumption, according to Illinois Department of Transportation travel data, the average Park Forest household drove 19,171 miles in 2007, about 10% higher than the entire CMAP region’s average of 17,443 miles. Compact, mixed-use neighborhoods in Park Forest can be an important factor to reduce average miles traveled. Recent research by Reid Ewing and others in the *Journal of Urban Planning and Development* has shown that the biggest factor in reducing vehicle miles traveled is “by putting offices, shops, restaurants, residences, and other codependent activities in close proximity to each other.”¹

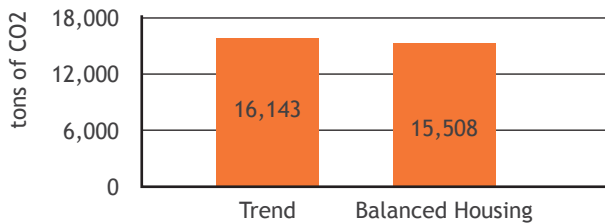
In Park Forest, 47.3% of carbon emissions came from energy use in buildings in the form of natural

Figure 85: Park Forest’s Energy Use Compared with Cook County (2007)

	Park Forest	Cook County
Average natural gas use per household	876 Therms	1,130 Therms
Average annual \$ for natural gas	\$778	\$1,274
Average electricity use per household	6,950 KWh	7,692 KWh
Average annual \$ for electricity	\$748	\$828
Average annual energy costs	\$1,526	\$2,102

Source: CNT Energy Community Profile

Figure 86: Comparing the Carbon Emissions of Trend Development and Balanced Housing (Annual Emissions from New Housing)



Source: CNT Energy, EIA and Fregonese Associates analysis

gas and electricity according to the Park Forest Sustainability Plan, compared to approximately 63% for the Chicago region.² In the future, a balanced housing strategy could serve to reduce the community’s building- and transportation-related energy use and carbon emissions. We modeled the potential greenhouse gas impacts of a trend versus a balanced scenario for Park Forest’s future housing development. The trend scenario includes more single-family homes, larger lots, and fewer shared walls. We found that simply implementing balanced housing could reduce the emissions from Park Forest’s new housing by about 4% (See figure 86). Additional savings are possible through implementing energy retrofits for existing construction and green building strategies for new construction. Buildings certified by the popular LEED system for green building evaluation have been shown to use 24% less energy than existing buildings of standard construction.³

1 ASCE. Traffic Generated by Mixed-Use Developments -- Six-Region Study Using Consistent Built Environmental Measures. *Journal of Urban Planning*, October 2010.

2 CMAP. The Chicago Region Greenhouse Gas Baseline Inventory and Forecast, July 2009.

3 New Buildings Institute. Energy Performance of LEED for New Construction Buildings. March 2008.

URBAN DESIGN FOCUS AREAS

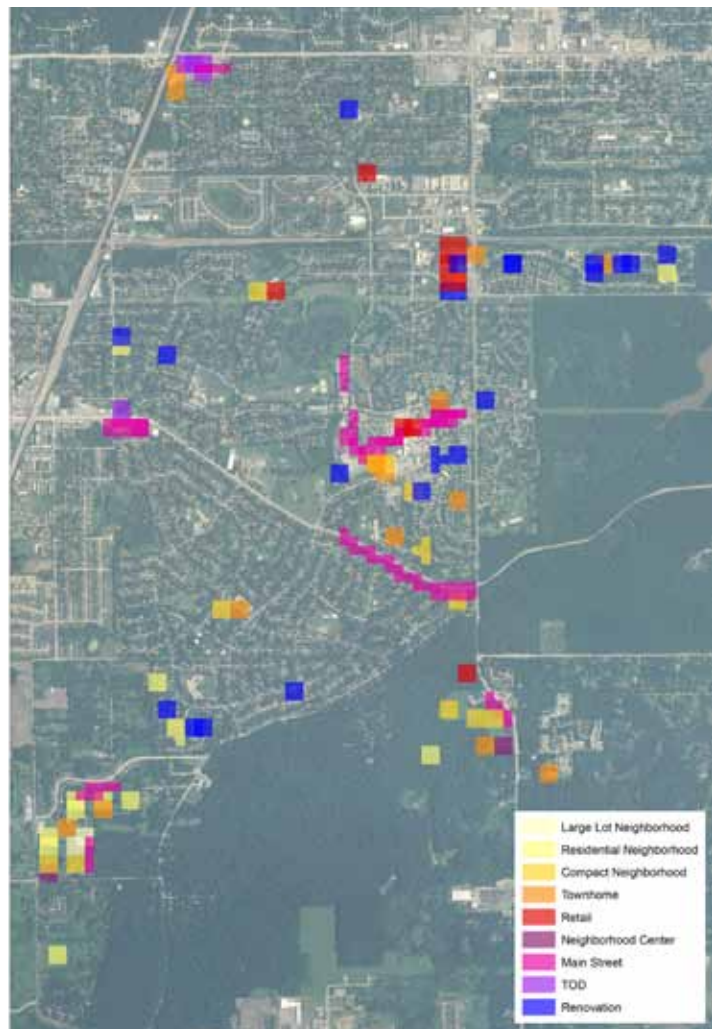
Design Workshops

In June 2011 approximately 50 Village residents shared their visions of Park Forest's housing future at a community workshop. Community members prioritized several parts of the village for new and infill housing development:

- Main Street-style development along Sauk Trail.
- Mixed-use and retail development in the DownTown.
- Redevelopment in the Eastgate neighborhood.
- Compact neighborhood development in the southwest part of the village.



Community members engaged in a hands-on visioning exercise.



Park Forest's residents prioritized several areas of the village for new growth and a focus on revitalization.

URBAN DESIGN FOCUS AREAS

Eastgate Neighborhood

The 2008 Park Forest Strategic Plan for Land Use and Economic Development had a strong concept for the Eastgate neighborhood. This concept included a mix of renovating the existing building stock and new construction of single-family homes and townhomes. This concept will help to create a stable, balanced future housing stock for Park Forest. In addition to supporting this concept, we also offer additional detail from the results of the public workshop. In general, a number of tables also envisioned a new entry street with a gateway into the neighborhood.

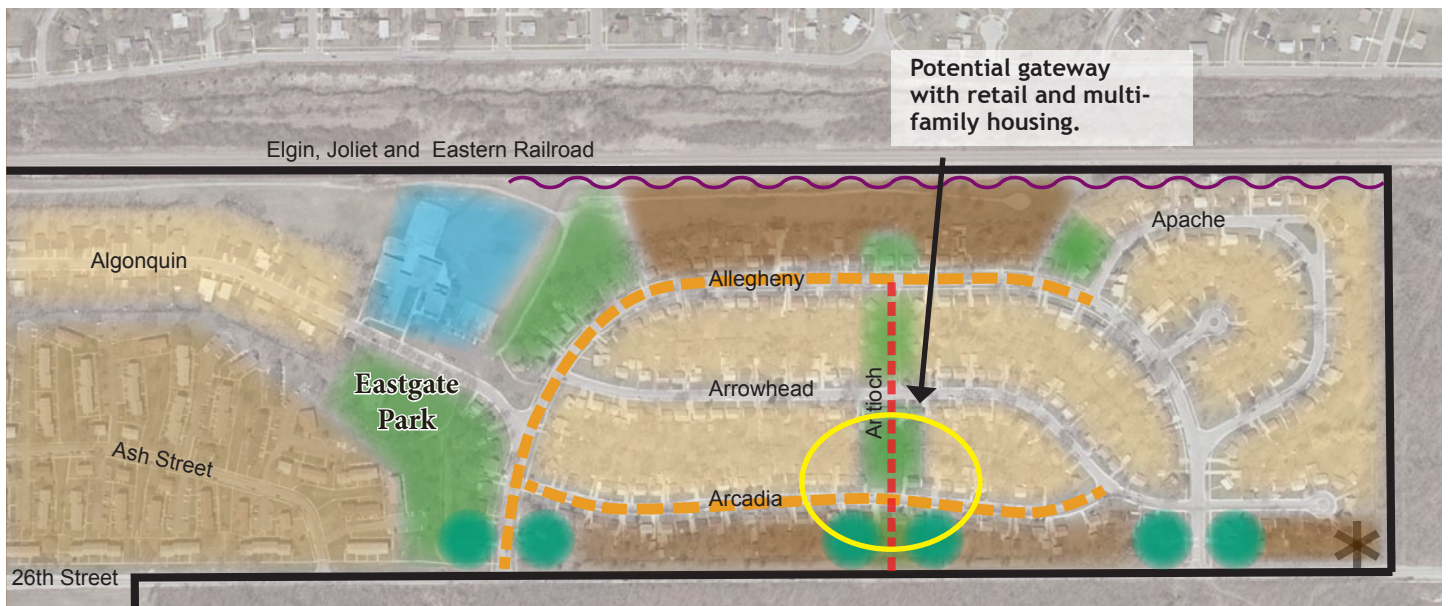
One difference from the strategic plan concept, that we recommend the Village explore, is some small-scale retail and multi-family homes at the neighborhood gateway. We understand the Village is currently acquiring parcels and seeking to move this concept to reality. We also recommend that the



Workshop participants envisioned a mix of rehab and new development in Eastgate.

Village turn the Sauk Trail Woods forest preserve into a neighborhood amenity through improved pedestrian connections. We support the Village's effort by adding additional detail to the concept plan below.

Figure 87: Park Forest 2008 Strategic Plan: Eastgate Neighborhood Concept Plan



We support the concept in the Village's 2008 Strategic Plan. Workshop participants' feedback suggest this concept could be augmented by some small-scale retail and multi-family at the neighborhood gateway site.



URBAN DESIGN FOCUS AREAS

DownTown

One of the areas that emerged in the community workshop for continued attention, as the village is currently doing, was the DownTown area. Many participants placed mixed-use chips in key parts of the DownTown. We chose the corner of Main Street and Western Avenue to visually illustrate the potential transformation. This area is currently the gateway to the DownTown, but is bordered by

several large surface parking lots, the First Midwest Bank, and a CVS Pharmacy. The visualization below shows how the bank could be accommodated in a new mixed-use building, complementing the townhomes across the street, and how the surface parking lot could be redeveloped in a scheme that includes internal parking.

Figure 88: DownTown Visualization



RECOMMENDED STRATEGIES

Having carefully analyzed Park Forest's housing opportunities and challenges, a number of practical and achievable housing strategies have emerged. These strategies will build on Park Forest's strong role within the South Suburbs.

Use regulatory changes to encourage mixed-use and commercial development. We were struck by two regulatory changes that would make a large difference in allowing the types of future housing that people will demand in Park Forest. The first is in the R-1 zone. This is the Village's largest zone and has the potential to allow new development across the village. The minimum lot size in this zone, 7,200 square feet, is not conducive to small-lot single-family homes or cottage-style homes (which are typically on lots of 3,500 to 5,000 square feet). We recommend that Park Forest consider adjusting the minimum lot size in key areas of these zones where it is feasible to subdivide lots. Other cities, such as Portland, Oregon, have created programs focused on encouraging infill development on lots as narrow as 25 feet. Allowing this kind of infill is most advantageous in areas within walking distance of Metra stations, near DownTown, and along major streets. This would be the largest step in better matching the Village's land supply with future demand. Secondly, in the C-1 district, adding dwelling units above commercial floors is considered a major change in the approved Village plan. We recommend that the Village allow mixed-use as a principal permitted use in this zone, and C-2 districts, where residential is currently not a permitted use.

Focus on stabilizing the Eastgate neighborhood. The Eastgate neighborhood is one of Park Forest's biggest challenges. On one hand, the neighborhood is located close to the DownTown area and on the edge of a forest preserve. On the other, the neighborhood is suffering from blight, crime and deterioration. Park Forest has an opportunity in Eastgate to create a pilot neighborhood that creates an affordable community that is clean, safe and



Mixed-use development is a desirable form in the DownTown.



Senior housing is an important priority for Park Forest's aging population.

strong. As described previously, the Park Forest Strategic Plan for Land Use and Economic Development (2008) includes a concept for the neighborhood and the Village is planning to remove many vacant, blighted homes in this neighborhood. We support moving toward the concept in the strategic plan. We believe that a critical part of realizing this strategy involves upgrading the building stock. The Village can actively help match property owners and residents up with needed rehabilitation and energy-efficiency programs. Another component is reconfiguring the entrance streets (as shown in the concept map) along with adding sidewalks that connect Eastgate with the commercial area at Norwood Plaza Shopping Center and DownTown Park Forest.

Encourage new development in the DownTown area. We were impressed with the extent to which Park Forest has transformed a former mall into its DownTown area. Our recommended strategy follows many of the 2003 Urban Land Institute report's recommendations,¹

¹ *Building on a Legacy: Creating a New DownTown*. 2003 Urban Land Institute Chicago Technical Assistance Panel report.

RECOMMENDED STRATEGIES

particularly related to continuing a focus on attracting new commercial and restaurant tenants to existing space and prioritizing the DownTown for compact housing growth. The visualization on page 87 illustrates how this type of new development could transform the DownTown.

Continue moving forward with planning of the 211th Street Metra Station. Transit options are the future of the Chicago region, and Park Forest is well-positioned to take advantage of this future. The Village of Park Forest, along with Olympia Fields and Matteson, is currently working to implement transit-oriented development planning for the 211th Street Station. Several of the implementation steps in the initial study for this station will be important for the Village, including making amendments to development regulations to allow mixed-use; beginning a streetscape study for Lincoln Highway; and proceeding with public-private partnership development on Village-owned property in the area.

Coordinate residential rehabilitation programs. The majority of Park Forest’s future housing stock is already standing today, and it is important that the Village see existing housing as an asset and continually work to improve and rehabilitate it. The large amount of townhomes presents an opportunity to work with property owners, condominium associations, and cooperative boards to encourage rehabilitation programs. The Village’s multi-agency “Troubled Housing Task Force” is currently working to discourage bad landlords and community threats. The Community Investment Corporation finances multi-family rehabilitation programs in the South Suburbs and could be an additional source of help. The Village can also help to continually “match-make” property owners with countywide and State of Illinois rehabilitation programs.

Promote energy efficiency programs. Improving energy efficiency is an important regional sustainability priority. While Park Forest residents have generally lower energy costs than Cook

County as a whole, improving energy efficiency will remain an important part of the Village’s housing rehabilitation strategy. Energy Impact Illinois, an alliance of CMAP, utility companies, government agencies, and citizen advocacy groups, has programs to help retrofit existing single-family and multi-family homes. The Village can work to match local property owners with appropriate incentives, tax credits, and financing options.

Continue playing a leadership role in subregional housing planning. We were impressed by the big picture thinking of Park Forest Mayor John Ostenburg, the Village Trustees and staff. We heard frequently in our meetings that Park Forest was trying to think and act in the interest of the entire subregion. Village staff members have played an active role in the Housing Collaborative. The Village is also working to connect residents with subregional foreclosure prevention organizations such as the South Suburban Housing Center and the Chicago Area Fair Housing Center. Park Forest can continue its leadership through its planning efforts for mixed-income housing around its Metra stations. It can also work with neighboring jurisdictions, like Olympia Fields and Matteson, on joint corridor planning. We believe this will help set the Village up for long-term success.

CONCLUSION

Housing planning is at the center of Park Forest’s DNA. As the Village evolves, it is important that it continues to exert a leadership role in creating unique housing products that attract people from across the region. Amending several of the Village’s land use regulations, focusing on walkable, transit-oriented development, and promoting rehabilitation of existing housing will help carry Park Forest toward growth and a strong future in the 21st century.



APPENDIX

METROPOLITAN MAYORS CAUCUS, METROPOLITAN PLANNING COUNCIL,
AND CHICAGO METROPOLITAN AGENCY FOR PLANNING

APPROACH AND METHODOLOGY

This technical memorandum provides an overview of three key analytical tools used for the Phase II, Year 4 *Homes for a Changing Region* report: a housing needs analysis, a capacity analysis, and the Nielsen Claritas PRIZM consumer segmentation system.

Housing Analysis

The housing needs analysis was conducted using a model to determine housing needs for each of four pilot communities and the South Suburban subregion. The model's results are driven by current and projected demographics and regional tenure choices. The model's outputs include needed housing units by tenure (ownership versus rental) by income range. We use the model to find gaps that may represent current unmet needs and future housing needs. In this project, the model has been used to identify local and subregional housing needs and market opportunities.

How Does the Model Work?

The housing needs for the region are driven by the current housing choices in the region and the projected future demographic trends. In many areas around the country, the standard practice for estimating future housing need has been to use the past to extrapolate future housing requirements. While this market or demand driven approach was commonly used to define the housing "needs" for an area, the true housing "needs" of that area's population may not have been addressed. Using Fregonese Associates' Balanced Housing Model, tenure choices and incomes determine housing "need." In this model, "affordable" is not referring to low-income housing, but rather to the relationship between incomes and housing costs. The "30% rule" assumes that housing is only affordable for a household if it spends less than 30% of its gross income on housing expenses.

Our model approach was designed based on research showing that two variables – age of head of household (Age=A) and household income

(Income=I) – demonstrated significantly stronger correlation with housing tenure than other variables, including household size. These two variables were selected as the primary demographic variables for the model. In addition, household income is another key variable used to help determine the affordability component of housing needs. As expected, data gathered during research on model development showed that different Age/Income (AI) cohorts make significantly different housing tenure choices. For example, a household headed by a 53 year-old and earning \$126,000 is likely to make a different housing choice than one headed by a 29 year-old and earning \$43,000.

The model is first used to calculate the total number of housing units needed for the planning period based on:

- **GO TO 2040 projections.**
- **Number of people in group quarters.**
- **Number of occupied housing units (number of households).**
- **Average household size.**
- **Assumed vacancy rate for the study area.**

The data sources for the population estimates, people in group quarters, and occupied housing units were taken from the U.S. Census Bureau's 2005-2009 American Community Survey (ACS) data. The number of households in each AI cohort was calculated by utilizing ACS data to determine the percentages of households that are in the 28 AI cohorts (4 age cohorts and 7 income cohorts).

The ACS-generated tenure parameters used in the model represent the probabilities of being a renter or homeowner for each of the 28 AI cohorts. Based on these tenure parameters, the model allocates those households in each AI cohort to an indicated number of rental and ownership units that is affordable for the income range for

APPROACH AND METHODOLOGY

Figure 89: Age Ranges and Income Ranges for Homes Analysis

Age Ranges	Income Ranges
<25	<15k
25-44	15k <35k
45-64	35k <50k
65+	50k <75k
	75k <100k
	100k <150k
	150k+

that cohort. The model then aggregates the units demanded within each income range to show the total units that could be afforded at each income range by tenure. To estimate the future AI cohorts, the current AI percentages were adjusted to reflect demographic forecasts for Cook County by the State of Illinois Department of Commerce and Economic Opportunity.

Capacity Analysis

As part of our more detailed housing analysis for four pilot cities, a capacity analysis was conducted for Hazel Crest, Lansing, Olympia Fields, and Park Forest. A capacity analysis is:

- An estimate of the amount of development potential remaining under the existing zoning or long-term plan.
- A comparison between this development potential, or capacity, with a municipality’s housing goals.
- Recommended adjustments of zoning or plans to help a municipality achieve those goals.

This approach uses Geographic Information Systems (GIS) and the calculated development capacity of land is based on standardized buildable land assumptions developed through Fregonese Associates’ experience around the nation.

Geographic Information Systems

GIS was used to calculate vacant and redevelopable land, after environmentally constrained lands were removed. The basic GIS process involved several steps:

- Cook County Assessor parcel data (2008) was used to summarize vacant acres of land by zone (this includes removal of environmentally constrained land, e.g. wetlands, flood plains, and steep slopes).
- Cook County Assessor 2008 parcel data was used to summarize redevelopable acres of land by zone, based on the land use field from the parcel data.
- The maximum density allowed in the zoning code for each zone was calculated using village zoning codes as a guide.
- The development potential of vacant land by zone was calculated by multiplying maximum density by vacant acres.
- The development potential of redevelopable land by zone was calculated by multiplying maximum density by non-vacant acres and by a redevelopment percentage.
- The initial capacity estimates were sent to villages for review and refinement.
- Based on municipal input, necessary adjustments were made.

APPROACH AND METHODOLOGY

Future Housing Demand by Type: Claritas PRIZM data and National Residential Preference Surveys

Each community's future housing demand by type was estimated based on:

- **Local existing housing stock.**
- **Local existing Claritas PRIZM lifestyle segments.**
- **National future housing preference surveys.**

Claritas PRIZM market research data was used to identify the market segments comprising the largest percentages of each community's population today.

The largest lifestyle segments were summarized in each community's report. The Claritas data is useful in helping the villages understand and take advantage of the types of housing and neighborhoods preferred by these groups. We also used the lifestyle characteristics to approximate each lifestyle segment's current housing type preference, and their propensity for living in a Smart Growth area or non-traditional neighborhood in the future.

Figure 90: Claritas PRIZM Lifestyle Groups Descriptions

Lifestyle Groups		Age	Income	Household Size	Children	Current Housing Preferences	Non-Traditional Neighborhood Preference
Y1	Midlife Success	30-50	>\$100K	1-2	No	Mostly suburban ownership	Medium
Y2	Young Achievers	20-30	\$30-100K	1	No	City apartments and condos	High
Y3	Striving Singles	20-30	<\$25K	1	No	Apartments, dorms and mobile homes	High
F1	Accumulated Wealth	30-55	>\$100K	3+	Yes	Large single-family	Low
F2	Young Accumulators	25-45	\$30-75K	3+	Yes	Suburban single-family	Low
F3	Mainstream Families	30-55	<\$30-75K	3+	Yes	Small single-family and mobile homes	Medium
F4	Sustaining Families	<45	<\$50K with most <\$30K	3+	Yes	Apartments and mobile homes	Medium
M1	Affluent Empty Nests	45+	>\$75K	1-2	No	Large single-family	Low
M2	Conservative Classics	55+	\$50-75K	1-2	No	Suburban single-family	Low
M3	Cautious Couples	55+	\$10-50K	1-2	No	Ownership single-family	Medium
M4	Sustaining Seniors	65+	<\$25K	1-2	No	Small single-family and apartments	High

Detailed information on the Claritas PRIZM methodology is available at: <http://www.claritas.com/MyBestSegments/Default.jsp>.

APPROACH AND METHODOLOGY

Then, several recent national surveys on residential preference were analyzed and incorporated into each community's projections. These surveys were compiled by the University of Utah's Dr. Arthur C. Nelson in *The New California Dream: How Demographic and Economic Trends May Shape the Housing Market*. The summary of the nation's estimated future demand is shown below.

Figure 91: Comparative Demand by Housing Unit Type from National Surveys
(Compiled by Dr. Arthur C. Nelson)

Housing Type	Nelson Total Demand 2006 (%)	RCLCO Owner Demand 2008 (%)	Myers and Gearin Townhouse Demand 2001 (%)	AHS Supply* 2009 (%)	AHS Supply* 2009 (%)
Multifamily	23	24	—	23	23
Townhouse	15	10	17	5	5
Small Lot	37	35	—	15	25
Conventional Lot	25	31	—	57	47

Sources: Myers and Gearin (2001); Nelson (2006); RCLCO (2008); U.S. Census Bureau (2010).
Note: — not available.
a. Small lot = one-sixth acre.
b. Small lot = one-quarter acre.

Source: The New California Dream: How Demographic and Economic Trends May Shape the Housing Market. Dr. Arthur C. Nelson, Urban Land Institute, December 2011
<http://www.uli.org/ResearchAndPublications/-/media/ResearchAndPublications/Report/ULI%20Voices%20Nelson%20The%20New%20California%20Dream.ashx>

SSMMA MEMBERS

City of Blue Island
 Village of Burnham
 City of Calumet City
 Village of Calumet Park
 City of Chicago Heights
 City of Country Club Hills
 Village of Crete
 Village of Dixmoor
 Village of Dolton
 Village of East Hazel Crest
 Village of Flossmoor
 Village of Ford Heights
 Village of Glenwood
 City of Harvey
 Village of Hazel Crest
 Village of Homewood
 Village of Lansing
 Village of Lynwood
 City of Markham
 Village of Matteson
 Village of Midlothian
 Village of Mokena
 Village of Monee
 Village of New Lenox
 City of Oak Forest
 Village of Olympia Fields
 Village of Orland Hills
 Village of Orland Park
 City of Palos Heights
 Village of Park Forest
 Village of Phoenix
 Village of Posen
 Village of Richton Park
 Village of Riverdale
 Village of Robbins
 Village of Sauk Village
 Village of South Chicago Heights
 Village of South Holland
 Village of Steger
 Village of Thornton
 Village of Tinley Park
 Village of University Park

ADVISORY GROUP: CMAP HOUSING COMMITTEE

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 Herman Brewer, Cook County
 Rob Breymaier, Oak Park Regional Housing Center
 Elizabeth Caton, Northwest Side Housing Center
 Sarah Ciampi, McHenry County Department of Planning and Development
 David Cole, U.S. Housing and Urban Development
 Paul Colgan, Colgan Public Affairs
 Adam Dontz, Gladstone Homes
 Nancy Firfer, Metropolitan Planning Council
 Sharon Gorrell, Illinois Association of Realtors
 David Gravel, Homebuilders Association of Greater Chicago
 Adam Gross, Business and Professional People for the Public Interest
 Tammie Grossman, Village of Oak Park
 Calvin Holmes, Chicago Community Loan Fund
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 Andrea Traudt, Bickerdike Redevelopment Corporation
 Joanna Trotter, Metropolitan Planning Council
 Mijo Vodopic, MacArthur Foundation
 Linda Young, Center for Neighborhood Technology
 Stacie Young, The Preservation Compact

Housing Factsheet Overview

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	31,680	65,744	108%
Households	10,285	19,682	91%

Source: *U.S. Census 2010 and †Chicago Metropolitan Agency for Planning

The data for 2010 comes directly from the U.S. Census. The projections for 2030 reflect a forecast of each community's potential population and household growth if the CMAP's GO TO 2040 is implemented.

2 Estimated 2030 Housing Demand by Income

The tables in this section compare the number of dwelling units in 2009 (ACS data) that were "affordable" to households within an income category to the projected demand for such units in 2030. A unit is defined as "affordable" if a household can live in it by allocating no more than 30% of its income for housing-related costs (rent,

mortgage payments, utilities, etc). If the 2009 housing stock for an income category exceeds the 2030 demand projections, it means that a municipality may already have units beyond its forecasted need. If, however, 2030 demand is higher than the 2009 housing stock, additional units will be needed to meet projected demand.

Rental Housing

Lansing	Rental Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	175	1,318	805	253	38	0	0	2,588
Households at Income Level (2009)	537	941	292	471	305	42	0	2,588
Projected Households at Income Level (2030)	536	960	338	604	404	58	0	2,900
Target Units Needed to Meet Projected Demand by Income	361	n/a	n/a	352	367	58	n/a	312
Additional Units Beyond Forecasted Need Within this Income Range	n/a	358	467	n/a	n/a	n/a	n/a	n/a

Ownership Housing

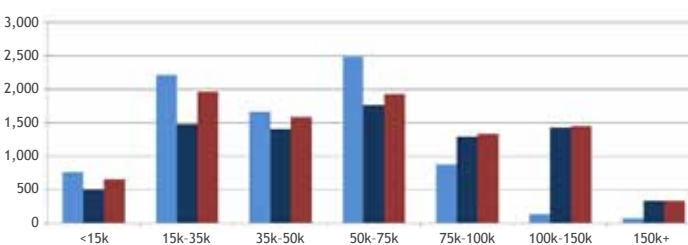
Lansing	Owner Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	756	2,215	1,659	2,487	873	130	65	8,185
Households at Income Level (2009)	505	1,474	1,411	1,766	1,285	1,422	322	8,185
Projected Households at Income Level (2030)	653	1,956	1,584	1,926	1,334	1,451	329	9,233
Target Units Needed to Meet Projected Demand by Income	n/a	n/a	n/a	n/a	461	1,321	264	1,048
Additional Units Beyond Forecasted Need Within this Income Range	103	259	75	561	n/a	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100% due to rounding.

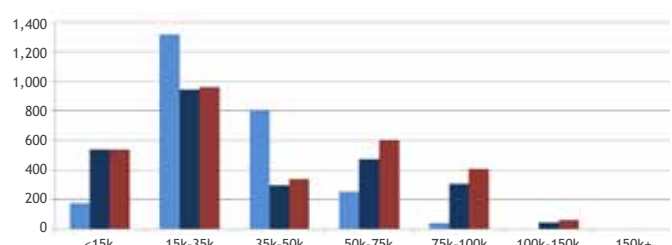
3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

This section contains the charts which illustrate the data from the tables above.

2009 Owner Households and Housing Stock Compared with 2030 Demand



2009 Renter Households and Housing Stock Compared with 2030 Demand



Legend: Occupied housing stock affordable at 30% of income (2009) (light blue), Households at income level (2009) (dark blue), Projected housing units needed at income level (2030) (red)

Hazel Crest

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	14,100	17,070	21%
Households	5,003	5,960	19%

2 Estimated 2030 Housing Demand by Income

Rental Housing

Hazel Crest	Rental Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	14	230	385	357	185	65	39	1,274
Households at Income Level (2009)	214	457	222	210	51	120	0	1,274
Projected Households at Income Level (2030)	365	625	288	282	49	140	0	1,749
Target Units Needed to Meet Projected Demand by Income	351	395	n/a	n/a	n/a	76	n/a	475
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	97	75	136	n/a	39	n/a

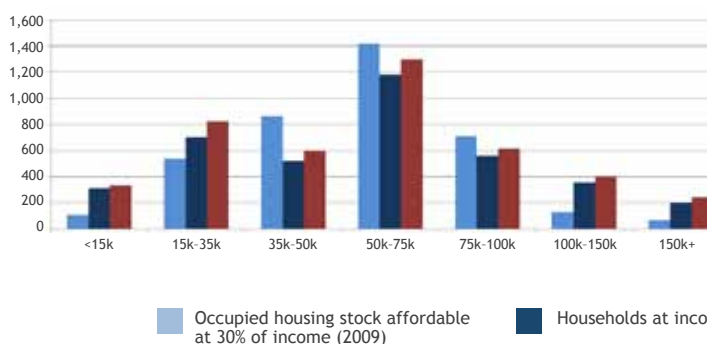
Ownership Housing

Hazel Crest	Owner Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	105	537	863	1,419	710	129	65	3,827
Households at Income Level (2009)	312	700	517	1,180	560	357	201	3,827
Projected Households at Income Level (2030)	334	825	597	1,300	612	401	240	4,309
Target Units Needed to Meet Projected Demand by Income	230	288	n/a	n/a	n/a	272	175	482
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	266	119	98	n/a	n/a	n/a

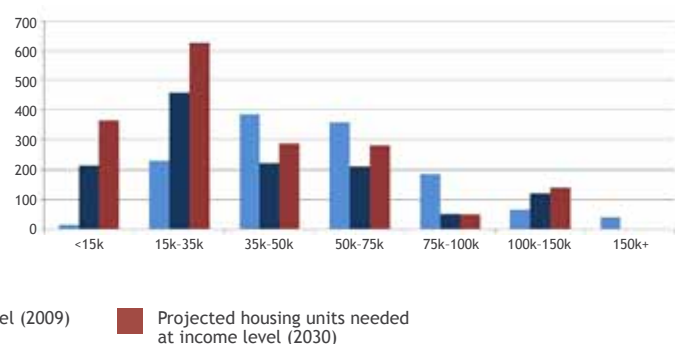
Please note that housing units may not add up exactly to 100% due to rounding.

3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

2009 Owner Households and Housing Stock Compared with 2030 Demand



2009 Renter Households and Housing Stock Compared with 2030 Demand



Lansing

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	28,331	29,611	5%
Households	10,957	11,919	9%

2 Estimated 2030 Housing Demand by Income

Rental Housing

	Rental Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Lansing								
Occupied Housing Stock Affordable at 30% of Income (2009)	175	1,318	805	253	38	0	0	2,588
Households at Income Level (2009)	537	941	292	471	305	42	0	2,588
Projected Households at Income Level (2030)	536	960	338	604	404	58	0	2,900
Target Units Needed to Meet Projected Demand by Income	361	n/a	n/a	352	367	58	n/a	312
Additional Units Beyond Forecasted Need Within this Income Range	n/a	358	467	n/a	n/a	n/a	n/a	n/a

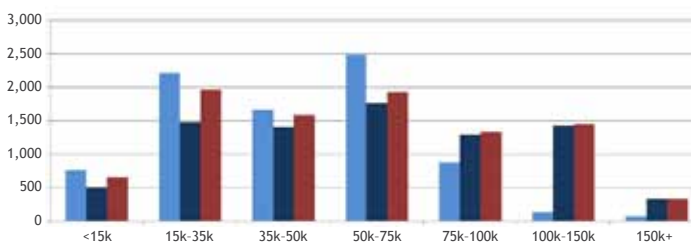
Ownership Housing

	Owner Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Lansing								
Occupied Housing Stock Affordable at 30% of Income (2009)	756	2,215	1,659	2,487	873	130	65	8,185
Households at Income Level (2009)	505	1,474	1,411	1,766	1,285	1,422	322	8,185
Projected Households at Income Level (2030)	653	1,956	1,584	1,926	1,334	1,451	329	9,233
Target Units Needed to Meet Projected Demand by Income	n/a	n/a	n/a	n/a	461	1,321	264	1,048
Additional Units Beyond Forecasted Need Within this Income Range	103	259	75	561	n/a	n/a	n/a	n/a

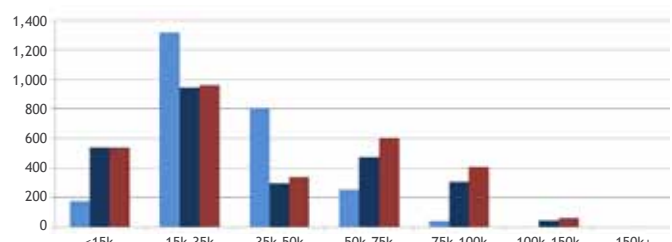
Please note that housing units may not add up exactly to 100% due to rounding.

3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

2009 Owner Households and Housing Stock Compared with 2030 Demand



2009 Renter Households and Housing Stock Compared with 2030 Demand



■ Occupied housing stock affordable at 30% of income (2009)
 ■ Households at income level (2009)
 ■ Projected housing units needed at income level (2030)

Olympia Fields

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	4,988	6,674	34%
Households	1,951	2,452	26%

2 Estimated 2030 Housing Demand by Income

Rental Housing

	Rental Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Olympia Fields								
Occupied Housing Stock Affordable at 30% of Income (2009)	0	26	5	17	132	53	32	262
Households at Income Level (2009)	60	72	31	24	14	51	10	262
Projected Households at Income Level (2030)	69	135	32	26	17	44	4	327
Target Units Needed to Meet Projected Demand by Income	69	110	28	10	n/a	n/a	n/a	65
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	n/a	n/a	115	9	28	n/a

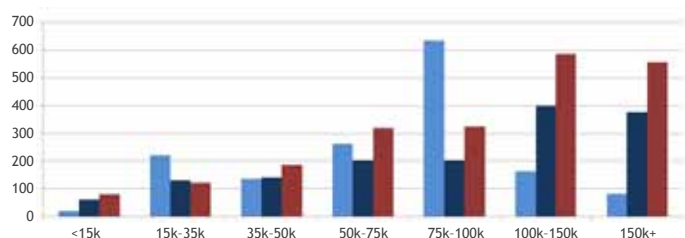
Ownership Housing

	Owner Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Olympia Fields								
Occupied Housing Stock Affordable at 30% of Income (2009)	19	220	135	262	634	164	82	1,515
Households at Income Level (2009)	62	131	141	203	203	399	376	1,515
Projected Households at Income Level (2030)	79	121	186	319	324	586	556	2,171
Target Units Needed to Meet Projected Demand by Income	60	n/a	51	57	n/a	422	474	656
Additional Units Beyond Forecasted Need Within this Income Range	n/a	99	n/a	n/a	310	n/a	n/a	n/a

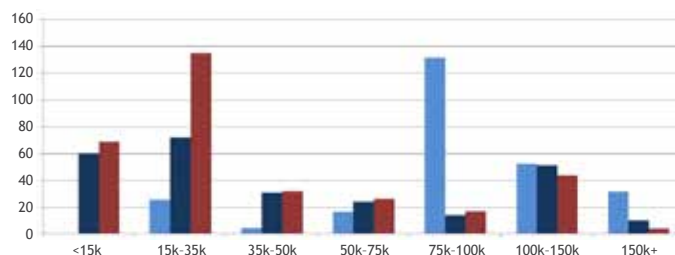
Please note that housing units may not add up exactly to 100% due to rounding.

3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

2009 Owner Households and Housing Stock Compared with 2030 Demand



2009 Renter Households and Housing Stock Compared with 2030 Demand



■ Occupied housing stock affordable at 30% of income (2009)
 ■ Households at income level (2009)
 ■ Projected housing units needed at income level (2030)

Park Forest

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	21,975	24,411	11%
Households	8,750	9,803	12%

Park Forest’s special housing stock makes using some Census data more challenging. Census data is self-reported, and we presume that some of the cooperative residents may have self-reported as owners and others as renters. After conversations with Village staff, and a review of the Village’s records of current ownership, rental, and cooperative developments, we chose to combine the owner and renter data and focus on the current matches and mismatches for the village’s entire housing stock.

2 Estimated 2030 Housing Demand by Income

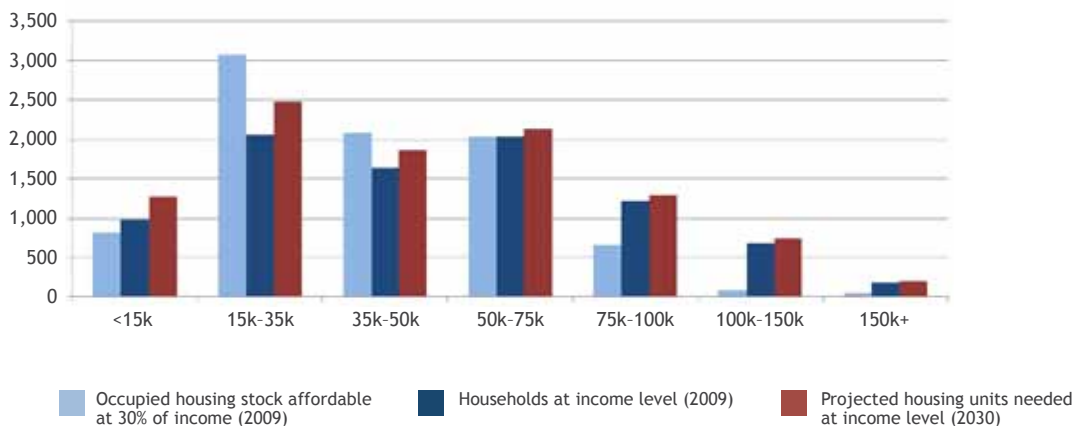
Rental and Ownership Housing

Park Forest	All Units							Total
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	
Occupied Housing Units Affordable at 30% of Income (2009)	818	3,076	2,086	2,035	655	88	45	8,803
Households at Income Level (2009)	976	2,061	1,641	2,035	1,223	685	182	8,803
Projected Housing Units Needed at Income Level (2030)	1,272	2,480	1,860	2,135	1,289	743	196	9,975
Target Units Needed to Meet Projected Demand by Income	454	n/a	n/a	100	634	655	151	1,172
Additional Units Beyond Forecasted Need Within this Income Range	n/a	596	226	n/a	n/a	n/a	n/a	n/a

Please note that housing units may not add up exactly to 100% due to rounding.

3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

2009 Households and Housing Stock Compared with 2030 Demand



SSMMA

1 Population and Household Forecast 2010-2030

	2010	2030	% change
Population	652,316	858,652	32%
Households	233,394	306,211	32%

2 Estimated 2030 Housing Demand by Income

Rental Housing

SSMMA	Rental Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	4,185	22,445	16,157	7,225	1,579	300	180	52,071
Households at Income Level (2009)	12,844	16,517	8,487	7,913	3,895	2,008	407	52,071
Projected Households at Income Level (2030)	17,598	22,726	11,593	10,921	5,305	2,556	486	71,185
Target Units Needed to Meet Projected Demand by Income	13,414	281	n/a	3,696	3,726	2,256	306	19,114
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	4,564	n/a	n/a	n/a	n/a	n/a

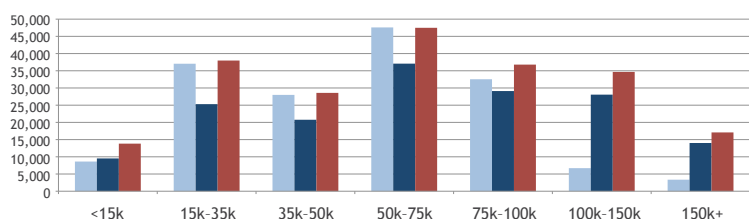
Ownership Housing

SSMMA	Owner Units							
	<15k	15k <35k	35k <50k	50k <75k	75k <100k	100k <150k	150k+	Total
Occupied Housing Stock Affordable at 30% of Income (2009)	8,623	37,046	27,990	47,594	32,535	6,701	3,350	163,839
Households at Income Level (2009)	9,526	25,294	20,766	37,070	29,107	28,063	14,013	163,839
Projected Households at Income Level (2030)	13,826	37,971	28,574	47,484	36,790	34,663	17,083	216,391
Target Units Needed to Meet Projected Demand by Income	5,203	925	584	n/a	4,255	27,962	13,733	52,552
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	n/a	110	n/a	n/a	n/a	n/a

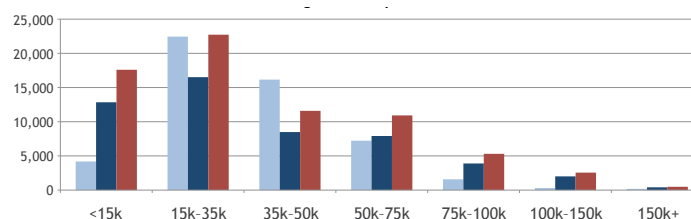
Please note that housing units may not add up exactly to 100% due to rounding.

3 Estimated 2030 Affordable Housing Demand Compared to 2009 Housing Stock

2009 Owner Households and Housing Stock Compared with 2030 Demand



2009 Renter Households and Housing Stock Compared with 2030 Demand



■ Occupied housing stock affordable at 30% of income (2009)
 ■ Households at income level (2009)
 ■ Projected housing units needed at income level (2030)

