



HOMES FOR A CHANGING REGION

PHASE 2: IMPLEMENTING BALANCED HOUSING PLANS AT THE LOCAL LEVEL

YEAR ONE: AURORA, LIBERTYVILLE AND OAK FOREST



November 2007

Homes for a Changing Region is a collaborative project between two regional organizations, the Metropolitan Mayors Caucus (MMC), which represents the 273 communities in the Chicago metropolitan area, and Chicago Metropolis 2020 (CM 2020), an activity of the Commercial Club of Chicago. In Phase One of the project, the two organizations, with the help of a well known development consultant, Fregonese Associates, projected housing supply and demand in the six-county Chicago metropolitan region through the year 2030 and identified imbalances that would likely impact the regional housing market. Recommendations to address the imbalance and to create more options for homeowners were made. Specific strategies at the local, regional and state level were identified. In Phase Two of the project, which is now entering its second year, the MMC and CM 2020 are working with a select number of local communities and their councils of government to put the recommendations and strategies of Phase One into practice.

This Phase Two interim report describes in detail new or updated housing policy plans for Aurora, Libertyville and Oak Forest, Illinois. Collectively they show that local communities, with the aid of modern planning tools, can create innovative and comprehensive housing action plans that meet the needs of their future residents.

The MMC and CM 2020 wish to thank the Phase Two outside contributors of the project – The Chicago Community Trust, the Fannie Mae Foundation, the Harris Family Foundation, the John D. and Catherine T. MacArthur Foundation and National City Bank – as well as the members of the project’s Mayors’ Advisory Group and Technical Advisory Group for their ongoing support. Special thanks are in order to Mayor Thomas Weisner of the City of Aurora, Mayor Jeffrey Harger of the Village of Libertyville and Mayor JoAnn Kelly of the City of Oak Forest and their staffs for the extensive help they provided for their community studies.

Beth Dever of the MMC and King Harris and Nancy Firfer of CM 2020 are serving as Directors of Phase Two of the project. Fregonese Associates continues to be the project’s principal consultant and has had primary responsibility for preparing this report.

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Phase 2: Implementing Balanced Housing Plans at the Local Level

Year One: Aurora, Libertyville, Oak Forest

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Three years ago, the Metropolitan Mayors Caucus (MMC) and Chicago Metropolis 2020 (CM 2020) began collaborating on a forward-thinking study of housing needs in the Chicago Metropolitan region. With outside expertise provided by Fregonese Associates, a nationally recognized planning consulting firm, the MMC and CM 2020 published **Homes for a Changing Region** in the summer of 2005.

The **Homes** report charted supply and demand trends that were likely to affect the Chicago regional housing market by the year 2030 and focused on how these trends might impact housing affordability for working families. The report suggested that:

- There would be significant growth in two key population groups, Latinos and seniors, and these groups would likely seek out small single-family homes, townhomes and apartment units in larger complexes—dwellings that were not being planned in sufficient quantity to meet expected demand.
- An excess of large lot single-family homes was being planned for the region.
- Housing cost escalation was being driven by rapidly rising land costs and impact fees, as well as buyers' preferences for larger housing with more amenities.
- If current trends continued, as many as 870,000 families would be paying more than they could afford for housing by 2030.

In its final chapter, the **Homes** report outlined in detail what communities could do to address the identified mismatch between the planned supply of housing and expected demand. The report recommended that communities plan, with active citizen input, longer-term “big picture” housing development strategies which included a commitment to creating a wide range of housing options. It suggested that communities look carefully at their zoning codes, building codes, impact fees and potential funding resources and consider what impact they could have on meeting housing development goals. It discussed a number of housing affordability strategies including land



Planning for a range of housing types is essential to the Chicago region.

trusts, inclusionary zoning ordinances and home sharing. It pointed out that housing preservation, as well as new construction, could help accomplish these goals, especially those related to the provision of moderately-priced dwelling units. It cited many examples of cities in the region taking steps to create more housing options for working families. Finally, the report suggested that a sub-regional approach to housing issues could benefit neighboring communities.

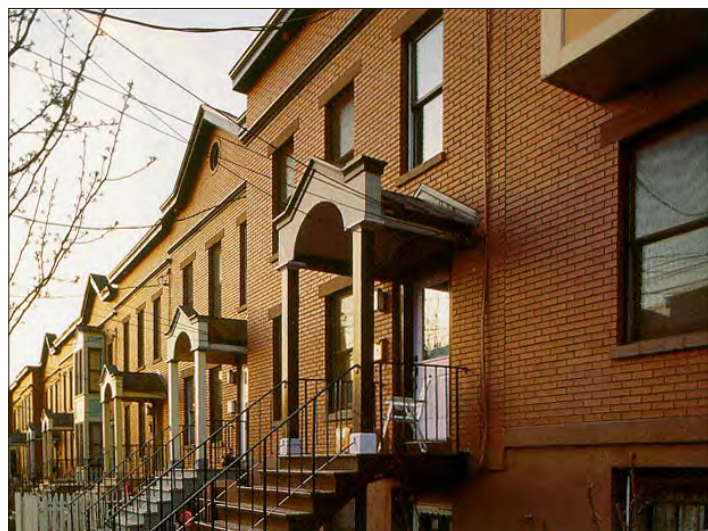
Local Housing Policy Plans

A year after the **Homes** report was published, the Mayors Caucus and Metropolis 2020 launched a three-year demonstration project to show how the recommendations of the **Homes** report could be successfully implemented in the region. Three communities—Oak Forest, Libertyville, and Aurora—agreed to participate in the first year of this demonstration project. Each of these communities was interested in getting a detailed understanding of long term housing trends and was willing to seriously consider the development of a long-range “balanced” housing plan that would meet the needs of all of its citizens. Each community had unique needs and approached the project with a different point of view.

- Oak Forest was in the process of developing a new comprehensive plan for the city and saw an opportunity to enhance the housing element of that plan. In addition, the city was considering a major redevelopment project near the 159th Street/Cicero Avenue Metra Station and was seeking outside advice related to upgrading portions of its housing stock that were deteriorating.
- Libertyville was concerned about housing affordability at a time when north suburban housing prices were escalating rapidly. The village was also concerned about the number of houses being torn down to make room for larger, more expensive housing. Meanwhile, the village knew it lacked sufficient affordable housing and it wanted to meet the intent of the State's Affordable Housing Planning and Appeal Act. Libertyville was also seriously considering the adoption of an affordable housing set-aside ordinance that would affect new development in the community. Like Oak Forest, Libertyville saw a major opportunity for development around its downtown train station.
- Aurora, the second largest city in Illinois, was interested in a detailed analysis of its potential long term housing trends. The city had been doing considerable work to create and promote affordable housing and was looking for strategies to ensure a well-balanced housing stock. Already committed to major downtown redevelopment, Aurora was also looking for ways to best match its future development with its future needs.

The local housing policy plans that were created in the first year of the demonstration project recognize the specific needs of each of the three pilot cities. They are designed to assist each with land use strategies that will optimally meet their future housing needs for households across the income spectrum.

Reports for each of the three pilot communities were developed for the Mayors Caucus and Metropolis 2020 by Fregonese Associates. These appear as Attachment A (Aurora), B (Libertyville) and C (Oak Forest). Additionally, supply/demand projections for the Northeastern Illinois region and the three sub-regions (DMMC, NWMC, and SSMMA) where the target communities are located can be found in the Appendix.



Diversity of housing types, such as townhomes and condominiums, can be used to meet many of the region's demands for housing.



The local housing policy plans developed for this study take local, sub-regional, and regional issues into consideration to provide strategies to encourage a balanced housing stock that meets the needs of each community.

The methodology used for this analysis is based on a demographically driven approach to housing planning. That is, we examined the communities' housing needs based on what people can afford, not what the market provides.

Specifically, the local housing policy plans include:

- an estimate of current housing needs based on existing data (primarily from the U.S. Census Bureau) such as income trends and existing housing stock;
- an estimate of future housing needs based on demographic projections (using the Chicago Metropolitan Agency for Planning (CMAP) forecast), existing needs and income trends;
- an analysis of the existing zoning that includes a calculation of the full build-out capacity under current regulations;
- specific land use and financing strategies to help each community achieve its targets; and
- visualizations, including photo simulations and three-dimensional video, of how future development might look.

The ultimate goal for these housing policy plans is to serve as the first step in creating a balanced stock of affordable housing for each community in the region. By this definition, "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. The Local Housing Policy Plans developed for Oak Forest, Libertyville and Aurora are intended to demonstrate best practices in housing planning to municipalities across the region.

It should be noted that each local housing policy plan is designed to be a free-standing document and a resource for communities. It is critical that the municipalities, stakeholders and community users have a versatile, easy-to-read resource.

The pilot housing policy plans take a unique approach by looking at creating a balanced housing mix across the entire income spectrum. This is in contrast to most local housing policy plans which mainly focus only on low-income or subsidized housing.

While ensuring the availability of low-income or subsidized housing is a critical issue for the entire Chicago metropolitan region, the region also faces other important housing issues such as increasing homeownership for working households and ensuring the availability of higher-end housing in areas where the demand is not being met by the market.

The three affordability levels described in the following pages help guide potential approaches and strategies to help local governments to achieve their housing goals.

What is housing "affordability"?

- While varying from household to household, "affordable" is generally defined as spending 30% of household income on housing costs (including utilities, insurance and taxes).
- Higher income households tend to pay less than 30% of their household incomes toward housing costs (underpaying).
- Lower income households tend to pay more than 30% of their household incomes toward housing costs (overpaying).

AFFORDABILITY LEVELS

Low-Income And Subsidized Housing

Achieving affordability for low-income groups focuses on serving households earning up to 80% Median Household Income (MHI). The low-income affordable housing segment reflects a wide range of needs—from deeply subsidized housing for those earning less than 30% MHI to minimally subsidized or unsubsidized lower-amenity market-rate housing for those earning just below 80% Area Median Income (AMI). Of course, one of the most vulnerable sub-groups within this wide income range are those who earn the lowest incomes and require subsidized housing. It is important for municipalities to establish programs specifically targeted toward these very low-income households. While this type of housing is in short supply throughout the region, and across the country, it is critical because it prevents homelessness. Financially, most of this type of housing requires state or federal subsidies, or must operate as charity housing.

Within the low-income demographic, there are also other special housing needs, including those of seniors and working families. While it is often assumed that a municipal subsidy is required for any kind of low-income housing, this is often untrue. There are many strategies in which a local government may engage to ensure that affordable housing for low-income households is actively being retained and developed. To achieve this, a local government can provide non-monetary incentives to developers to build housing for those in this income range. Furthermore, local governments can use these strategies in conjunction with others to encourage the development of mixed-income communities. Often, a combination of subsidies and regulatory incentives can make a project with a mix of low-income affordable, workforce and upscale housing financially feasible. Mixed-income developments provide an opportunity to reduce concentrations of low-income households and to create complete communities which include people of all income ranges.

Households earning 80% or less of Median Household Income

Workforce Housing

Workforce housing, defined here as rental and ownership housing for those earning between 80% and 120% of MHI, is the housing backbone of many communities. This housing is intended for people who earn close to the median income, but cannot afford to buy a home because of high real estate costs. Workforce housing also serves as a bridge between rental and ownership for many families while allowing them to realize the community and financial benefits of homeownership. Workforce housing provides opportunities for people such as teachers, police officers, firefighters, and nurses to live in the communities in which they work.

The Chicago region has benefited from a high homeownership rate and it remains important to ensure housing opportunities for this segment of the population. However, workforce housing is often not developed because there are fewer subsidies for workforce housing than for lower-income housing and it is usually less profitable for developers than more expensive housing.

Households earning 80% -120% of Median Household Income



Attached housing is being used around the nation to encourage broader ownership opportunities.

Market-Rate And Upscale Housing

While urban planners and housing advocates often focus on encouraging affordable and workforce types, many communities actually have a need for additional housing for middle and upper-income residents. Creating a mix of housing types, ranging from those targeted at the lowest and highest incomes, is important for any diverse municipality. This mix results in housing that serves people’s entire life cycles, and provides opportunities for households with rising incomes to remain in the same community.

Households earning 120% or more of Median Household Income

The reality is that some municipalities have a relative surplus of affordable housing and want to create a healthy income mix within their communities. This need is particularly strong in areas which have generally low rents and sales prices – in these communities, some higher-end housing could help promote socioeconomic diversity, increased disposable income and small businesses. Though there are generally fewer programs designed to specifically facilitate the development of market-rate or upscale housing, there are a number of land use strategies in which municipalities can engage to encourage mixed-income communities.

Communities may take several land use approaches to encourage the development of market-rate and upper-income housing. These land use directions may involve new design standards using mixed-use zoning to encourage neighborhoods with strong retail and residential components, and integrating land use decisions with existing and future transportation networks.



Smaller lot single-family homes, such as these in Prairie Crossing, can provide many of the amenities attractive to upscale households while using less land.

How are affordability levels defined in the housing policy plans?

Chicago PMSA Median Household Income in 2000: \$51,680 (in 2000 dollars)

- Low-Income and Subsidized Housing = housing targeted at households earning less than 80% of the Chicago PMSA Median Household Income (MHI)
- \$0 - \$41,000
- Workforce Housing = housing targeted at households earning 80-120% of the Chicago PMSA MHI
- \$41,000 - \$62,000
- Market-Rate and Upscale Housing = housing targeted at households earning over 120% of the Chicago PMSA MHI
- \$62,000 +

CONCLUSIONS

The Chicago region is experiencing tremendous growth and change. Each municipality has an opportunity to create a balanced housing supply which meets local and regional needs. While some lower-income communities may need more market-rate housing, and some affluent communities may need more low-income and workforce housing, the goal is the same: creating balance and opportunities.

In reviewing the findings from this project, some noteworthy commonalities were found. First, the 2030 supply forecasts for all three communities predict housing deficits at both the low and high ends of the price spectrum. In the case of Oak Forest and Libertyville, the low-end deficit relates to both rental and owner-occupied units. In the case of Aurora, the low-end gap only applies to rental units. All three communities have predicted shortages of upscale rental and owner-occupied units. The predicted upscale deficits are consistent with current plans in all three communities to encourage the development of specific upscale rental and owner-occupied dwelling types. As for the deficits at the low end of the market, each community has identified different opportunities to address the deficit.

For Oak Forest, incentives to sustain and improve existing affordable rental stock may be a realistic strategy. Complementing this strategy might be the expansion of housing rehabilitation to preserve affordable single family homes. In terms of new construction, Oak Forest may consider mixing some workforce affordable apartment units into developments surrounding its upgraded Metra station area. This combination of strategies is important, because it is unlikely that filtering alone will meet the growing demand for moderate income owner-occupied housing. The city will also likely pursue the development of hundreds of senior rental units.

Transit-Oriented Development will play a key role in housing development throughout the region. Each pilot city had opportunities for redevelopment at each of their Metra stations. The images below show the renderings of the 3-D models that were created to illustrate how these sites could be transformed from primarily parking lots into vibrant, active centers for mixed-use residential development.



Oak Forest's Metra Station



Libertyville's Downtown Metra Station



Aurora's Roundhouse Metra Station

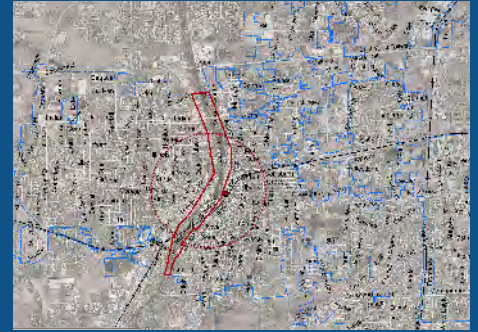
In the case of Libertyville, a 15% affordable housing set-aside ordinance applying to all new developments in the community figures to be the key strategy for creating new affordable housing. Significant new housing construction near its downtown Metra station may produce meaningful numbers of affordable units. Senior housing developments may provide another means of adding needed affordable units.

As for Aurora, the task of preserving and creating low-income rental units may be challenging. Aggressive code enforcement and expanded rehabilitation programs are logical preservation strategies. As for new construction, a sizeable commitment to new senior housing, with most financial support coming from the state and federal government, makes sense. The city may also consider an affordable housing set-aside rule for new planned unit developments—one that provides density incentives to developers. Recently announced downtown mixed-use development may produce anywhere between 900 and 2,000 new condominiums with an average sale price of \$200,000, well within the range of workforce families. Aurora already has a sizeable stock of affordable rental and owner-occupied properties.

All three communities are focusing their attention on downtown development opportunities, especially those near commuter rail stations. Oak Forest's plans are especially noteworthy because one approved and another potential station area development may create the beginning of a real "downtown" in a community that has thus far lacked one. Libertyville sees its Metra station as providing a key opportunity to enhance an improving downtown district. Aurora, as mentioned above, is also seeing significant potential development in its entire downtown.

Besides new development, upgrading existing property will be a strategy used by all three communities to meet future needs for both rental and owner-occupied housing. The municipality-specific policy plans which follow examine where renovations and upgrades could take place.

The analysis and plan-making for Oak Forest, Libertyville and Aurora revealed many lessons for the region. In fall 2007, a similar process will begin with three additional communities in the region. Ideally, these new communities will provide different housing development challenges and unique lessons for greater Chicago. Regardless, this process shows the great potential for housing development in every community committed to offering a broad range of housing choices to its citizens and the region.



HOUSING POLICY PLAN AURORA

In April 2006, Aurora was selected by the Metropolitan Mayors Caucus and Chicago Metropolitan 2020 as a pilot community to illustrate how data from a demographically-driven housing needs assessment and GIS-based capacity analysis could be translated into a local housing policy plan. This local housing policy plan should help the city to meet the demands of its current and future residents, while laying the groundwork for a more balanced local housing market over the long term.

This report analyzes Aurora's existing housing needs, existing housing stock and future housing needs (2030) to provide the city with targets and strategies for achieving a balanced housing stock. In addition, an analysis of the capacity of zoning in Aurora was conducted to assess the potential for future housing development under current conditions.

The housing needs analysis revealed that Aurora:

- Needs more upscale ownership and rental housing.
- Has a relatively balanced housing distribution, but maintaining the distribution of middle and low-income ownership housing, while addressing the above-stated need, will be key for Aurora to maintain a balanced housing stock.
- Has demand for low-cost rental housing – demand that will continue in the future. Aurora has a higher percentage of such housing than other communities within the DuPage Mayors and Managers Conference (DMMC). These other communities should be encouraged to build and preserve their own supply of such housing, in order to create a balanced housing stock across the region.

To address these issues, this Policy Plan recommends that Aurora pursue the following housing preservation and development strategies:

- Encourage housing near transit options, especially in the downtown area. Significant amounts of housing, at a range of affordability

levels, should be located in close proximity to transit options throughout Aurora. This allows people who work in Aurora to live near their jobs and reduces the travel time for those who work elsewhere in the region.

- Enable the development of high-density, high-amenity products such as townhomes, as well as single-family homes of all sizes. A meaningful share of new housing located in the downtown area can be targeted at upper-income households.
- Establish mixed-use, mixed-income developments through the use of density bonuses and other incentives that can be administered through various mechanisms.
- Continue preserving and enhancing Aurora's existing housing stock for affordable and upscale housing needs, and promoting the city's historic housing as one of the tools available to achieve this.
- Partner with local community-based groups and non-profits on housing development work to further enhance and reinforce city efforts to promote decent, safe and sanitary housing.
- Promote state incentive programs and homeownership programs as available resources for low and middle-income housing. These programs provide tools for the development of new housing as well as provide financing for low and moderate-income households.
- Use sustainable development practices to reduce energy costs, thus making housing more environmentally responsible and consumption more affordable to all households. Use green design as a way to attract higher-income households.

INTRODUCTION

A local housing policy plan is a guiding document for future housing development within a municipality that will help ensure that housing demand, at all income levels, can be met. The local housing policy plan estimates both current and future housing needs and includes land use policies and financing strategies that can help a local government meet its housing targets. Housing targets are generally created by examining existing housing trends and setting goals for future housing that are consistent with demographic and market trends, as well as community goals.

This local housing policy plan provides the City of Aurora with an assessment of current housing need, future housing targets, and policies designed to achieve those targets. Specifically, Aurora's local housing policy plan includes:

- an estimate of Aurora's current housing needs shown by income range for rental and owner-occupied housing;
- an estimate of Aurora's future housing needs based on government projections and the housing goals of the city; and
- land use and financing strategies that will help the city to achieve its desired housing goals.

In addition to examining Aurora's specific housing needs, an analysis of regional and sub-regional trends was also conducted. The sub-regional analysis focused on the Council of Governments level (in the DuPage Mayors and Managers Conference), and included an assessment of the needs of all municipalities within the DMMC, as well as the DMMC as a whole. In this report, the terms DMMC and sub-region refer to the communities identified as members of the DuPage Mayors and Managers Conference (listed in the Appendix).

The regional analysis focuses on the six-county region: Cook, Lake, Kane, DuPage, Will and McHenry. It is important in housing planning to examine the sub-regional and regional contexts – housing needs and decisions are seldom strictly confined by political boundaries. This analysis provides insight into how Aurora compares with its neighbors and the rest of the region.

Why does Aurora need a housing plan?

Aurora wants to maintain its existing affordable and diverse housing stock while at the same time pursuing an ambitious economic development strategy to reinvigorate its downtown and create a vibrant, active riverfront community built upon principles of environmental sustainability. Aurora also plans to revive the historic neighborhoods that surround the downtown area through reinvestment and rehabilitation, to invest in mixed-use communities in transit station areas, and to develop upscale housing for both renters and owners in key areas within the city.

What is balanced housing and how does it apply to Aurora?

The targets set in this housing policy plan are designed to encourage a more balanced housing mix in Aurora. In this context, balanced housing refers to addressing the housing needs of people from the entire income spectrum who live and/or work in Aurora, both now and in the future. Balanced housing is considered throughout this plan because Aurora and other communities in the Chicago region will thrive when a range of housing types and prices are encouraged. The benefits of balanced housing for Aurora include:

- Increasing the city's appeal to the business community. If people who work in Aurora are able to live closer to their workplaces, it will reduce commuter-related job stress and allow them to spend more time with their families.
- Making Aurora more appealing to essential service employees such as teachers, police officers, firefighters and nurses. Reduced commuting times will enhance their service to the community.
- Enhancing and improving neighborhoods as opposed to letting them deteriorate. To the extent that a variety of housing types at varying price levels are available, the more likely an area is to prosper. A focus on balanced housing will help the city to proactively address rehabilitation of any neighborhoods in need.

- Providing the types of housing sought by new residents. Research indicates that townhomes, condominiums and small single-family homes appeal to a variety of the fastest growing population segments – seniors, singles and childless couples.
- Continuing to meet the requirements of the Illinois Affordable Housing Planning and Appeal Act.

How Was the Current and Future Demand for Housing Calculated?

The current supply and demand for housing were estimated using information from the 2005 American Community Survey (ACS) from the U.S. Census Bureau. Supply figures reflect actual rental and owner-occupied housing existing in Aurora at various price points. Demand figures are based on family income and assume that a family will not spend more than 30% of its income on housing or housing-related expenses. Of course, a number of Aurora families are spending more than 30% of their income on housing. Some may be doing so not by choice. Others, however, may choose to spend more than 30% because they feel the benefits of living in Aurora or in a certain type of housing are worth the extra expense.

There are other factors which impact the current demand figures being used, and therefore were difficult to assess given the data gathering abilities. These include:

1. These figures do not take into account senior citizens who own their own homes but now have moderate to low incomes. The homes these seniors are living in would be beyond their income capabilities if they had to buy them today.
2. Current demand figures at the low end do not take into account families who choose to “double up” or share a unit to cover the housing cost of a rental or owner-occupied property.
3. The demand figures do not take into account families who decide to live in a moderately priced dwelling unit when they could afford a more expensive unit.

In any case, current supply and demand were compared and differences at each level of

What is housing “affordability”?

- While varying from household to household, “affordable” is generally defined as spending 30% of household income on housing costs (including utilities, insurance and taxes).
- Higher-income households tend to pay less than 30% of their household incomes toward housing costs (underpaying).
- Lower-income households tend to pay more than 30% of their household incomes toward housing costs (overpaying).

household income were identified. It is important to remember, however, that shortages and surpluses shown reflect “ideal” housing need based on income, not actual housing decisions made by families in Aurora.

The future demand for housing was estimated using demographic and household data supplied by the Chicago Metropolitan Agency for Planning (CMAP) and county-level age projections for 2000-2030 from the Illinois Department of Commerce and Economic Opportunity (DCEO). Once again, demand figures assume that households will not spend more than 30% of their income on housing.

The future supply of housing projects the number of housing units that will be needed to meet future demand. The projections assume that average household size will not vary greatly from where it is today. As to what specific type of unit will meet that demand – a townhome, an attached home, an apartment or a single-family home - or its nature, owner-occupied or rental, that is a matter of conjecture. Planners, however, have a fairly good idea of what types of units will meet demand given the pricing in current housing markets.

The end product of the future demand analysis is a new estimate of housing need (either a surplus or a gap) by the year 2030. The supply and demand figures for the years 2005 and 2030 appear on tables 2,3, 4 and 5.

EXISTING CONDITIONS

Demographic Trends

Aurora is the second largest city in Illinois and is located about 40 miles west of downtown Chicago, accessible to Chicago by a variety of transportation modes. Aurora sits at the intersection of 4 counties—Kendall, Kane, DuPage and Will—and is the urban center for the western portion of the region. Aurora is a middle-class community with a median household income of \$55,950 and with 11% of its families living below the poverty line (2005 American Community Survey).

Aurora is expecting significant growth in population, households and employment based on CMAP projections and current economic growth. According to the 2005 ACS, Aurora’s population was approximately 170,490; CMAP projects the population will increase by 12% by 2030. During the same 2005-2030 period, CMAP forecasts the number of households in Aurora to grow by 23% from 54,416 to 66,722. Employment is projected to grow even faster over the 2000 to 2030 time frame, from 63,143 to 106,677, an increase of 69%.

Table 1: Population and Household Forecast 2000-2030

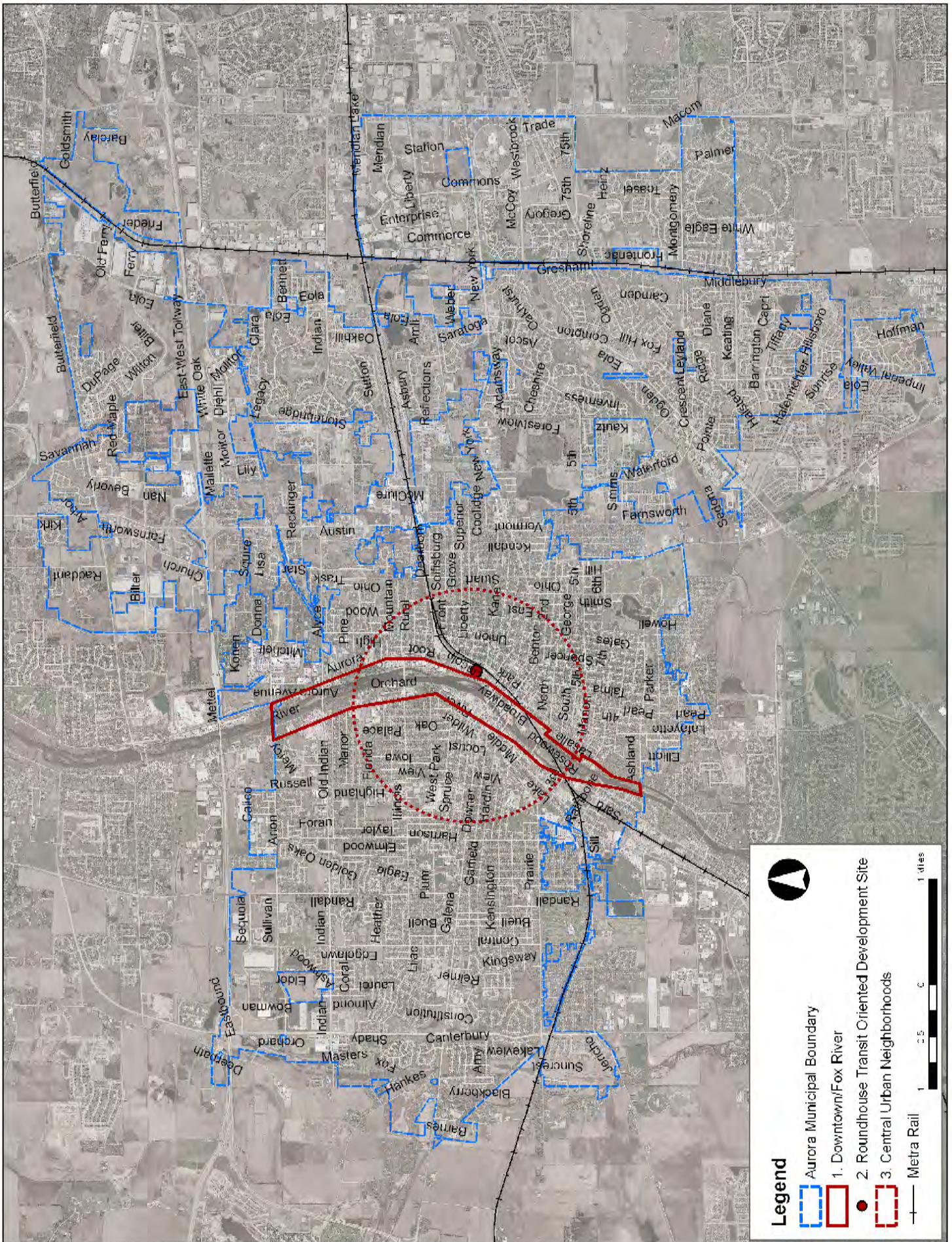
	2005	2030	% change
Population	170,490	190,167	12%
Households	54,416	66,722	23%

Aurora can accommodate new growth while diversifying its economic base and encouraging a greater mix of housing types. Aurora has three main areas in which to focus growth (See Map 1 on the opposite page):






1. **Downtown/Fox River.** Downtown Aurora is the heart of the city and represents a tremendous opportunity for new jobs and housing. Rich with architectural beauty, accessible to the Fox River, and having a budding entertainment district, Aurora already has many of the important ingredients for transforming its downtown into a vibrant and active regional center. The infusion of housing in the downtown will provide the critical mass of people necessary to stimulate an active urban center.

2. **Roundhouse Neighborhood Transit Oriented Development Site.** Concept plans are already underway to preserve and redevelop this area into a dynamic Transit-Oriented Development, one that brings housing closer to transit and services closer to people.
3. **Central urban neighborhoods.** Many of the neighborhoods surrounding the downtown contain some of Aurora’s oldest historic housing stock. Some neighborhoods have been revived over the years, while many have not. These central neighborhoods are important to the redevelopment of the downtown but will also be the most complex to redevelop as these areas contain many of the poorest households in the city. Avoiding their displacement will be key.

Map 1. Opportunity Site Locations



Legend

-  Aurora Municipal Boundary
-  1. Downtown/Fox River
-  2. Roundhouse Transit Oriented Development Site
-  3. Central Urban Neighborhoods
-  Metra Rail

1 0.5 0.25 0.125 1 Miles

CURRENT HOUSING ANALYSIS

An analysis of Aurora's current housing situation (see Tables 2 and 3 below) shows that, as of 2005, Aurora had a relatively balanced housing distribution. Maintaining the distribution of middle-income ownership housing will be key to Aurora's future balancing success. More upscale ownership housing is needed, now and in the future.

In terms of rental housing (table 3), demand for housing by the lowest-income households is strong and will continue to be in the future. The recent significant rise in housing values and rents has impacted the ability of many lower-income households to afford housing at 30 percent or less of their incomes. This trend is true throughout the country and certainly within the greater Chicago region. Additionally, as housing prices rise, more lower-income households will have to rent, as affordable ownership housing and less favorable interest rates will reduce the ability of these households to purchase a home.

Aurora and the DMMC

Comparisons between Aurora and the DMMC in terms of rental and ownership housing can be seen in Charts 1 and 2 on the following page. At the time of this report, 2005 Census data was unavailable for many of the cities within the DMMC. However, trends in 2000 provide some insight into Aurora's role in the sub-region and the region, and help to illuminate issues that may need to be addressed at the sub-regional level, particularly as it relates to housing for low income households. Based on 2000 data, Aurora had a higher percentage of rental housing than its sub-region, and a smaller

proportion of rental housing when compared to the region as a whole.

Looking forward to 2030, Aurora needs to preserve its existing stock of rental and owner-occupied housing for low and moderate-income families. It also needs to create additional housing for such families, especially senior housing. Finally, it needs to create new rental and owner-occupied housing for upper-income families, including professionals and seniors who will want to continue enjoying the benefits of living in Aurora.

Aurora provides a disproportionately large share of the rental housing within the DMMC and thus DuPage County as a whole (see the Appendix for DMMC's housing overview). This is particularly true for low-income rental housing. The DMMC sub-region is absorbing a smaller share of rental housing than the region -- 26% of the housing in the DMMC is renter-occupied, while 36% of the entire region's housing is renter-occupied. For the DMMC percentage to more closely reflect that of the entire region, municipalities within the DMMC would need to increase available rental options. If current trends continue, Aurora will likely continue to absorb the majority of lower-income rental housing in the sub-region, which will essentially reduce pressure on the surrounding cities to provide adequate housing for people of all income levels. Generally, while DuPage County has seen economic growth in the service sectors, this growth has not been proportionate to growth of low-income housing within the same communities.

Table 2: 2005 Ownership Housing Demand by Income Compared to Existing Housing Stock

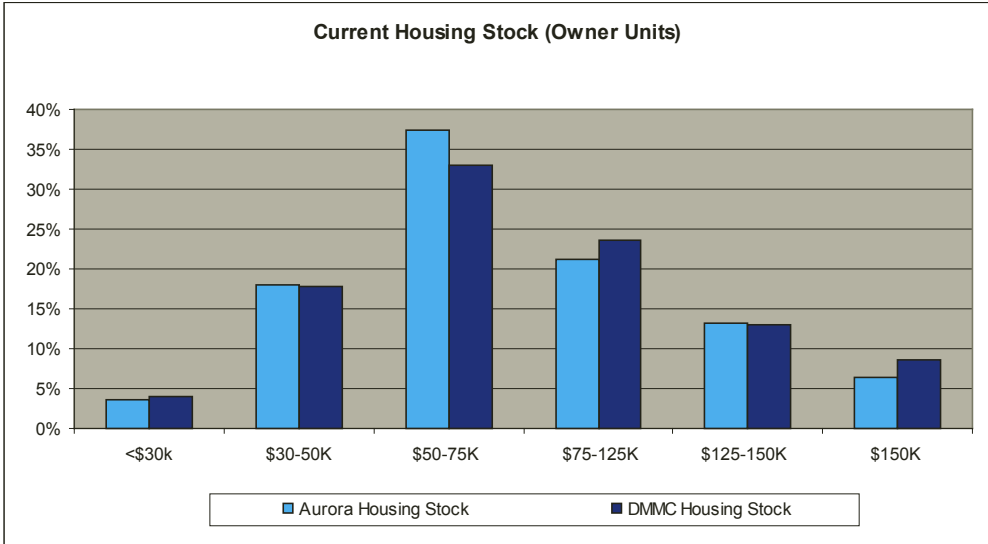
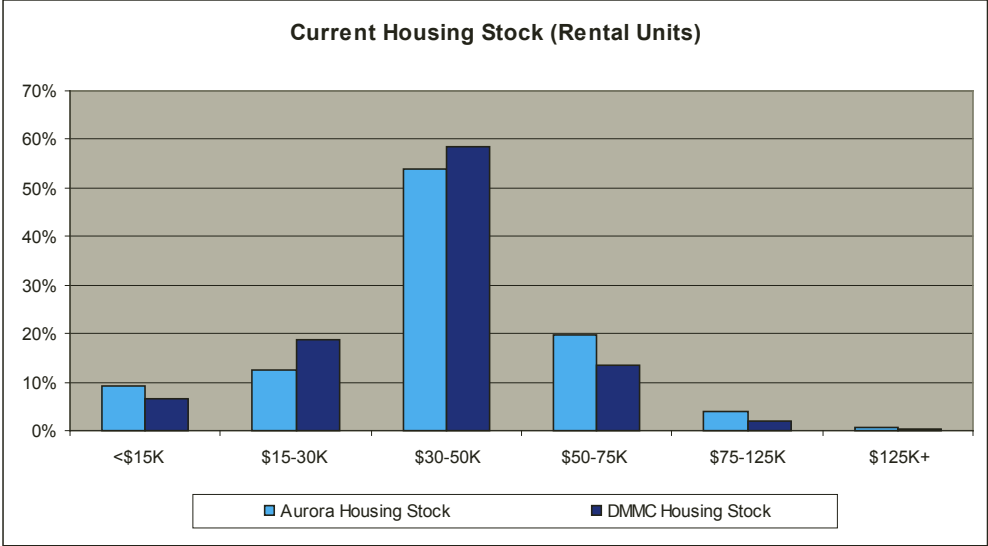
	<30K	30K<50K	50K<75K	75K<125K	125K<150K	\$150K+	Total
2005 Stock (Est.)	1,460	7,208	14,914	8,478	5,257	2,567	39,884
2005 Need	3,050	7,339	9,028	7,306	6,093	2,934	35,751
Difference	(1,591)	(132)	5,886	1,172	(836)	(367)	4,133

Table 3: 2005 Renter Housing Demand by Income Compared to Existing Housing Stock

	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	Total
2005 Stock (Est.)	1,610	2,126	9,292	3,370	695	105	17,197
2005 Need	3,510	4,468	5,907	4,201	1,875	656	20,617
Difference	(1,900)	(2,342)	3,385	(831)	(1,181)	(551)	(3,420)

In terms of upscale rental housing, Aurora’s supply is very limited (less than 1,000 units) at a time when demand already exceeds 2,500 units. This same situation exists in many communities in the DMMC. In terms of ownership housing, Aurora and the DMMC are fairly similar and have more middle-income market-rate housing than other areas in the region.

In terms of ownership housing, Aurora and the DMMC are fairly similar. However, when compared to the region, Aurora and the DMMC have greater shares of market-rate housing (as a percent of total housing units) than the region.



Guiding the future of housing in Aurora requires evaluating the present and determining a desired future. This desired housing future for Aurora cannot be considered, however, without also examining possible futures for the DMMC and the region. As described previously, Aurora has a disproportionately high share of the DMMC's rental and affordable housing, and the DMMC has a lower share of the region's affordable housing. This means that in order to move towards housing balance, the DMMC needs to simultaneously increase its total amount of rental housing, while encouraging the development of this new affordable rental housing outside of Aurora.

For Aurora, simply extrapolating current trends does not lend itself to a favorable housing balance for the city. Doing so will further exacerbate Aurora's demand for rental housing, particularly for low-income households. Because Aurora is the largest city in the DMMC sub-region, it naturally has a greater share of affordable and rental housing. In the future, Aurora could expect nearly 40 percent of its housing stock to be rental if it continues to take a disproportionate share of renters in the DMMC. Therefore, setting targets that maintain the city's existing rental/ownership distribution will enable the city to add more rental housing, including upscale rentals to meet future demand, while boosting its ownership contingent.

Planning for Aurora's future housing needs is necessary to put the city in a strong position for the future. As a key employment center in the region, having a balanced future housing supply in Aurora is necessary to reduce unnecessary travel and locate employees near their workplaces. Not creating a balanced housing supply may also lead to some other undesirable outcomes. For example, rising home prices will further reduce opportunities for moderate and lower income households to afford housing in Aurora; this will particularly affect seniors who want to age in place and young professionals who wish to live in the community. A lack of upscale rental and affordable ownership may also potentially cause an outflow of residents on the economic rise. It is in Aurora's best interest to create an adequate supply of workforce housing, and avoid the equity, transportation and social problems associated with an unbalanced housing stock.

Specifically looking toward 2030, the six-county region has the greatest need for affordable rental housing and market-rate and upscale ownership housing. Meanwhile, the DMMC also needs additional affordable rental housing and upscale ownership housing, along with units almost across the board (except rental and ownership housing for some moderate income households). Aurora also has several specific areas in which to target future housing needs. For both rental and ownership housing, sustaining existing low-income and workforce affordable units and providing additional units with new construction will be important. However, Aurora needs to boost its limited upscale rental housing through new development. While this trend is true throughout the DMMC and the region as a whole, there will be future demand for rental units attractive to higher-income households.

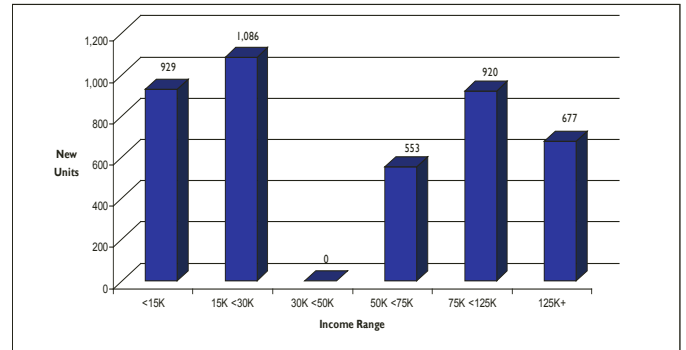
An analysis of Table 4, which shows rental housing supply in 2005 and projects rental demand in the year 2030, illustrates that:

- The projected surplus of rental units currently serving households earning between \$30,000-50,000 per year, as shown in Table 4, will correct itself through “filtering” to serve households earning less than \$30,000 per year and through rehabilitation to serve households earning more than \$50,000 per year.
- New workforce affordable, market-rate and upscale units will be needed and may be created through new construction of mixed-income developments located along the Fox River and near Metra station areas, particularly the “Roundhouse Neighborhood” station area with its proximity to downtown and the Fox River.
- Additional low-income rental units may be provided by constructing senior housing near the downtown and station areas where transit, services and other amenities are in close proximity.

Rental Housing Targets by Income Group

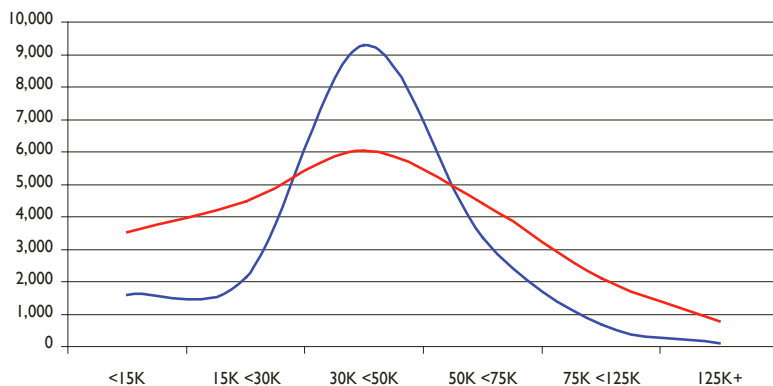
The numbers below are based on the 2030 forecast and the rental housing goals for Aurora.

4,165
new units



Specifically, we recommend that the city plan to create 4,165 rental units.

Table 4: 2030 Rental Demand Compared to Existing Housing Stock Affordable at 30% of Income



— Housing Stock Affordable at 30% of Income (2005 Estimated)
— 2030 Projected Housing Demand by Income

	Affordable →		Workforce →		Market Rate →		Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2005 Estimated)	1,610	2,126	9,292	3,370	695	105	17,197
2030 Projected Housing Demand by Income	3,538	4,485	6,019	4,423	2,114	784	21,362
Target Units Needed to Meet Projected Demand by Income	1,928	2,359	<i>n/a</i>	1,053	1,419	679	4,165
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	3,273	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Ownership Housing

An analysis of Table 5, which shows owner-occupied housing supply in 2005 and projected demand in 2030, shows that additional owner-occupied units will be needed for low-income (those earning \$30,000 or less) and moderate-income residents (those earning between \$30,000-50,000) and for households whose yearly incomes exceed \$75,000.

Additional units are needed for households whose yearly incomes exceed \$125,000. This need may be met through new construction of high amenity high density products located along the Fox River. This demand may also be met through continued progress with the city's re-conversion program targeted toward neighborhoods surrounding downtown Aurora where older, historic homes characterize the area.

Specifically, we recommend the city plan to create 7,862 new ownership units in the downtown, the Roundhouse, the urban fringe and neighborhoods surrounding the downtown.

Ownership Housing Targets by Income Group

The numbers below are based on the 2030 forecast and the ownership housing goals for Aurora. The city does not need to target housing in the ranges which are not shown.

7,862
new units

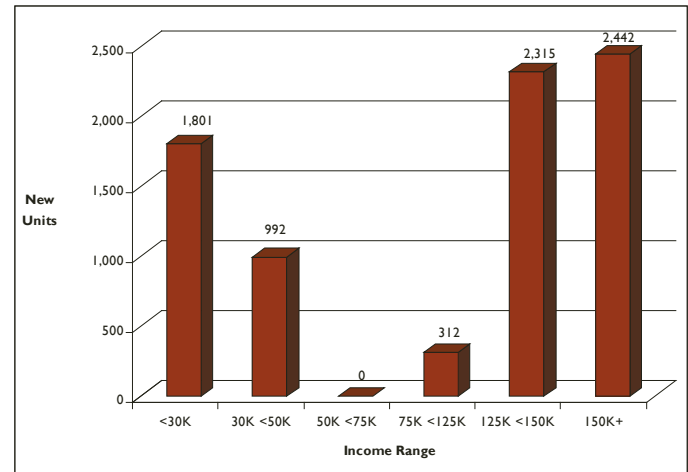
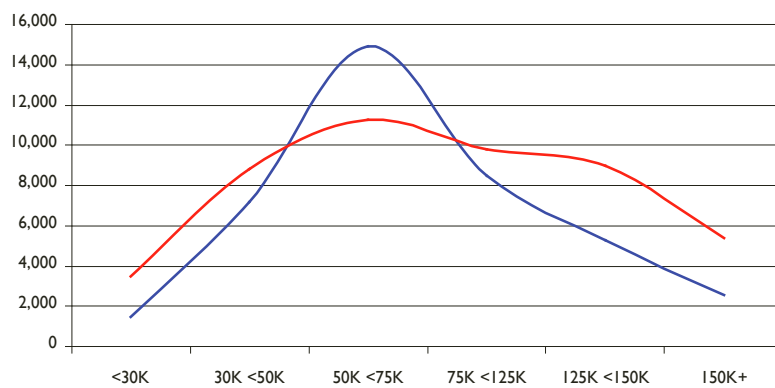


Table 5: 2030 Owner Demand Compared to Existing Housing Stock Affordable at 30% of Income



— Housing Stock Affordable at 30% of Income (2005 Estimated)
— 2030 Projected Housing Demand by Income

Owner Units							Total
Affordable →	Workforce →	Market Rate →					
<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+		
1,460	7,208	14,914	8,478	5,257	2,567	39,884	
3,461	8,800	11,282	9,791	9,004	5,408	47,746	
2,001	1,592	<i>n/a</i>	1,313	3,747	2,841	7,862	
<i>n/a</i>	<i>n/a</i>	3,632	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	

Projections for new housing assume that Aurora currently has the capacity to add such units to its housing stock. Does such capacity actually exist in the city? In order to best understand opportunities for future development, a capacity analysis of Aurora’s existing zoning was conducted. This analysis, using Geographic Information Systems (GIS), identified the amount of housing potential by assessing the capacity of zoning. This analysis was conducted through a multi-step process.

First, the amount of available vacant and redevelopable land was determined. The City of Aurora provided a vacant land inventory, including estimates of vacant land acres by zone and density by zone. The 2001 CMAP land use inventory was used to identify residential, commercial or office land uses which were then assumed to have some redevelopment potential. Table 6 below shows redevelopment percentages applied to estimate future housing units. For the housing unit estimates, the City of Aurora’s densities were applied.

These calculations resulted in a capacity estimate for each zone on vacant and developed land. For example, in the R-1 zone there is potential for 547 new housing units on vacant land based on existing densities. In terms of redevelopment, in the R-4 zone, it was assumed that if 15% of the land in this zone redevelops over the planning period, there is potential for 185 additional units under existing zoning. It should be noted, however, that capacities for Estate Single Family Districts (E) and Planned Development Districts (PDD) were not included in this analysis. The table below shows the available housing capacity of Aurora’s existing zoning.

Table 6: Housing Unit Capacity in Aurora by Zone District

Zone			Housing Units		
			Vacant	Redevelopment	
R-1	One-Family Dwelling District	2.50	0%	547	-
R-2	One-Family Dwelling District	3.00	0%	266	-
R-3	One-Family Dwelling District	3.25	0%	80	-
R-4	Two-Family Dwelling District	5.00	15%	32	285
R-4A	Two-Family Dwelling District	6.00	15%	185	60
R-5	Multiple-Family Dwelling District	12.00	25%	556	1,014
R-5A	Midrise Multiple-Family Dwelling District	12.00	25%	2	218
O	Office district	2.00	0%	28	-
B-B	Business-Boulevard District	8.00	25%	72	217
Total				1,769	1,794

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

Supply to Meet Future Demand

Once the capacity of zoning for housing was estimated, the potential future housing supply by housing type was assessed. The capacity analysis showed that under existing zoning, Aurora could potentially build 3,563 units. Table 7 (below) summarizes Aurora’s development potential under current zoning. However, the projected household growth for Aurora between 2005-2030 is 12,027 households, representing roughly three times the number of new units possible under Aurora’s existing zoning.

It should be noted that, in order for Aurora to accommodate this projected housing need, some properties that are currently zoned for non-residential use will need to be rezoned to allow for residential or mixed-use residential developments. By continuing to look at higher density transit-oriented developments along the once industrial riverfront, this projected household growth can be accommodated in an efficient, sustainable manner.

Table 7: Aurora Housing Capacity by Housing Type

Housing Capacity by Type	
SFR Large	547
SFR Medium	346
SFR Small	422
Townhouse	141
Condo	1,054
Apartment	1,054
Total	3,563

These housing units were then converted into housing types using the existing zoning as the basis. For example, the capacity analysis revealed that in the R-1 single-family district there was potential for 547 units on vacant land. The R-1 zone district nets 2.5 units/acre on 10,000 square foot lots so these were translated into “large single-family.” Because different types of housing have varying levels of demand and prices, this analysis divides Aurora’s housing stock into six types:

Multi-Family

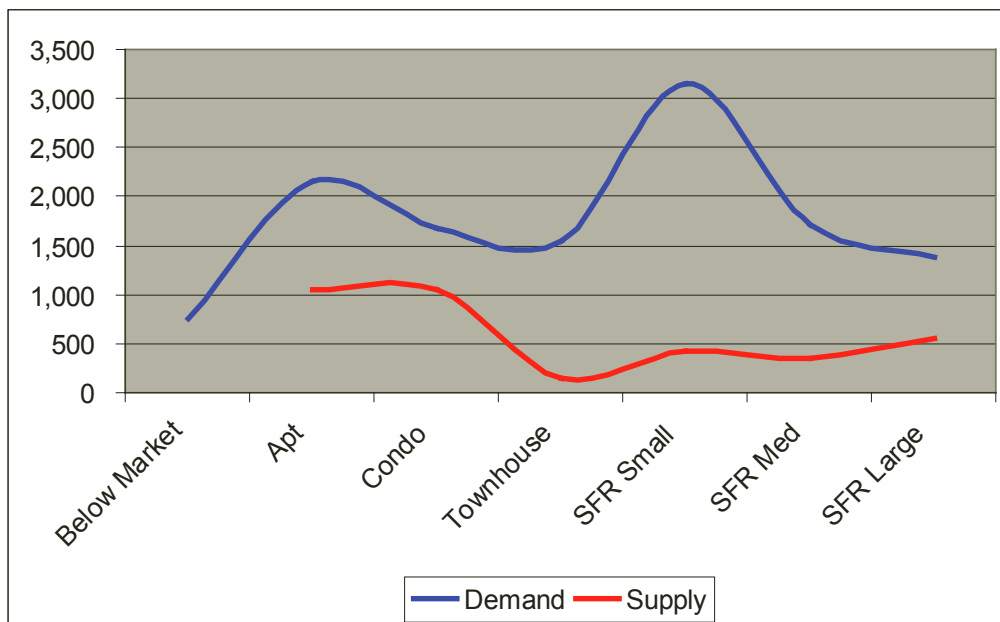
- Apartments – Apartments are typically located along denser corridors and around transit stations and present a smaller, more affordable rental type of housing. This category also includes below-market (subsidized) apartments. This housing, designed for the lowest-income individuals and families, is usually located within multi-family buildings, some of which also include market-rate units.
- Condominiums – Condominiums are an entry-level type of ownership housing generally with a higher level of finishes than apartments. Condominiums may also be the residential component of mixed-use developments.

Attached and Detached Single-Family

- Townhomes – A townhome is an attached residential housing type that combines many of the benefits of an urban lifestyle with the living space of a single family home.
- Small-lot single-family home – Small single-family homes may serve as starter homes or may be ideal for retirees looking to downsize.
- Medium-lot single-family homes – Medium single-family homes are single family homes on about 8,000 square foot lots that typically provide ample space for families.
- Large-lot single-family – Large single-family homes are usually on lots of at least 10,000 square feet; the large lots and high level of amenities make these homes the most expensive type, especially in the suburban setting.

The capacity analysis showed that, under current zoning, there is not enough vacant land to meet Aurora’s future demand. Aurora will need an aggressive redevelopment strategy in order to accommodate this projected future housing growth. This presents the city with an opportunity to focus higher-density housing growth in transit-oriented areas, particularly in the Fox River area.

Figure 1: Supply and Demand Estimate by Housing Type



Existing Policies

Aurora has used its existing policies to make some significant progress toward reducing poverty and increasing the quality of housing for low-income households. Notably, much of this work has been accomplished through partnerships with private companies and non-profit organizations. The city has done this using several key policies and programs. It has successfully made changes to its rental unit licensing program. The program now requires that all rental units pass an inspection and receive a license before they can be rented. The Aurora Housing Authority has provided 1,500 units of publicly and privately supported affordable housing. The 2005 Consolidated Annual Performance Evaluation Report (CAPER) report concludes that this has “led to a significant increase in the condition of affordable rental housing throughout the city.”

What other specific strategies can Aurora undertake to improve its housing situation?

Zoning

Encourage housing near transit options and in the downtown

Communities which appeal to a range of people, including those seeking market-rate or higher-end housing, are usually accessible using several transportation modes. It is important for municipalities to focus on the coordination between



The above image is a rendering of what the Roundhouse station area could look like with new mixed-use development surrounding the station area.

land use planning and transportation – and focus infill strategies on the areas which have the greatest accessibility. In particular, Aurora’s Roundhouse area provides a prime opportunity for a mixed-use area desirable to multiple income groups, and is easily accessible to downtown and the Fox River.

Encourage higher density housing, with a range of amenities, in the downtown

High-density products, including some rich in amenities (e.g., townhomes) and small and medium single-family homes, should be encouraged to meet future demand for housing at all income levels. Consideration should also be specifically given to the inclusion of accessory dwelling units (“granny flats”) to meet the needs of multi-generational families.

As Figure 1 (page 11) shows, there is a large supply of large-lot housing that has typically been targeted toward upper-income households. Providing more desirable urban products in the central areas of the city will bring households with spending power into the downtown.

This strategy will also serve to bring households closer to employment and transit options. This is particularly important because transportation costs often drain a significant amount of a household’s budget.



The above image shows what the Fox River area (adjacent to the Roundhouse) could look like. The area has the potential to become a vibrant, active center of housing and commercial activity.

Incentives

Incentives to establish mixed-use, mixed-income developments

Incentives such as density bonuses, reduced parking requirements, fee reductions and waivers, and expedited permitting can allow for the development of a number of low and moderate-income affordable units to be constructed as part of new housing developments. Often such mechanisms enable market-rate and upscale units to subsidize the development of affordable units. This reduces the need for public financial subsidies and further encourages an additional benefit of mixed-income housing.

Preservation and Rehabilitation

Use historic preservation to create and retain housing units in targeted areas

Aurora is fortunate to have several areas in or near its downtown with historic homes and buildings. The city can support efforts to preserve and upgrade these units.

Work with local non-profit organizations, such as the Joseph Corporation, to further encourage bulk rehabilitation of existing housing units

In Aurora, there are many areas which have a solid housing stock, but for which rehabilitation is important to maintain the housing and the neighborhoods. The city has done an exemplary job of rehabilitating homes for lower-income housing. Aurora could continue to work closely with non-profit organizations, such as the Joseph Corporation, to encourage neighborhood rehabilitation and revitalization. The city can encourage the use of priority funds for housing rehabilitation in the three targeted areas.

Partner with state and local agencies to provide workforce and low-income affordable housing

Promote the use of the State of Illinois Affordable Housing Trust Fund to target special populations

Aurora can work with housing developers to create products targeted at populations with special needs, such as seniors and single-parent families. Aurora can also work with developers to create strong applications for projects eligible for the Illinois Affordable Housing Trust Fund.

Promote incentives for employer-assisted housing

Employers may also play an important role in developing workforce housing. Aurora can promote the State's Employer Assisted Housing program to prospective employers. This program, part of the Illinois Affordable Housing Tax Credit Program, can provide qualified employees with downpayment and closing cost assistance, reduced-interest mortgages, mortgage guarantee programs, rent subsidies or individual development savings account plans.

Homeowner purchase programs

Aurora already has a successful first-time Homeowner Assist Program which utilizes bond cap resources to help homebuyers secure below market-rate mortgages as well as downpayment and closing cost assistance. This program should be continued.

Promote the use of Location Efficient Mortgages® to encourage affordable homeownership near transit stations

Chicago is one of several real estate markets in the country which have Location Efficient Mortgages®, allowing homebuyers to borrow more money by taking into account the money they save by living in neighborhoods where they can shop at nearby retailers and use public transit, rather than driving to work and to the mall. Aurora can work with lenders to promote these loans to low and-moderate income borrowers near transit stations.

Promote the use of Energy Efficient Mortgages

Energy Efficient Mortgages (EEM) can be used to encourage increased affordable homeownership in targeted areas. Local governments can work with lenders to promote these loans to low and moderate-income borrowers, designed to increase homes' energy efficiency and reduce housing costs. As with LEMs, cities can connect developers and lenders and inform all parties of project opportunities for EEMs.

Use sustainability to promote new housing development

As Aurora prepares for significant growth, it has the opportunity to implement sustainability and "green" design into the city's future. This is a chance for Aurora to create a competitive advantage within the region. As it relates to housing, there are several strategies which tie into housing for a range of income groups. Aurora can consider a "triple bottom line" approach to housing – considering the economy, social equity, and the environment in making housing decisions. This recognizes that even the most environmentally-friendly housing is not truly sustainable if many households are unable to afford living in it. The following recommendations are designed to consider these factors.

Encourage water and energy-efficient housing

This can be targeted at existing housing and new construction. The key is to present a way for renters and homeowners to save money, while also saving the environment. Often, residents are hesitant to make changes because of the start-up costs. This can include using new, alternative sources of power, or using traditional sources while making homes more energy efficient. The city can work with local utility companies to establish incentives and rebate programs designed to reduce water and energy consumption, saving renters and owners money. For example, City Water Light and Power of Springfield, IL offers three rebates for residential customers who want to increase the energy efficiency of their homes. These rebates cover water heaters, heat pumps and insulation.

Promote the use of the Energy Efficient Affordable Housing Construction Program

Under this program, grants are provided to Illinois-based non-profit housing developers to use energy efficient building practices in the rehab or new construction of affordable housing. DCEO developed this program because the agency believes that "affordable housing must be energy efficient to be truly affordable." The program has an average energy savings range from 50% to 75%.

Streamline the permitting process for green building technologies

Aurora could streamline its permitting process for buildings that produce healthier environments, reduce energy costs and promote conservation. The Chicago Department of Construction and Permits (DCAP) developed a Green Permit Program which provides developers and owners with incentives to build sustainable buildings by streamlining the permitting process to less than 30 days for projects that meet specific standards set forth by DCAP. Reduced permitting timelines can often make or break a project for a developer and could be a powerful motivating factor in creating new development in Aurora that meets the city's goals.

Allow some flexibility in building codes to accommodate new building technologies

Aurora could become a magnet for people in the region who would like to test new building technologies. One example is straw-bale housing, which can be difficult to build in many areas. There are also designs for pre-fabricated housing, quite different from traditional manufactured housing, that are often affordable and attractive.

Economic Development

Use Aurora's job growth to fuel improvements to the city's housing stock

Take advantage of the city's rapid economic development to provide higher-paying jobs for existing residents, jobs that would allow them to rent or buy better dwellings. By 2030, Aurora is projected to add 43,000 jobs while expanding its population by only 12,000 residents.

Conclusion

This plan represents an essential starting point for guiding Aurora's housing future. While Aurora is fortunate to have a relatively balanced housing stock, ensuring that this balance remains will be no small challenge. This is true particularly in light of the sub-regional assessment which shows that Aurora currently has a disproportionately high percentage of rentals and low-income affordable housing as compared with the DMMC sub-region. The DMMC itself has a significantly lower percentage of low-income affordable housing than does the region. As a whole, this illustrates the extent to which housing planning for Aurora must go beyond the city limits and into the sub-region.

Aurora is a large employment center in the region, and the city's housing efforts are inextricably connected to decisions made outside of its boundaries. As next steps, the city needs to continue cooperating with surrounding jurisdictions to plan strategies that will lead to a balanced supply that benefits everyone. It is a good sign that Aurora is building partnerships with its neighbors.

Aurora is also fortunate to have a city government that is not only dedicated to, but is actively promoting, sustainability. Aurora has a unique opportunity to embrace growth through sustainable building practices that promote both housing affordability and attracting higher-income households. Aurora is already becoming a leader in the region in terms of sustainability.

In order to remain viable, this housing needs assessment should be reviewed and updated every 2-5 years depending on the development activity taking place. Ensuring that the housing needs are updated frequently will provide city officials and planners with an understanding of current housing trends, and how they have changed over time. It will also enable the city to monitor whether housing policies are achieving the desired effect.

This housing policy plan represents a step in understanding the current housing situation in Aurora and sets targets and provides strategies that will enable Aurora to achieve its desired housing future. This desired future includes balanced housing, now and into the future, for Aurora, the DMMC and the region.



HOUSING POLICY PLAN LIBERTYVILLE

The Village of Libertyville approached the Metropolitan Mayors Caucus (MMC) and Chicago Metropolitan 2020 (CM 2020) to help it analyze its future housing needs and propose housing strategies that would meet the needs of its future residents and workers. Libertyville's leadership was concerned about north suburban housing trends which were resulting in rapidly increasing prices for rental and owner-occupied housing. Consequently, homes were becoming beyond the reach of many Libertyville residents. In addition to these general issues, Libertyville's leaders were concerned about the possible future application of Illinois' recently passed Affordable Housing Planning and Appeal Act. Creating housing strategies that could keep at least 10% of Libertyville's housing stock affordable to low and moderate-income families would exempt Libertyville from the Act's provisions.

Libertyville officials and planners met with MMC and CM 2020 representatives and expert planners from Fregonese Associates (FA) over a nine-month period. The FA team supplied detailed projections of supply and demand for housing at all price points in Libertyville by the year 2030. It also looked at existing conditions in Libertyville as reflected by 2000 Census data.

In addition to examining Libertyville's specific housing needs, an analysis of sub-regional trends was conducted. The sub-regional analysis focused on the Council of Governments level (the Northwest Municipal Conference), and included an assessment of the needs of all NWMC municipalities, as well as the NWMC as a whole. This analysis provides insight into how Libertyville compares to its neighbors. In this report, the terms NWMC and sub-region refer to the communities identified as members of the Northwest Municipal Conference (listed in the Appendix).

This Policy Plan recommends that Libertyville pursue the following housing preservation and development strategies:

Recommended Housing Goals

Rental Housing

- Existing low and moderate-income rental housing should be preserved wherever possible.

- Mixed and upper-income rental housing should be included in downtown area development plans.
- Consideration should be given to building a new senior rental building in the downtown area.
- A meaningful percentage of new rental housing should be affordable to moderate-income workforce families.

Owner-Occupied Housing

- Encourage ownership opportunities for moderate-income households as part of mixed-income developments.
- Through incentives or other means, ensure that a meaningful percentage of new townhomes and condominiums built in the community are affordable to moderate-income workforce families.
- Preserve the village's existing stock of moderate-income workforce housing.
- Promote high-density, high amenity upscale housing in close proximity to public transportation.

Recommended Housing Strategies

Affordable Low-to-Moderate Income Housing

- Preserve and improve, where needed, existing low and moderate-income housing.
- Consider expanding Libertyville's supply of low-to-moderate income senior housing, taking advantage of federal and state tax credits and subsidies. At the same time, preserve, where possible, housing vacated by seniors for moderate-income families.
- Pass an inclusionary zoning ordinance which will ensure that at least 15% of all housing units in new developments are affordable to moderate-income working families. Such ordinances have recently been enacted by Highland Park and Lake Forest.
- Prioritize areas for new mixed-income housing consistent with the village's Comprehensive Plan.
- Consider establishing a Community Land Trust to purchase property and keep it affordable for the long term. Highland Park has such a Land Trust.

Workforce Housing

- Review existing zoning requirements and modify them, where applicable, to permit the construction of a variety of housing types, including townhomes, attached homes, and small single family homes.
- Establish a Design Standards Overlay in some residential districts to accommodate multi-family housing.

- Target housing near employment and transit centers.
- Encourage local and sub-regional businesses to assist their employees in buying homes by providing forgivable downpayment assistance loans via employer assisted housing programs.

Market-Rate Housing

- Create mixed-use zoning, where appropriate, in existing single-use areas.
- Integrate context sensitive design with transportation improvements to make sure that transit development blends into nearby development.

INTRODUCTION

At the end of a period in which housing prices in the north suburban region have escalated sharply, Libertyville’s leadership is increasingly concerned about the impact this may be having on its community character and its families with low and moderate incomes. In many cases, younger families and single individuals are finding themselves priced out of the housing market. Seniors who have lived in Libertyville most of their lives are unable to find smaller, modestly priced alternatives to their current housing. Key village employees – police officers, firefighters, and teachers – cannot find affordable dwelling units.

Apart from these basic concerns, Libertyville’s leadership has longer-term concerns about compliance with the state’s Affordable Housing Planning and Appeal Act. This law applies to communities with less than 10% of their housing stock deemed “affordable” by statewide standards. While more than 10% of Libertyville’s housing was affordable in the year 2000 according to Census data, it is quite possible that the percentage will drop below 10% once 2010 Census data is compiled and reviewed. Teardowns of moderately priced homes and their replacement by very upscale homes are becoming more common.

To address its current and potential future housing problems, Libertyville has decided to create a local housing policy plan. It wants to identify goals and strategies to create, on a long-term basis, a “balanced” housing stock in the village.

What is a housing policy plan?

A local housing policy plan is a guiding document for future housing development within a municipality that will help ensure that housing demand at all income levels can be met. The plan estimates both current and future housing needs and includes land use and financing strategies that can help a local government meet its housing targets. Housing targets are generally created by examining existing housing trends and setting goals for future housing needs consistent with demographic and market trends as well as community goals.

The plan presented in this document specifically includes:

- An estimate of Libertyville’s existing housing demand shown by price point for rental and owner-occupied housing.
- An estimate of Libertyville’s 2030 housing demand based on population projections and current housing trends.
- Land use policy recommendations and housing development strategies to help the village provide housing on a long-term basis to meet the needs of all of its citizens.

The plan also recognizes the challenge presented by the lack of vacant land in Libertyville, especially in residential areas. The lack of vacant land makes it difficult to find and assemble sites for denser housing types.



What is balanced housing and how does it apply to Libertyville?

The targets set in this housing policy plan are designed to encourage balanced housing in Libertyville. Balanced housing refers to addressing the housing needs of everyone living and working in Libertyville, both now and in the future. Balanced housing is a theme throughout this plan because Libertyville, as well as other communities in the Chicago region, will benefit from encouraging a range of housing types and prices. These benefits include:

- Libertyville will be more attractive to the business community. To the extent that Libertyville can provide housing for people, whether moderate or upper-income, who work in the village, it will be seen as an attractive environment to current and prospective business owners. Local residents who work in the village will have less commuter-related job stress and more time to spend with their families during the week.
- Libertyville will be more attractive to key municipal and not-for-profit workers such as policemen, fire fighters, teachers and nurses. To the extent that such people are local residents, their service to the community can be enhanced by greatly reduced commuting time.
- Neighborhood preservation, most notably in neighborhoods with moderate and middle-income families, will be encouraged, as will housing rehabilitation where needed.
- Housing to meet the needs of the fastest growing population segments – seniors, Latinos, singles and childless couples – will be created or preserved. Such housing includes townhomes, condominiums, and small single-family homes.
- Libertyville will put itself in a position to comply on a long-term basis with the Illinois Affordable Housing Planning and Appeal Act.

How was the current and future demand for housing calculated?

The current supply and demand for housing were estimated using information from the 2000 Census. Supply figures reflect actual rental and owner-occupied housing existing in Libertyville at various price points. Demand figures are based on family income and assume that a family will not spend more than 30% of its income on housing or housing-related expenses. Of course, a number of Libertyville families are spending more than 30% of their income on housing. Some may be doing so not by choice. Others, however, may choose to spend more than 30% because they feel the benefits of living in Libertyville, such as good schools and a favorable community environment, are worth the extra expense.

There are other factors which impact the current demand figures being used. First, these figures do not take into account senior citizens who own their own homes but now have moderate to low incomes. The homes these seniors are living in would be beyond their income capabilities if they had to buy them today. Second, current demand figures at the low end do not take into account families who choose to “double up” to cover the housing cost of a rental or owner-occupied property. Finally, the demand figures do not take into account families who decide to live in a moderately-priced dwelling unit when they could afford a more expensive unit.

What is housing “affordability”?

- While varying from household to household, “affordable” is generally defined as spending 30% of household income on housing costs (including utilities, insurance and taxes).
- Higher-income households tend to pay less than 30% of their household incomes toward housing costs (underpaying).
- Lower-income households tend to pay more than 30% of their household incomes toward housing costs (overpaying).

EXISTING CONDITIONS

In any case, current supply and demand were compared and differences at each level of household income were identified. It is important to remember, however, that shortages and surpluses shown reflect “ideal” housing need based on income, not actual housing decisions made by families in Libertyville.

The future demand for housing was estimated using demographic and household data supplied by the Chicago Metropolitan Agency for Planning (CMAP), the region’s planning agency, and county-level age projections for 2000-2030 from the Illinois Department of Commerce and Economic Opportunity. Once again, demand figures assume that households will not spend more than 30% of their income on housing.

The future supply of housing projects the number of housing units that will be needed to meet future demand. The projections assume that average household size will not vary greatly from where it is today. The specific types of units to meet that demand (a townhome, attached home, apartment, single-family home, owner-occupied or rental) is a matter of conjecture. Planners, however, have a fairly good idea of what types of units will meet demand given the pricing in current housing markets.

The end product of the future demand analysis is a new estimate of housing need (either a surplus or a gap) by the year 2030. The supply and demand figures for the years 2000 and 2030 appear on tables 2, 3, 4 and 5.

Demographic Trends

Founded in the early 1830s, the Village of Libertyville is located in Lake County, Illinois, about 37 miles north of Chicago and 7 miles west of Lake Michigan. Libertyville is known as a historic community with a “traditional hometown atmosphere” and a strong mix of housing and jobs.

Libertyville had approximately 20,742 residents in 2000 (U.S. Census) and CMAP projects a 4%

increase to 21,569 residents by 2030. During the same period, the number of households in the village is expected to grow by 5%, from 7,298 to 7,644. Rising faster than population and housing, employment is projected to increase from 14,266 (2000) to 20,494 (2030), a 44% rise.

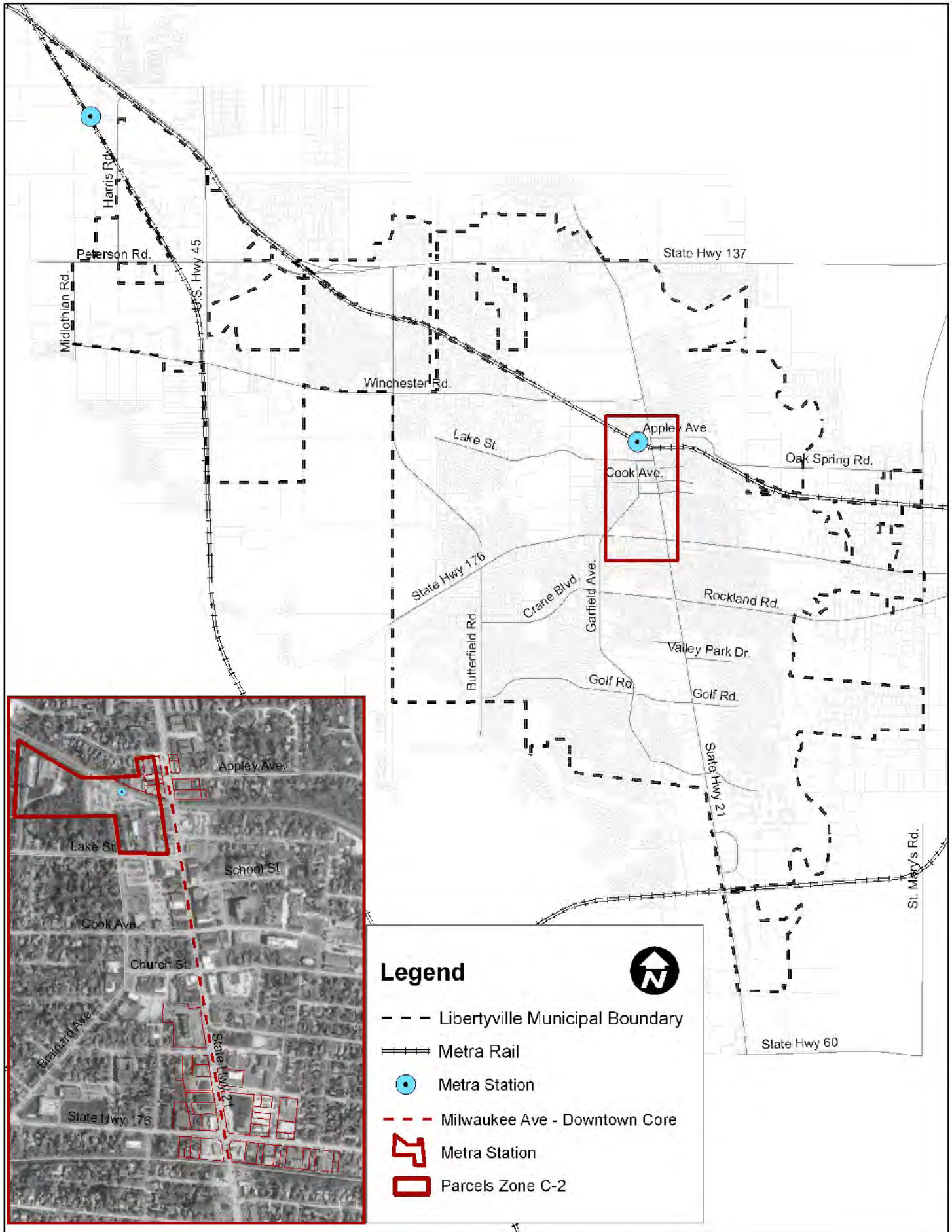
Table 1: Population and Household Forecast 2000-2030

	2000	2030	% change
Population	20,742	21,569	4%
Households	7,298	7,644	5%

The village is in a good position to accommodate this projected population and employment growth. In terms of housing, there are several opportunity areas for new development. In particular, development in these areas could include a significant number of condominiums accessible to households with a range of incomes.

1. **Transit-oriented development near the downtown Metra station.** This station area reflects the prime opportunity for new mixed-use development in Libertyville. In particular, this development could be relatively high density with a variety of condominium and rental units serving families with a broad range of incomes.
2. **Mixed-use development in the downtown core.** Property along or near Milwaukee Ave. in the downtown core has great potential for mixed-use development. New residents in this area would create a true “24/7” environment, make it attractive for office development, and expand retail and restaurant business.
3. **Commercial districts zoned C-2 near the downtown core.** Some of the existing commercial areas along Milwaukee Ave. present good development opportunities for mixed-use condominium conversions and apartments at a range of pricepoints.

Map 1. Opportunity Site Locations



Legend



- - - Libertyville Municipal Boundary
- ==== Metra Rail
- Metra Station
- - - Milwaukee Ave - Downtown Core
- ▭ Metra Station
- ▭ Parcels Zone C-2

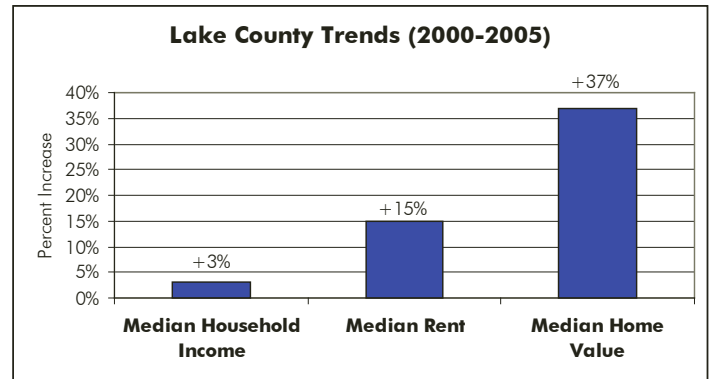
CURRENT HOUSING ANALYSIS

This analysis is based on 2000 U.S. Census data. Census data derived from the American Community Survey in 2005 of Lake County suggests that the cost of both rental and owner-occupied dwellings in Libertyville has risen sharply since 2000. Therefore, the 2000 data may not reflect current housing conditions in the village. Nevertheless, the 2000 data does provide a baseline from which to understand Libertyville’s future housing trends.

Although more recent data is not yet available for Libertyville, trends for Lake County point to a growing disparity between income growth and the cost of housing. In the five-year period between 2000 and 2005, the median household income in Lake County rose by 3% (\$66,693 to \$68,744) while the median rent increased 15% (\$742 to \$853) and median home values increased by 37% (\$198,200 to \$271,700). (See Figure 1) These figures re-emphasize the importance of maintaining housing affordability in Libertyville.

Tables 2 and 3 below illustrate the differences between the housing stock and household incomes in 2000. As described previously, a unit is “affordable” if a household can live in it when spending less than 30% of its income on housing-related costs. From the 2000 Census, Libertyville’s housing stock was about 80% owner-occupied and 20% renter-occupied; Libertyville’s median household income was \$88,828.

Figure 1: Lake County Trends



The difference between the current stock and current need illustrates some likely housing “mismatches” that existed in 2000. The numbers in parentheses illustrate a negative difference, meaning that there are more households within that income range than there is housing. It is important to note that this does not mean that there is a housing deficit; rather it means that there are more people in Libertyville who can afford housing in this range than there are housing units within the range. For example, there are 179 rental households in Libertyville that earn less than \$15,000 per year, while there are only 132 units available which would be affordable to these households. Thus, about 48 households are probably living in housing that is more expensive than 30% of their incomes. The reverse is true in categories with positive differences, meaning that in some categories there is a mismatch which results in households living in housing that is either more or less expensive than they can afford.

Table 2: 2000 Ownership Housing Demand by Income Compared to Existing Housing Stock

	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	Total
Current Stock (Est.)	77	197	1,323	2,087	1,419	855	5,958
Current Need	240	706	1,037	1,160	1,588	1,579	6,310
Current Surplus (Gap)	(163)	(509)	286	927	(169)	(724)	(352)

Table 3: 2000 Renter Housing Demand by Income Compared to Existing Housing Stock

	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	Total
Current Stock (Est.)	132	246	809	169	77	15	1,448
Current Need	179	190	307	268	159	81	1,185
Current Surplus (Gap)	(48)	56	502	(99)	(82)	(66)	262

In analyzing 2000 housing conditions, the majority of rental housing was affordable to middle-income households, the demand for which will remain constant. However, there was a mismatch for rental housing at the lowest levels, which probably resulted in some households earning less than \$15,000 living in housing affordable to those earning \$15,000-\$30,000. In terms of high-end rental housing, the village was somewhat lacking, though as described later, the demand for such housing represents 20% of future housing demand.

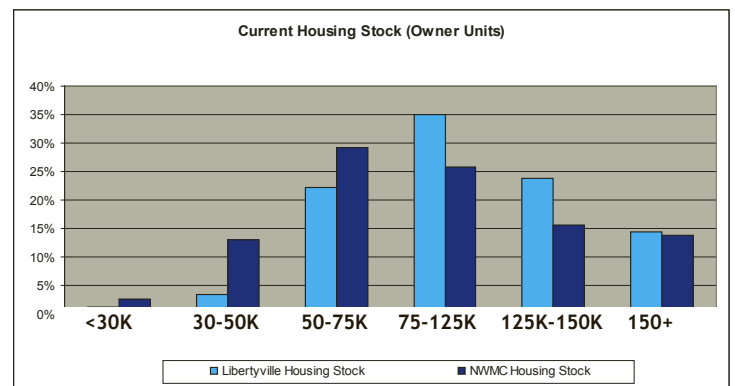
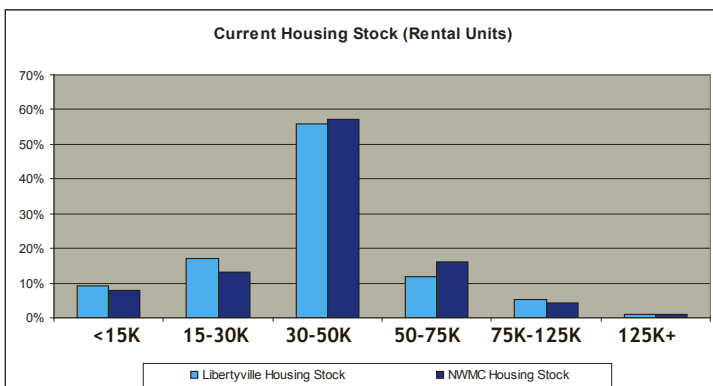
The picture for ownership housing is different than that for rental housing. There is a limited amount of ownership housing affordable to low-income and workforce households, though the demand for this type of housing certainly exists. The majority of Libertyville’s owner-occupied housing is affordable to households with upper-middle incomes and higher. Some households earning lower incomes may have compensated for this imbalance by paying over 30% of their incomes for housing and living in units more expensive than they can afford. Additionally, on the high end, there appears to be a mismatch that is likely resulting in many households living in housing less expensive, with fewer amenities, than they can afford and/or desire.

Comparing Libertyville and the NWMC in 2000

In comparing Libertyville with the rest of the Northwest Municipal Conference (NWMC), there were larger differences between the village and the Council of Government (COG) for ownership units than for rental units. For rental units, Libertyville had slightly more affordable housing and slightly less market-rate housing than the NWMC. While the current rental housing stock is largely affordable to households earning \$30,000-\$50,000, the demand in 2030 is likely to be much more evenly distributed, as is also a trend for the entire NWMC. This means that the future need will be more evenly spread out along the entire spectrum – from low-income to upscale housing. In order to balance with the regional market, Libertyville may want to focus on building mixed-income rental housing, including some affordable and workforce components, within close proximity to the downtown Metra station and along key transportation corridors.

However, for owner-occupied units, most of Libertyville’s 2000 housing stock is affordable for households earning \$50,000-\$150,000, similar to NWMC-wide trends. Compared with the NWMC, though, Libertyville has less affordable housing for those earning less than \$75,000; meanwhile, like the NWMC, the village demands more housing for households earning between \$75,000 and \$150,000 in the future. At the same time, Libertyville has about the same percentage of units at the highest end, for households earning about \$150,000, as the whole NWMC.

**Charts 1 and 2:
Current Housing Stock: Libertyville vs. NWMC**

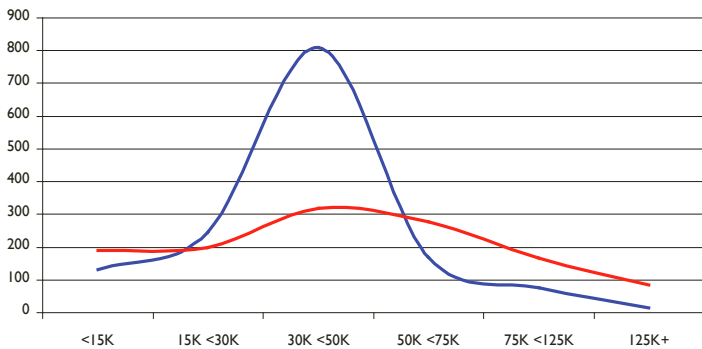


FUTURE HOUSING ANALYSIS

The 2030 projected housing demand for rentals illustrates that, if past trends continue, there will be a net loss of 214 units of rental housing over the planning period. This loss reflects market trends in Libertyville as rentals are being converted to ownership condominiums and there is little new investment in rentals. Market trends in Libertyville strongly favor high-end ownership products. Limited vacant land and high land values have contributed to the growing number of teardowns that are taking place in Libertyville. The National Trust for Historic Preservation found that more than 50 cities in the state of Illinois, including Libertyville, are experiencing teardown pressure, with a particular concentration within Lake County. This pressure will continue to erode the last remaining stock of moderately sized and thus more affordable homes within Libertyville.

We recommend that the village focus its planning efforts on creating more low and moderate-income housing for both rental and ownership. This will require strategies that promote a more diverse housing stock and that put pressure on developers to provide housing diversity by type and for a range of incomes.

Table 4: 2030 Rental Demand Compared to Existing Housing Stock Affordable at 30% of Income



	Affordable →		Workforce →		Market Rate →		Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	132	246	809	169	77	15	1,448
2030 Projected Housing Demand by Income	190	199	319	277	165	84	1,234
Target Units Needed to Meet Projected Demand by Income	58	n/a	n/a	108	88	69	n/a
Additional Units Beyond Forecasted Need Within this Income Range	n/a	47	490	n/a	n/a	n/a	214

Furthermore, in order to meet the minimum requirements of the Illinois Affordable Housing Planning and Appeal Act, Libertyville will need to ensure that at least 10% of its housing stock is affordable as defined by state law. However, the rapid escalation in home prices and rents make it clear that 10% will not be sufficient to meet future projected demand. For example, in order for Libertyville to maintain its current income distribution into 2030, there will be a demand for over 500 rental units of housing affordable to households whose yearly incomes (in today's dollars) are \$30,000 or less.

Libertyville's projected housing needs by the year 2030 are shown on Tables 4 and 5. An examination of housing trends reveals that:

- Additional rental housing will be needed for low-income residents and for renting households whose yearly income exceeds \$50,000. Some of these units may be provided by the conversion of current rental units serving the needs of moderate-income families.

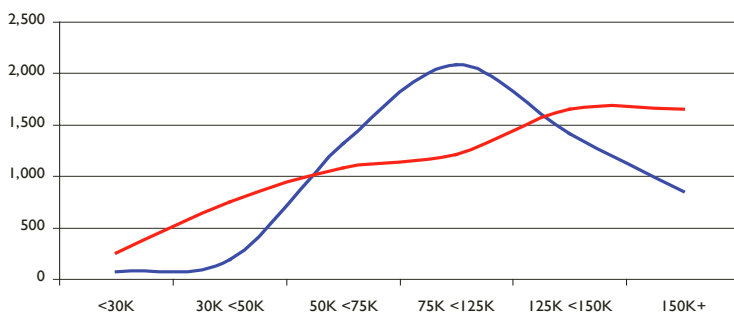
To meet the demand for lower-income affordable housing, we recommend that the village plan to create at least 200 new low-income affordable rental housing units and preserve at least 300 units for low and moderate-income households that are currently "oversupplied" for households earning between \$30,000-\$50,000. These recommendations reflect Libertyville's goal of maintaining affordability for seniors, families and workers.

- Over 500 additional owner-occupied units will be needed to meet demand projected for middle-income families whose yearly incomes, in today’s dollars, are below \$50,000 but greater than \$30,000. Many of these units may be provided by today’s middle-income housing, which may “trickle down” into being more moderately-priced dwellings or they will be upgraded or torn down to create more expensive, fully featured housing. Thus, at least 300 new owner-occupied units will be required to meet anticipated demand for workforce affordable housing. Those households with annual incomes less than \$30,000 will likely be better served in the rental market as housing prices and financing may be difficult if not impossible to secure.
- Over 1,000 owner-occupied units will be needed to meet demand projected for upper-income families whose incomes, measured in today’s dollars, exceed \$125,000. These are the types of units most likely to be provided by the market, with few or no village incentives. However, the village can work with developers to use market-rate and upscale units to leverage low and moderate-income housing in new developments in the Metra Station area and in the downtown core.

In addition, Libertyville will need to focus on working with developers to create incentives to build high amenity, higher-density products such as townhomes and condominiums located in the downtown and around the Metra Station. This will enable the city to meet future demand for high-end housing, with limited land availability, while reducing reliance on teardowns and displacement of moderate and low-income households to achieve this need. It will contribute to the economic development of the downtown core by bringing people of all income levels closer to the downtown, enabling them to shop and take care of daily needs within walking distance of the central part of the village.

Finally, achieving these targets will enable Libertyville to not only meet the requirements of the Affordable Housing Planning and Appeal Act, but will further reduce the existing gaps for lower and moderate income households.

Table 5: 2030 Owner Demand Compared to Existing Housing Stock Affordable at 30% of Income



— Housing Stock Affordable at 30% of Income (2005 Estimated)
 — 2030 Projected Housing Demand by Income

	Affordable →		Workforce →		Market Rate →		Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	77	197	1,323	2,087	1,419	855	5,958
2030 Projected Housing Demand by Income	254	750	1,088	1,217	1,657	1,650	6,616
Target Units Needed to Meet Projected Demand by Income	177	553	n/a	n/a	238	795	658
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	235	870	n/a	n/a	n/a

CAPACITY ANALYSIS

Libertyville is choosing to proactively address its future housing needs. This is critical as many threats could be realized if Libertyville does not choose to act. One of the primary effects would be on the owner-occupied market. Inaction would lead to an ownership housing market out of reach of many of Libertyville’s long-time residents and not conducive to providing housing for one’s entire life cycle – including young professionals and seniors. The supply of relatively affordable ownership housing is at risk of being torn down to create more high-end housing. Additionally, the demand for affordable and workforce housing will continue, regardless of any action the village takes. However, Libertyville has the opportunity to retain diverse income groups and housing opportunities using the policies and strategies described in the following sections. Overall, the largest threat is to the village’s income diversity.

Projecting specific targets for rental and owner-occupied housing development assumes that Libertyville has the capacity to add new units to its housing stock. Does such capacity exist? In order to best understand opportunities for future development, a capacity analysis of Libertyville’s existing zoning was conducted.

This analysis, using Geographic Information Systems (GIS), identified the amount of housing development potential by determining the capacity of zoning. This was calculated through a multi-step process.

First, the amount of available vacant and redevelopable land was determined. Environmentally constrained lands were then removed; these constrained land types include agricultural land, riparian areas, floodplains and slopes. Land identified as residential, commercial or office was then assumed to have some redevelopment potential. Then, estimates for future housing were created by assuming densities by zone.

These calculations result in a capacity estimate for each zone on vacant and developed land. For example, in the single family R-5 zone, there is enough land for 56 new homes at existing densities, and no land suitable for redevelopment at a higher density.

The table below shows the available housing unit capacity of Libertyville’s existing zoning.

Table 6: Housing Unit Capacity in Libertyville by Zone

Zone		Housing Units	
		Vacant	Redevelopment
R-1	Single Family Residential District	5	0
R-2	Single Family Residential District	2	0
R-3	Single Family Residential District	8	0
R-4	Single Family Residential District	77	0
R-5	Single Family Residential District	56	0
R-6	Single Family Residential District	1	0
R-7	Single Family Attached Residential District	0	0
R-8	Multiple Family Residential District	11	173
C-1	Downtown Core Commercial District	0	241
C-2	Downtown Community Commercial District	0	41
C-3	General Commercial District	84	143
C-4	Shopping Center Commercial District	N/A	N/A
C-5	Vehicle Dealer Commercial District	N/A	N/A
O-1	Professional Services Office District	N/A	N/A
O-2	Office, Manufacturing and Distribution Park District	N/A	N/A
I-1	Limited Industrial District	N/A	N/A
I-2	East Downtown Industrial District	N/A	N/A
I-3	General Industrial District	N/A	N/A
OS	Open Space District	N/A	N/A
IB	Institutional Buildings District	0	112
Total		243	709

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

Supply to Meet Future Demand

Once the capacity of zoning for housing was estimated, an assessment of potential future housing supply by housing type was assessed. The capacity analysis showed that Libertyville could potentially build over 900 more units under the existing zoning. Table 7 (below) summarizes Libertyville’s development potential under current zoning.

Table 7: Libertyville Housing Capacity by Housing Type

Housing Capacity by Type	
SFR Large	147
SFR Medium	1
SFR Small	74
Townhouse	74
Condo	463
Apartment	194
Total	952

May not add up exactly due to rounding

Because different types of housing have varying levels of demand and prices, this analysis divides Libertyville’s housing stock into six types:

Multi-Family

- Apartments – apartments are typically located along denser corridors and around transit stations and present a smaller, more affordable rental type of housing. This category also includes below-market (subsidized) apartments. This housing, designed for the lowest-income individuals and families, is usually located within multi-family buildings, some of which also include market-rate units.
- Condominiums – condominiums are an entry-level type of ownership housing generally containing a higher level of finishes than apartments. Condominiums may also be the residential component of mixed-use developments.

Attached and Detached Single-Family

- Townhomes – A townhome is an attached residential housing type that encourages many benefits of an urban lifestyle, combined with the advantages of a single-family home.

- Small-lot single-family home – small single-family homes may serve as starter homes or may be ideal for retirees looking to decrease maintenance.
- Medium-lot single-family homes – medium single-family homes are homes on about 8,000 square foot lots. These typically provide ample space for families.
- Large-lot single-family – large-lot homes are usually on lots of about ¼ acre or more; the large lots and high level of amenities make these homes the most expensive type, especially in the suburban setting.

Figure 2: Supply and Demand Estimate by Housing Type

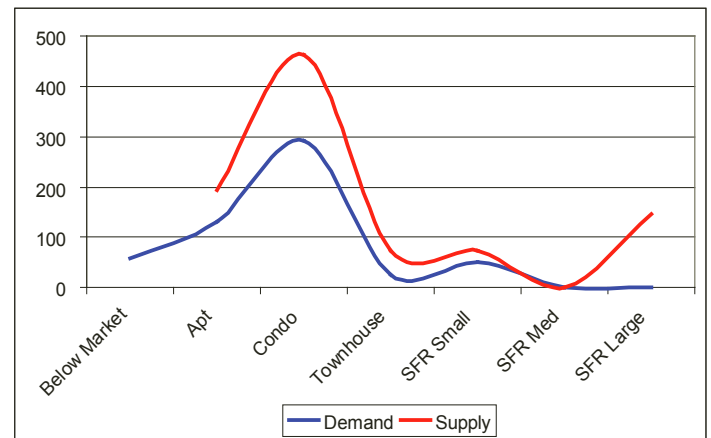


Figure 2 illustrates the difference between existing supply and future (forecasted) demand for the housing types described above. This can be tied into the capacity analysis, which showed that the current zoning in Libertyville favors apartments and condos and there is limited opportunity for new townhouse or small lot development (see Table 7). Furthermore, the capacity is premised on a very aggressive redevelopment strategy in the C-1 and C-2 zone districts. The capacity for new single-family homes and townhomes could be increased if small and/or attached homes were allowed and encouraged in zones which are currently limited to large lot single-family.

HOUSING GOALS

Rental Housing

Given its projected future needs, what goals should Libertyville set for its housing development between now and 2030? Comparing the 2000 rental housing supply with the potential 2030 demand, it becomes clear that Libertyville has a range of future needs. At the lowest end of the price spectrum, Libertyville needs to develop about 40% more units than it currently has. Most of these units would be apartments, ideally located within mixed-income developments near public transit. In the two income ranges above this group, for households earning \$15,000-\$50,000, Libertyville appears to have ample rental housing for the 2000-2030 period. Of course, this assumes that most of the current affordable and workforce housing will be maintained and preserved.

Despite this relative abundance of affordable rental housing, Libertyville will need additional housing to serve households earning over \$50,000/year. This means that Libertyville needs some market-rate rental housing targeted at middle-income

households, and upscale rental housing designed for households with higher incomes desiring rental options. These are the types of units most likely to be provided by the market, with few or no village incentives.

Rental Housing Goals

- Existing low and moderate-income rental housing should be preserved wherever possible
- Mixed and upper-income rental housing should be included in downtown area development plans
- Consideration should be given to building a new senior rental building in the downtown area
- A meaningful percentage of new rental housing should be affordable to moderate-income workforce families



This image illustrates a potential development looking toward the downtown Metra station from N. Milwaukee Ave., including a mixed-use building with retail and residential uses, along with ample public space.

Owner-Occupied Housing

Libertyville's future needs by income range for ownership housing are slightly different than its rental needs. First, in order to meet projected demand, Libertyville needs a significant number of ownership units for households earning below \$50,000. These units might include entry-level condominiums with easy access to transportation networks. While Libertyville appears to have adequate ownership housing for those earning \$50,000-\$125,000, it is important that the village focus on preserving these units – particularly as housing prices increase faster than incomes, and the market puts pressure on some developers to tear down these homes and redevelop them as more expensive housing. This teardown pressure is at least partially a result of projected demand for more ownership housing for households earning over \$125,000. These housing types may include upscale condominiums or townhomes, or larger single-family homes.

Ownership Housing Goals

- Encourage ownership opportunities for moderate-income households as part of mixed-income developments
- Using incentives or other means, ensure that a meaningful percentage of new town homes and condominiums built in the village are affordable to moderate-income workforce families
- Preserve the village's existing stock of moderate-income workforce housing
- Promote high-density, high amenity upscale housing in close proximity to public transportation



This image shows the potential development from N. Milwaukee Ave. looking west toward the train station.

STRATEGIES TO CREATE BALANCED HOUSING IN THE FUTURE

To meet its housing goals and to create the kind of future housing balance it desires, we recommend that Libertyville adopt the following land use strategies for specific types of housing:

Mixed-use/downtown development

Take full advantage of downtown development opportunities near the train station and along Milwaukee Avenue by modifying current C-2 zoning regulations to permit:

Residential development without a special permit. Design standards, or the development of a form-based code for the downtown area, can be written to protect the historic character of Milwaukee Avenue.

Reduced parking requirements. Currently 2.5 parking spaces per residential unit are required. By reducing that requirement to 1.5 parking spaces per residential unit and two parking spaces per 1,000 square feet of commercial space (from 4-5/1000 square feet), land required for building and the overall cost of project development will be significantly reduced. The proximity of the train station should make such transit-oriented development feasible.

Reduced minimum housing unit and lot size. Currently the C-2 zone allows a limited floor area ratio (FAR) of 0.5 and large minimum unit requirements (1,900 square feet), which would likely hinder the development of dense mixed-use districts and any affordable condominium units in these zones. Reducing minimum unit sizes to 1,000 square feet or less per unit will enable developers to build more affordable dwelling units.

Affordable housing

Preserve Libertyville's existing supply of affordable housing via code enforcement and rehabilitation programs. In some cases, bulk rehabilitation, which focuses on upgrading 10-20 existing homes within a given neighborhood, may be the best strategy.

Pass an inclusionary zoning ordinance. The ordinance can require that a set percentage of units in all new housing developments, perhaps 15%, be affordable to working families. Highland Park and Lake Forest have recently passed such ordinances, and their provisions, which include density bonuses for developers, may work well in Libertyville.

Consider establishing a Community Land Trust for affordable housing. In cities and villages where land costs are increasing quickly, Community Land Trusts (CLTs) can be an effective strategy for creating, and perhaps more importantly, retaining, affordable ownership housing. The village could partner with community development corporations or other non-profit organizations to create CLTs which promote affordable housing, including for seniors and those with special needs. In the Chicago region, programs such as Local Initiatives Support Corporation (LISC) could be established either on the village level, or through the NWMC, to coordinate with government agencies to provide capital, technical training and information.



Workforce housing

Zone for a variety of housing types

By nature, workforce housing often includes housing types that entry-level renters and home buyers desire, including accessory units (“granny flats”), apartments, condominiums, townhomes, and small lot single-family homes. Libertyville can make land use regulatory changes to further develop these housing types. Often, these regulatory changes include allowing higher densities in targeted neighborhoods and along key transportation corridors. In order to determine the locations of these priority corridors, Libertyville should conduct a development feasibility analysis of zoning in areas seen as having potential for workforce housing.

Establish a Design Standards Overlay in some residential districts to accommodate multi-family units

A Design Standards Overlay would help facilitate the addition of higher density housing to Libertyville’s existing residential neighborhoods in a complementary fashion. This would lead to allowing the development of housing types that reflect the character of the surrounding housing – and would address concerns about the teardowns which are creating large homes incompatible with their surroundings.

Target housing near employment and transit centers

In many cities across the country, workforce households live far from their workplaces in order to find less expensive housing. However, transportation costs often drain a significant amount of a household’s budget. It is important that workforce households have opportunities to live near transit networks and employment centers. The purpose of workforce housing is to provide adequate housing choices while reducing travel time. Libertyville can use the development feasibility analysis described above to determine transit-oriented and employment-proximate workforce housing opportunities. It is likely that these areas will be near downtown and the Metra station. With this in mind, the village can then examine zoning within these areas and make regulatory adjustments that would

enable the development of more affordable rental and owner-occupied housing types.

Facilitate employer-assisted housing

It is mutually beneficial for employees and employers when employees live near their workplaces. Libertyville’s employers, especially larger companies, can take advantage of the State’s Employer Assisted Housing Program. This program, part of the Illinois Affordable Housing Tax Credit, is designed to provide qualified employees with downpayment and closing cost assistance, reduced interest rates, mortgage guarantees, or rent subsidies. Employers can design their participation and incentives to meet the specific needs of their workforce.

Proactively work to match low and moderate-income Libertyville residents with higher paying job opportunities which will be created in the village

Libertyville believes that over 6,000 new jobs will be created in the village by the year 2030. To the extent that low and moderate-income Libertyville residents of today are able to move to better paying jobs that are closer to their homes, they will be able to invest more in their housing and provide more overall income to their families. Village leaders should consider opportunities to match low and moderate-income family workforce participants with new, higher-paying jobs.



The downtown Metra station is a key redevelopment opportunity area for Libertyville.

Market-rate and upscale housing

Create mixed-use zoning where appropriate in existing single-use areas

Successful mixed-income areas typically have retail amenities in close proximity. Libertyville has several historic and commercial centers which act as strong retail draws. The development of new housing in these areas, including market rate and higher-end housing, will serve to further develop these areas into thriving mixed-use centers with a variety of housing opportunities.

Integrate context sensitive design with transportation improvements

Communities which appeal to a range of people are usually easily accessible by several different transportation modes. It is important that Libertyville continue to focus on the coordination between land use planning and transportation – and focus the village’s infill strategies on the areas that are most accessible. Specifically, the downtown Metra station provides a prime opportunity to develop a mixed-use area attractive to many income groups.

In these mixed-use areas, infrastructure and streetscapes can be improved through public and private investment. Context sensitive design refers to an approach in street and transportation design that considers the context around transportation improvement. CSD goes beyond simply the street function to consider how the surrounding community will interact with streets, sidewalks, crossings and other design elements.

What is context sensitive design?

Creating livable neighborhoods means carefully considering the streetscape realm, making areas pedestrian-friendly, and at appropriate scale for those on foot. The streetscape of an area should match the character and personality of the community through the application of treatments such as lighting, public art, parks, safe walkways, street trees, or seating.

Context Sensitive Design is a term used to define this type of urban design aimed at enriching the social, natural, cultural, and economic environment.

Libertyville is a strong community with many housing advantages. The village has a historic downtown core, a centrally-located Metra station, and a well-maintained housing stock. The decisions that the village makes in the near future will impact Libertyville's ability to meet the needs of a growing and changing population.

As described in this plan, Libertyville is seeing housing prices, both rental and owner, rise much faster than incomes. This means that the village is becoming unaffordable for many low and moderate-income households. Meanwhile, significant numbers of middle-class single-family homes are being purchased and torn down to make room for much larger, more expensive housing.

Libertyville has an opportunity to encourage new housing for low-income households, including seniors, in close proximity to transit. These homes would be part of developments that include workforce and market-rate units to create truly mixed-income neighborhoods. The advantage of these neighborhoods is that residents from a range of incomes are able to benefit from Libertyville's offerings.

The land use strategies outlined in this report will help Libertyville to encourage housing which meets the current and future needs identified in this analysis. Strong implementation of these strategies is essential to creating the balanced housing supply that the village desires.





HOUSING POLICY PLAN OAK FOREST

Oak Forest was selected by the Metropolitan Mayors Caucus and Chicago Metropolis 2020 as a pilot community to illustrate how data from a demographically driven housing needs assessment and GIS-based capacity analysis could be translated into a local housing policy plan. The purpose of this local housing policy plan is to assist the city in meeting the demands of its current and future residents, while laying the groundwork for a more balanced local housing market over the long term. The City of Oak Forest is currently in the process of updating its Comprehensive Plan, and will use this document to supplement the housing element of the Comprehensive Plan.

This report analyzes Oak Forest's existing housing needs, existing housing stock and future housing needs (2030) to provide the city with targets and strategies for achieving a balanced housing stock. In addition, an analysis of the capacity of zoning in Oak Forest was conducted to assess the potential for future housing development under current conditions.

The housing needs analysis revealed that Oak Forest:

- Has a stable rental and owner-occupied market in terms of moderate and middle-income housing, but that future demand in both these market segments will not be as strong as it is today.
- Needs more subsidized housing for its lowest-income residents, both today and in the future.
- Currently needs more rental and owner-occupied upscale housing and must create such housing in the future or it will lose upper-income households to other communities.

To address these issues, this Policy Plan recommends that Oak Forest pursue the following housing preservation and development strategies:

- Further stabilize the moderately-priced sector of its housing market by encouraging the ongoing rehabilitation of dwellings in selected neighborhoods.

- Create more rental and owner-occupied housing for high-income households. A meaningful portion of the dwelling units planned for the redevelopment of the Metra Station area at 159th St. and Cicero Ave. can be targeted at upscale households, especially if the planned Metra Station development is expanded to include the Wille Brothers property next door.
- Use tax credits and other government subsidies to create new housing to serve a growing low to moderate-income senior population. When senior households decide to move into new senior developments, consider preserving their housing for moderate-income families.
- Zone for a variety of housing types. Smaller units, including townhomes and attached housing, can serve the needs of moderate-income families. Larger units or high amenity/high-density units tend to appeal to higher income households. All of these needs can be addressed via mixed-use, mixed-income products.
- Create mixed-use zoning along key corridors such as 159th St. and Cicero Ave. Such zoning will permit new residential and commercial development consistent with city plans to enhance these corridors.
- Create additional housing to serve low-income families through a variety of development strategies including density and height bonuses, the preservation of existing moderate income housing as it ages ("filtering"), and possibly inclusionary zoning such as has been recently adopted by a number of communities in the Chicago area.
- Establish a design standards overlay for buildings in targeted districts such as the Metra Station area to increase safety and neighborhood aesthetics.



INTRODUCTION

A local housing policy plan is a guiding document for future housing development within a municipality that will help ensure that housing demand, at all income levels, can be met. The local housing policy plan estimates both current and future housing needs and includes land use policies and financing strategies that can help a local government meet its housing targets. Housing targets are generally created by examining existing housing trends and setting goals for future housing that are consistent with demographic and market trends, as well as community goals.

This local housing policy plan provides the City of Oak Forest with an assessment of current housing need, future housing targets and policies designed to achieve those targets. Specifically, Oak Forest's local housing policy plan includes:

- an estimate of Oak Forest's current housing needs (shown by income range for rental and owner-occupied housing) based on 2000 U.S. Census figures;
- an estimate of Oak Forest's future housing needs based on the current needs analysis, income trends and the housing goals of the city; and
- land use and financing strategies that will help the city to achieve its desired housing goals.

In addition to examining Oak Forest's specific housing needs, an analysis of sub-regional trends was also conducted. The sub-regional analysis focused on the Council of Governments level (the South Suburban Mayors and Managers Association), and included an assessment of the needs of all municipalities within the SSMMA, as well as the SSMMA as a whole. It is important in housing planning to examine the sub-regional and regional contexts – housing needs and decisions are seldom strictly confined by political boundaries. This analysis provides insight into how Oak Forest compares with its neighbors and the rest of the region. In this report, the terms SSMMA and sub-region refer to the communities identified as members of the South Suburban Mayors and Managers Association (listed in the Appendix).

Why does Oak Forest need a housing plan?

Oak Forest wants to preserve its character as a “bedroom community” for the Chicago region and, at the same time, encourage both economic development, which will broaden its tax base, and new housing to meet the needs of its growing and changing population. It also has other key objectives it wants to accomplish in the near and medium term future, objectives which include the creation of a true “downtown” section of the city, the rehabilitation of deteriorating properties, and the development of rental and owner-occupied upscale housing units.

What is balanced housing and how does it apply to Oak Forest?

The targets set in this housing policy plan are designed to encourage balanced housing in Oak Forest. Balanced housing refers to the need to address the housing needs of everyone living and working in Oak Forest, both currently and into the future. Balanced housing is a theme throughout this plan because Oak Forest, and other communities in the Chicago region, will benefit from encouraging a range of housing types and prices. These benefits include:

- Oak Forest will be more attractive to the business community. If Oak Forest can provide housing for people, whether moderate or upper income, who work in the city, it will be seen as an attractive environment for current and prospective business owners. Local residents who work in the community will have less commuter-related job stress and more time to spend with their families during the week.
- Oak Forest will be more attractive to those who work in the City of Chicago. The Metra in Oak Forest provides direct access to the central business district which can result in regional benefits such as reduced auto trips and increased transit ridership.
- Oak Forest will be more attractive to key municipal and not-for-profit workers such as police officers, fire fighters, teachers and nurses. To the extent that such people are local residents, their service to the community can be enhanced by greatly reduced commuting time.

- Neighborhood preservation will be encouraged. If a variety of housing types exist in a given area, the area will be more likely to prosper. A focus on balanced housing gives the city an opportunity to actively address neighborhoods which are in need of repair and rehabilitation.
- The housing types sought by new residents will be provided. For example, research indicates that townhomes, condominiums and small single family homes appeal to a variety of the fastest growing population segments – seniors, Latinos, singles and childless couples.
- Oak Forest will continue to meet the requirements of the Illinois Affordable Housing Planning and Appeal Act.

How Was the Current and Future Demand for Housing Calculated?

The current supply and demand for housing are estimated using information from the 2000 Census. Housing supply figures reflect actual rental and owner-occupied housing existing in Oak Forest at various price points. Demand figures are based on family income and assume that a family will not spend more than 30% of its income on housing or housing-related expenses. Of course, a number of Oak Forest families are spending more than 30% of their income on housing. Some may be doing so not by choice. Others, however, may choose to spend more than 30% because they feel the benefits of living in Oak Forest, such as good schools and a favorable community environment, are worth the extra expense.

There are other factors which impact the current demand figures being used. First, these figures do not take into account senior citizens who own their own homes but now have moderate to low incomes. The homes these seniors are living in would be beyond their income capabilities if they had to buy them today. Second, current demand figures at the low end do not take into account families who choose to “double up” to cover the housing cost of a rental or owner-occupied property. Finally, the demand figures do not take into account families who decide to live in a moderately-priced dwelling unit when they could afford a more expensive unit.

What is housing “affordability”?

- While varying from household to household, “affordable” is generally defined as spending 30% of household income on housing costs (including utilities, insurance and taxes).
- Higher-income households tend to pay less than 30% of their household incomes toward housing costs (underpaying).
- Lower-income households tend to pay more than 30% of their household incomes toward housing costs (overpaying).

In any case, current supply and demand were compared and differences at each level of household income were identified. It is important to remember, however, that shortages and surpluses shown reflect “ideal” housing need based on income, not actual housing decisions made by families in Oak Forest.

The future demand for housing was estimated using demographic and household data supplied by the Chicago Metropolitan Agency for Planning (CMAP) and county-level age projections for 2000-2030 from the Illinois Department of Commerce and Economic Opportunity (DCEO). Once again, demand figures assume that households will not spend more than 30% of their income on housing.

The future supply of housing projects the number of housing units that will be needed to meet future demand. The projections assume that average household size will not vary greatly from where it is today. It is a matter of conjecture as to what specific type of unit will meet that demand – a townhome, an attached home, an apartment or a single-family home – or its status, owner-occupied or rental. Planners, however, have a fairly good idea of what types of units will meet demand given the pricing in current housing markets.

The end product of the future demand analysis is a new estimate of housing need (either a surplus or a gap) by the year 2030. The supply and demand figures for the years 2000 and 2030 appear on tables 2, 3, 4 and 5.

EXISTING CONDITIONS

Demographic Trends

Oak Forest, Illinois is located in southwest Cook County about 24 miles from downtown Chicago. Oak Forest benefits from the urban amenities of the Chicago region, while also being near the forest preserves and natural beauty of southwest Cook County. Oak Forest is largely a middle-class community, with a median household income of just over \$60,000.

Oak Forest is growing in population, households and jobs. According to the 2000 Census, Oak Forest's population was 28,051. CMAP projects that the population will increase by 18% through 2030, to 33,040. In terms of households, Oak Forest's household growth is projected at 19% through 2030 to 11,665. Similarly, employment is expected to rise 20% from 9,330 to 11,164 (2000-2030).

Table 1: Population and Household Forecast 2000-2030

	2000	2030	% change
Population	28,051	33,040	18%
Households	9,785	11,665	19%

Oak Forest is in a strong position to accommodate new growth while diversifying its economic base and encouraging a greater mix of housing types. Oak Forest has four main areas in which to focus growth (see Map 1 on opposite page):

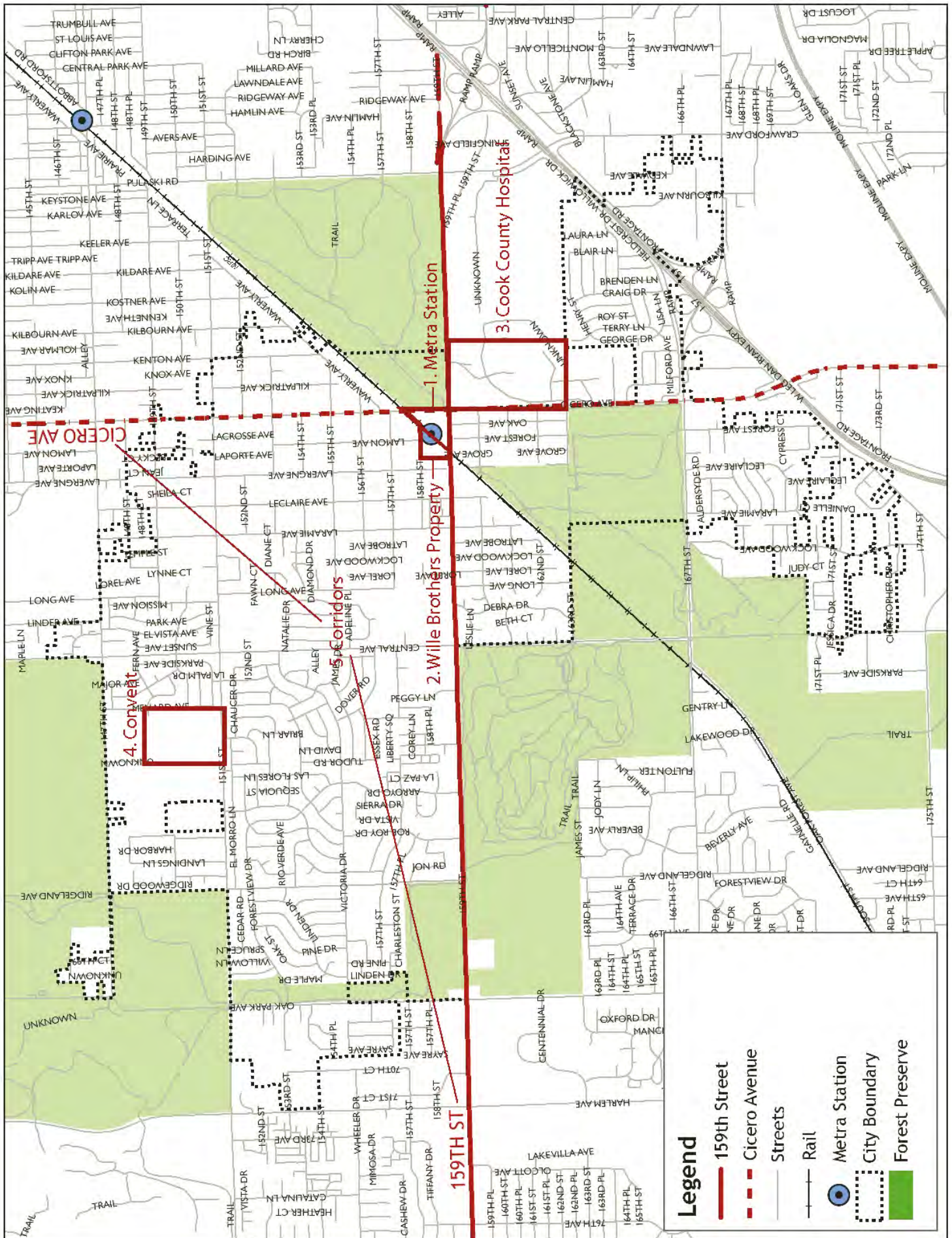
1. **The Metra station at 159th St. and Cicero Ave.** Plans for redeveloping this area into a mixed-use transit-oriented district are underway. In addition to the Metra rail line, the station area is well-connected to the rest of the city by several bus routes. The availability of multiple transportation modes makes the 159th St. and Cicero Ave. area attractive to residents, including those who prefer to commute without an automobile.
2. **The Wille Brothers property adjacent to the Metra Station.** An opportunity exists to move the current Wille Brothers facility to city-controlled industrial land near major highways. If such a move occurs, the current Wille Brothers property can become a redeveloped expansion of the currently-planned Metra Station development.

3. **The Cook County Hospital property east of the 159th St. and Cicero Ave. Metra station.** This 150-acre Cook County Hospital property has potential for annexation into the city and redevelopment including a mix of higher-density clustered housing.
4. **Convent property between 147th St. and 151st St. and Moorings Ln. and Menard Ave.** This area has the potential, and momentum, for new development. Having largely vacant areas with owners interested in redevelopment opportunities, the two key possibilities in this vicinity include the development of a new hotel and a mix of senior (including active senior) housing.
5. **Transportation corridors along 159th St. and Cicero Ave.** There are important redevelopment opportunities along the key arterials of 159th St. and Cicero Ave. These arterials include strong transit linkages and proximity to both housing and commerce.



A rendering of what the Wille Brothers site could look like with the infusion of new mixed-use development including housing.

Map 1. Opportunity Site Locations



CURRENT HOUSING ANALYSIS

A current housing analysis was conducted for Oak Forest. Tables 2 and 3 (below) show that as of 2000, Oak Forest had a high rate of homeownership (82% of all housing units) and was relatively affordable in comparison with the rest of the region with a median home value of \$150,000. New housing data which will be available later this year, however, will undoubtedly show a sharp escalation in the median home price figure, an escalation which reflects the rapid rise in home prices between 2000 and 2005.

with trends across SSMMA communities. Many of the strategies and recommendations in this plan are thus transferable to similar communities with comparable needs.

Current trends show that municipalities within SSMMA tend to have a more affordable housing stock, for both owners and renters, compared to municipalities across the rest of the region. If these income and housing price trends continue, it could be expected that SSMMA communities will house the

Table 2: 2000 Ownership Housing Demand by Income Compared to Existing Housing Stock

	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	Total
Current Stock (Est.)	332	3,151	3,683	729	166	75	8,136
Current Need	576	1,499	2,109	1,826	1,213	496	7,720
Difference	(244)	1,652	1,574	(1,097)	(1,047)	(422)	416

Table 3: 2000 Renter Housing Demand by Income Compared to Existing Housing Stock

	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	Total
Current Stock (Est.)	135	767	890	69	0	0	1,860
Current Need	407	501	669	543	192	50	2,361
Current Surplus (Gap)	(272)	267	220	(474)	(192)	(50)	(501)

Oak Forest needs to add more upscale rental and owner-occupied housing to meet current and future demand. Meanwhile, Oak Forest more than meets the housing needs of its families whose incomes range between \$30,000 and \$75,000 per year.

Oak Forest has relatively few renters, and the majority of rental units are affordable to families earning less than \$50,000 per year. On the other hand, there are very limited upscale housing options for renters whose incomes exceed \$50,000 per year.

Oak Forest and the SSMMA

The majority of the rental housing stock in Oak Forest is geared toward moderate-income households and some of it is subsidized. The majority of the owner-occupied housing in Oak Forest is geared toward low to moderate-income households. The trends in Oak Forest are consistent

majority of low to moderate-income households. A closer examination of the current housing needs of all SSMMA communities shows an imbalance. This imbalance reflects the number of people living in SSMMA who are living below their means because upscale housing is unavailable.

Current trends in Oak Forest are part of a pattern within the SSMMA as a whole. In Oak Forest, many households could afford to live in more expensive housing, but are not doing so for some reason. If the key reason is lack of available housing stock, the city has an opportunity to promote housing diversity through public policy. In this case, a strategy to attract development of some higher-end housing, while stabilizing and preserving existing affordable housing, might be preferable to simply continuing past trends.

An analysis of tables 4 and 5, which project housing supply (2006) and demand in the year 2030, shows that:

- Additional rental housing will be needed for low-income residents and for renting households whose yearly income exceeds \$50,000. Some of these units may be provided by the conversion of current rental units serving the needs of moderate-income families.
- Additional low-income units may be created by the construction of senior housing developments and the preservation of low to moderate-income rental units currently serving households that will move to senior housing developments. Additional mid-to-upper income rental units can be created throughout the city, especially near the Metra Station development. Specifically, we recommend that the city plan to create 593 net new rental housing units.

Rental Housing Targets by Income Group

The following recommendations are based on the 2030 forecast and the rental housing goals for Oak Forest.

593

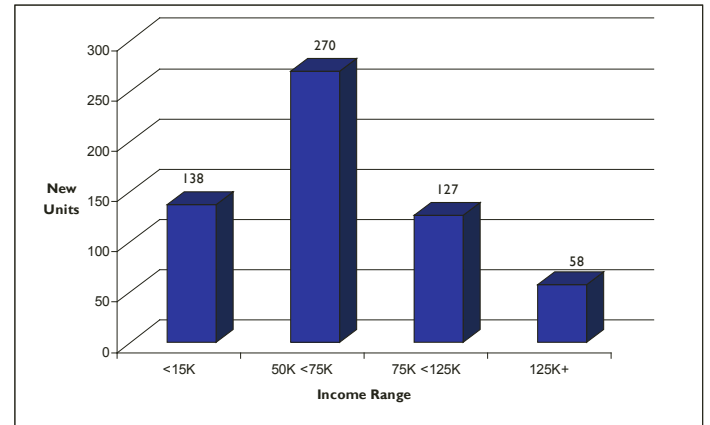
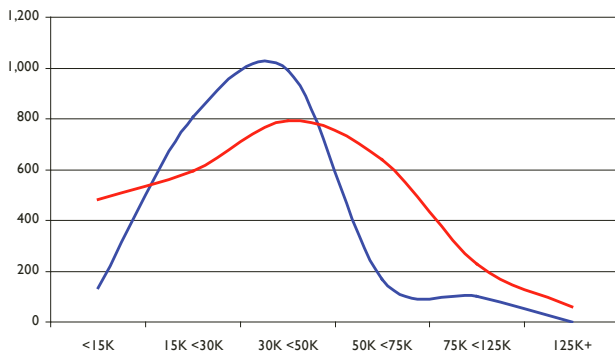


Table 4: 2030 Rental Demand Compared to Existing Housing Stock Affordable at 30% of Income



— Housing Stock Affordable at 30% of Income (2006 Estimated)
 — 2030 Projected Housing Demand by Income

Rental Units							Total
Affordable →		Workforce →		Market Rate →			
<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+		
Housing Stock Affordable at 30% of Income (2006 Estimated)	135	807	990	169	100	0	2,201
2030 Projected Housing Demand by Income	484	596	791	638	227	58	2,794
Target Units Needed to Meet Projected Demand by Income	349	<i>n/a</i>	<i>n/a</i>	469	127	58	593
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	211	199	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

THE FUTURE OF HOUSING IN OAK FOREST

- Additional owner-occupied housing will be needed for low-income residents and for middle-income and upscale families whose household income exceeds \$75,000. Low-income households' needs may be met, in part, by existing housing currently serving moderate-income families (via "filtering"). The middle-income and upscale housing needed can be provided via new construction and via rehabilitation and improvement of existing housing currently serving families whose incomes range between \$50,000 and \$75,000. As Table 5 shows, there is a projected surplus of housing serving this income range. Specifically, it is recommended that the city create 842 new owner-occupied units

Ownership Housing Targets by Income Group
 The following recommendations are based on the 2030 forecast and the ownership housing goals for Oak Forest. The city does not need to target housing in the ranges which are not shown.

842
 new units

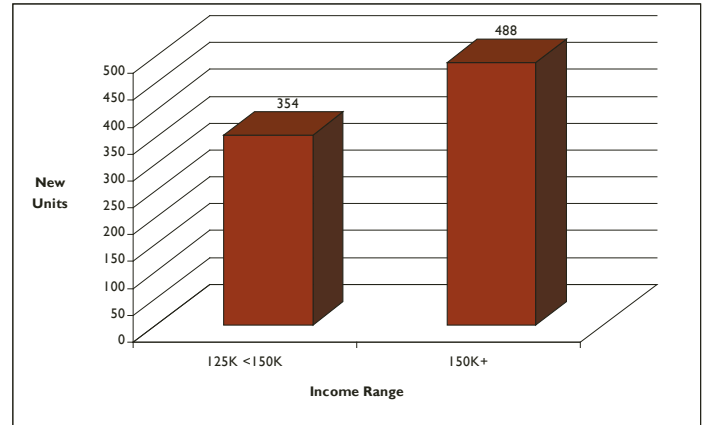
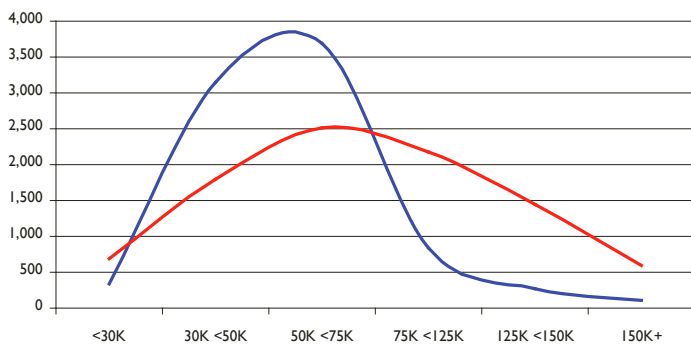


Table 5: 2030 Owner Demand Compared to Existing Housing Stock Affordable at 30% of Income



— Housing Stock Affordable at 30% of Income (2006 Estimated)
 — 2030 Projected Housing Demand by Income

	Affordable → Workforce → Market Rate →					Total	
	<30K	30K <50K	50K <75K	75K <125K	125K <150K		150K+
Housing Stock Affordable at 30% of Income (2006 Estimated)	332	3,151	3,683	844	266	105	8,381
2030 Projected Housing Demand by Income	692	1,803	2,515	2,174	1,446	593	9,223
Target Units Needed to Meet Projected Demand by Income	360	<i>n/a</i>	<i>n/a</i>	1,330	1,180	488	842
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	1,348	1,168	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Effectively planning to address these housing options can create a bright future for Oak Forest. Failure to do so may lead to some undesirable outcomes. For example, both the rental and owner-occupied housing forecasts suggest that Oak Forest will have a surplus of moderate-income units serving families whose household incomes range from \$15,000 - \$50,000 (rental market) and \$30,000 - \$75,000 (owner-occupied market). Unless this housing is converted into housing serving both low-income and upper-income families, significant numbers of lower income households currently living outside of Oak Forest will move in and upscale families will move out.

In forecasting these outcomes, it should be noted that projections may change once new American Community Survey (U.S. Census) data becomes available later this year. It is likely that projected housing need for low-income families will grow (reflecting the recent surge in home prices) and that the projected need for upscale housing will diminish (reflecting the fact that a portion of the city's middle-income housing has sharply risen in value).



The images at bottom show what the intersection of Cicero Ave. and 159th St. looks like today. The image at top is a rendering of the approved development plan for the area showing the same corner.

CAPACITY ANALYSIS

Projecting specific targets for rental and owner-occupied housing development assumes that Oak Forest has the capacity to add new units to its housing stock. Does such capacity exist? In order to best understand opportunities for future development, a capacity analysis of Oak Forest’s existing zoning was conducted. This analysis, using Geographic Information Systems (GIS), identified the amount of housing development potential by determining the capacity of zoning. This was calculated through a multi-step process.

First, the amount of available vacant and redevelopable land was determined. Environmentally constrained lands were removed, such as agricultural land, riparian areas, floodplains and slopes. Land identified as residential, commercial or office was then assumed to have some redevelopment potential. In this case we assumed 2% redevelopment for the R-1 district, 5% for R-5, 15% for R-6, and 20% for the B-1, B-2, B-3 districts. Then, estimates for future housing were created by assuming densities by zone.

These calculations resulted in a capacity estimate for each zone on vacant and developed land. For example, in the single-family R-2 zone, there is enough land for 18 new homes at existing densities, and no land suitable for redevelopment at a higher density.

The table below shows the available housing unit capacity of Oak Forest’s existing zoning.

Table 6: Housing Unit Capacity in Oak Forest by Zone District

Zone District		Housing Units	
		Vacant	Redev
RE	residential estate district	0	0
R1	single-family residential district	337	34
R2	single-family residential district	18	0
R3	single-family residential district	170	0
R4	single-family residential district	0	0
R5	planned residential district	1	42
R6	planned multi family residential district	207	299
B1	local commercial district	47	107
B2	general commercial district	114	225
B3	planned commercial district	33	269
PMU	planned mixed use district	0	0
M	limited manufacturing district	0	0
Totals		925	976

Supply to Meet Future Demand

Once the capacity of zoning for housing was estimated, the potential future housing supply by housing type was assessed. The capacity analysis showed that under existing zoning, Oak Forest could potentially build over 1,900 units. The Wille Brothers site, for example, could include up to 100 units of varying sizes to help meet future demand. Table 7 (below) summarizes Oak Forest’s development potential under current zoning.

Table 7: Oak Forest Housing Capacity by Housing Type

Zone District	Housing Type	Units
R1	SFR Large	371
R2	SFR Medium	18
R3	SFR Small	170
R5	Townhouse	43
PMU, 80% of B1, B2, B3	Condo	636
R6, 20% of B1, B2, B3	Apartment	664
	Total	1,901

May not add up exactly due to rounding



These units were then converted into housing types using the existing zoning as the basis. For example, the capacity analysis revealed that in the R-1 single-family district there was potential for 337 units on vacant land and 34 units on land that could redevelop. The R-1 zone district allows 1 unit per 10,000 square feet of land area so these were translated into “large single-family.”

Because different types of housing have varying levels of demand and prices, this analysis divides Oak Forest’s housing stock into six types:

Multi-Family

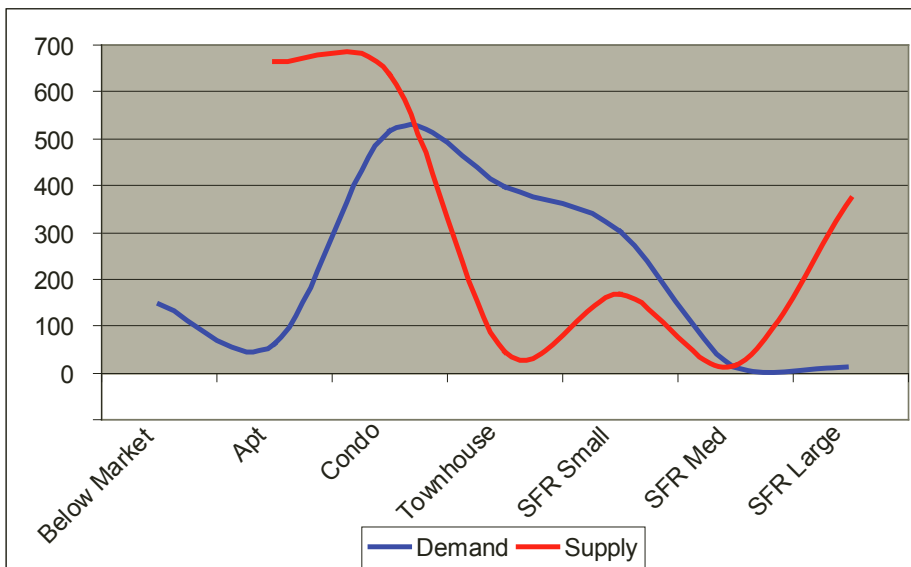
- Apartments – apartments are typically located along denser corridors and around transit stations, presenting a smaller, more affordable rental type of housing. This category also includes below-market (subsidized) apartments. This housing, designed for the lowest-income individuals and families, is usually located within multi-family buildings, some of which also include market-rate units.
- Condominiums – condominiums are an entry-level type of ownership housing generally containing a higher level of finishes than apartments. Condominiums may also be the residential component of mixed-use developments.

Attached and Detached Single-Family

- Townhomes – A townhome is an attached residential housing type that combines many benefits of an urban lifestyle with the living space of a single-family home.
- Small-lot single-family home – small single-family homes may serve as starter homes or may be ideal for retirees looking to downsize.
- Medium-lot single-family homes – these are single-family homes on about 8,000 square foot lots that typically provide ample space for families.
- Large-lot single-family – these homes are usually on lots of about ¼ acre or more; the large lots and high level of amenities make these homes the most expensive type, especially in the suburban setting.

The capacity analysis showed that the current zoning in Oak Forest favors the development of apartments and condos; there is little opportunity for new townhouse or small lot development. Figure 1 (below) illustrates the difference between existing supply and future (forecasted) demand.

Figure 1: Supply and Demand Estimate for New Homes by Housing Type



FURTHER STEPS TO CREATE BALANCED HOUSING IN THE FUTURE

Recommended Land Use Strategies

There are a number of additional land use strategies in which Oak Forest can engage to best achieve a balanced future housing stock.

Zoning Changes

- Oak Forest needs to review its current zoning and land use regulations and consider how they can be modified to meet its future housing needs. Current zoning regulations favor large lot housing development. As Figure 1 (page 11) shows, the estimated demand for townhomes and small single-family homes exceeds expected supply. While the same figure assumes that the supply of condos and apartments will exceed demand, it assumes a full build out of current zoning and very aggressive redevelopment and infill along Cicero Avenue.
- Zoning regulations should be modified to accommodate the creation of more townhomes, attached homes and small single-family homes. Consideration should be given to the inclusion of accessory dwelling units to meet the needs of multi-generation family units.
- Mixed-use zoning, already being considered by the city for the 159th Street and Cicero corridors, should be implemented. There is ample vacant land in both corridors for development. Incentives to encourage new housing and retail development should be used. At the same time, care should be taken to make sure new development does not permanently displace existing businesses.
- Oak Forest also might want to consider an inclusionary zoning ordinance similar to those recently adopted by Highland Park and Lake Forest. Such ordinances can, via density bonuses, reduced parking requirements, fee reductions, fee waivers and expedited permitting, allow for a modest number of affordable dwelling units to be constructed in new housing developments.

Encourage Bulk Rehabilitation of Existing Housing Units

- Bulk rehabilitation focuses on rehabilitating 10-20 existing housing units within targeted neighborhoods each year. Oak Forest could encourage an established rehab organization to set up a satellite office in the city to organize and direct rehabilitation work. Funding might come from CDBG and State grants, supplemented by low interest loans payable on the sale of property. Priority might be given to deteriorating housing along 159th St. and Cicero Ave. as well as to housing near the Metra Station.



The costs of affordable and workforce housing can be offset through developer bonuses for market-rate units in mixed-income developments. The Cement Plant is an ideal location for new housing development because of its proximity to the Metra station and surrounding residential communities.

Homeowner Purchase Programs

- Oak Forest could encourage moderate-income families to buy their own homes using State-sponsored first-time homeowner assistance programs and employer assisted housing.
- Financial institutions serving the city should also consider Location Efficient Mortgages to encourage homeownership near transit stations.

Establish a Design Standards Overlay

- In most cities, including Oak Forest, crime and safety is a concern in certain areas. In addition to its crime-free housing ordinance, Oak Forest can consider utilizing planning and design techniques known as Crime Prevention through Environmental Design (CPTED) to reduce crime. Municipalities can create design standards, consistent with these principles, to make neighborhoods safer and more appealing for people from all income ranges. Oak Forest can establish design standards for buildings in targeted districts such as the Metra transit station area, and the 159th St. and Cicero Ave. corridors. These standards should emphasize creating transparency and “eyes on the street.” These design standards can be enhanced by directing new investment toward these districts using incentives such as density bonuses.

DENSITY AND IMPACTS ON SCHOOLS

Some community members have expressed concern about the effects of developing higher-density housing in Oak Forest, particularly related to impacts on schools and other services. Research suggests that this issue reflects more myth than reality. Single-family homes have significantly more school-aged children per household than multifamily homes. According to the National Multi Housing Council (NMHC), 100 single-family owner-occupied houses average 51 school-age children while 100 apartment units average 31 children. When looking at new construction only, the gap is wider: 64 children per 100 single-family homes vs. 29 children per 100 apartments. The California Planning Roundtable, using American Housing Survey data, found that “in most cases, a single-family home can have two to three times the numbers of school-aged children per household.” Meanwhile, an Urban Land Institute study found even lower rates of school-age children when looking at mid- to high-rise apartments and garden apartments when compared with owner-occupied single family homes (19 and 21 children per 100 units compared with 64 children per 100). It should be noted that the NMHC report acknowledges that 100 apartments units may still have more children than 10 single-family units on the same site.

The lower rates of children in multi-family developments can be attributed to the attractiveness of apartments to single people, childless couples and empty nesters. Finally, it appears that multi-family rental housing is still paying at least its fair share of taxes because nationally, according to a Harvard University Joint Center for Housing Studies paper, multi-family rental housing “bears an effective tax rate at least 25 percent.”

Integrate Context Sensitive Design with Transportation Improvements

- Communities which appeal to a range of people, including those seeking market-rate or higher-end housing, are usually accessible using several transportation modes. It is important for municipalities to focus on the coordination between land use planning and transportation – and focus infill strategies on the areas which have the greatest accessibility. In particular, Oak Forest’s Metra station provides a prime opportunity for a mixed-use area desirable to multiple income groups.
- Infrastructure and streetscapes can be improved in areas and along corridors specifically targeted for mixed-use and mixed-income housing developments. Context sensitive design (CSD) refers to an approach in transportation design that considers the area and user-preferences surrounding a transportation improvement. Thus CSD goes beyond the street and takes the surrounding community into account when considering how streets, sidewalks, and other transportation-related infrastructure are designed.

- Oak Forest has prime locations for new development close to transit. The next step is encouraging a critical mass of housing to support new retail uses. The city can work with transportation planners to utilize CSD in the design of targeted districts. Additionally, a streetscape plan for these districts can also include improvements that lead to enhanced bicycle and pedestrian mobility.

Expedite the Development Process in Key Areas to Encourage Future Development

- Oak Forest can create a fast track permitting process that serves to encourage new development within a jurisdiction while saving developers money. A permit expediting strategy that has been used by cities around the country is to create a design standards overlay zone in suitable locations. If correctly implemented, fast track permitting should not lead to lower quality urban design or development.



The western side of the Metra station is the location of Wille Brothers cement plant. There are plans to develop the Metra parking lot but not the cement plant. The above images illustrate what the Wille Brothers site could look like without the plant and with the addition of 100 housing units, ground floor mixed-use retail, a public park, and investment in context-sensitive improvements.

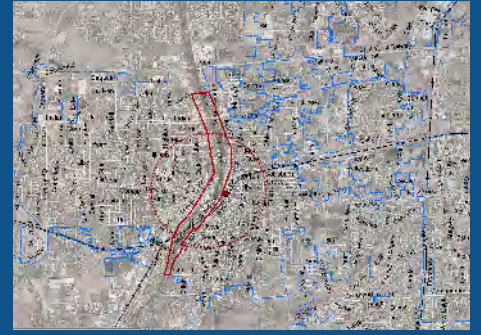
This plan should be viewed as a starting point for addressing housing needs in Oak Forest. It provides the city with an estimate of its future housing needs both in terms of rehabilitation and new construction. It recommends policies and actions that can be taken to address specific housing needs throughout the city. However, in order to remain viable, this housing needs assessment should be reviewed and updated every 2-5 years depending on the development activity taking place. By the end of 2007, the American Community Survey will have data available for cities like Oak Forest with populations of 10,000 or greater. This information can be used to update this housing needs assessment.

Alternately, the city should consider conducting a full housing survey of existing residential units. Recently, the city worked with CMAP's Full Circle team to conduct a land use inventory on the 159th St. and Cicero Ave. corridors. This data was translated into a GIS database that can be used by residents and planners in Oak Forest. Undertaking a complete housing survey would both empower local residents and provide the city with invaluable data regarding its housing stock.

Ensuring that the housing needs assessment is updated is critical. Doing so will provide city officials and policy makers with an understanding of current housing trends, and how they have changed over time. It will also enable the city to monitor whether housing policies are achieving the desired effect.

Oak Forest, like many of its neighbors, is in a good position to both preserve and enhance options for low and moderate-income households while promoting the development of upscale housing. This policy plan is thus a starting point for addressing and balancing housing needs in Oak Forest, now and into the future.





APPENDIX ADDITIONAL MATERIALS

COMMUNITIES USED FOR COMPARISON BY LOCAL COUNCIL OF GOVERNMENT

DMMC

Addison
Aurora
Bensenville
Bloomington
Burr Ridge
Carol Stream
Clarendon Hills
Darien
Downers Grove
Elmhurst
Glen Ellyn
Glendale Heights
Hinsdale
Itasca
Lisle
Lombard
Naperville
Oak Brook
Oakbrook Terrace
Roselle
Villa Park
Warrenville
Wayne
West Chicago
Westmont
Wheaton
Willowbrook
Winfield
Wood Dale
Woodridge

NWMC

Arlington Heights
Barrington
Bartlett
Buffalo Grove
Carpentersville
Cary
Crystal Lake
Deerfield
Des Plaines
Elk Grove Village
Evanston
Fox River Grove
Glencoe
Glenview
Golf
Grayslake
Hanover Park
Highland Park
Hoffman Estates
Inverness
Kenilworth
Lake Forest
Lake Zurich
Libertyville
Lincolnshire
Lincolnwood
Morton Grove
Mount Prospect
Niles
Northbrook
Northfield
Palatine
Park Ridge
Prospect Heights
Rolling Meadows
Schaumburg
Skokie
South Barrington
Streamwood
Vernon Hills
Wheeling
Wilmette
Winnetka

SSMMA

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

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Councilwoman Liz Corry, City of Wheaton

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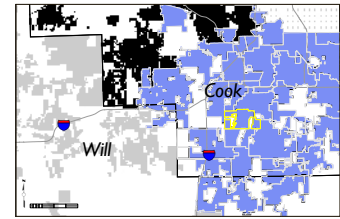
Marti Wiles, City of Chicago

HOUSING FACTSHEET OVERVIEW

1 Population and Household Forecast 2000-2030

The data for 2000 comes directly from the U.S. Census. The projections for 2030 come from the Northeastern Illinois Planning Commission (NIPC).

	2000	2030	% change
Population	9,301	9,949	7%
Households	3,331	3,546	6%



2 Estimated 2030 Housing Demand by Income

The tables in this section compare the number of dwelling units in 2000 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 2000 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 2000 housing stock, additional units will be needed to meet projected demand.

Rental Housing

	Affordable → Workforce → Market Rate →						Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	16	14	72	49	11	0	161
2030 Projected Housing Demand by Income	94	73	96	84	67	38	452
Target Units Needed to Meet Projected Demand by Income	78	59	24	35	56	38	291
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Ownership Housing

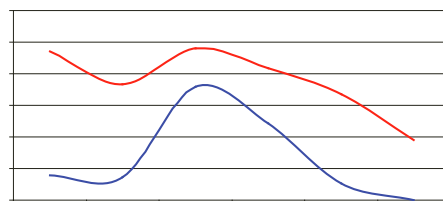
	Affordable → Workforce → Market Rate →						Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	51	280	1,128	1,005	437	360	3,261
2030 Projected Housing Demand by Income	119	310	468	580	894	813	3,185
Target Units Needed to Meet Projected Demand by Income	68	30	<i>n/a</i>	<i>n/a</i>	456	454	<i>n/a</i>
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	659	425	<i>n/a</i>	<i>n/a</i>	76

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

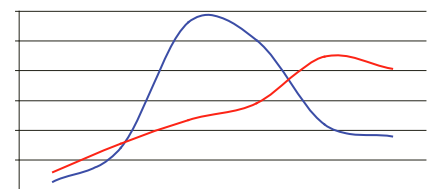
3 Estimated 2030 Affordable Housing Demand Compared to 2000 Housing Stock

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

2030 Affordable Rental Demand Compared to Current Housing Stock



2030 Affordable Ownership Demand Compared to Current Housing Stock



— Housing Stock Affordable at 30% of Income (2000 Estimated)
 — 2030 Projected Housing Demand by Income

Important Note

In reviewing the 2030 housing demand figures, please keep in mind that the projections assume that the character of a given community in terms of income dispersal among its residents will not change significantly between 2000 and 2030. Reviewers should carefully study 2000 US Census figures to see what the baseline income dispersal figures were at that time. Additionally, the projected demand figures, which are based on household income, may overstate the number of low and moderate-income units needed for three key reasons:

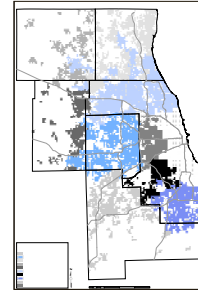
- Senior citizens, whose numbers will be growing between 2000 and 2030, often have low yearly incomes but significant assets including their homes which may be fully paid for. Seniors may be living in homes now or in 2030 which they could not afford if they had to purchase the home using their current or projected income.
- Households may choose to “overpay” for their housing in order to live in a given community. A household spending 35%, 40% or even 50% of its income on housing may not feel it is overpaying if it feels that the benefits of living in a community are worth the extra financial burden.
- Households may double up in a dwelling so they can afford to live in a desirable community. This is happening with greater frequency in the Chicago metropolitan area. The demand projections shown do not assume that doubling up will occur.

Additionally, unusual conditions in the region’s housing market between 2000 and 2007 – very low interest rates and the availability of variable rate mortgages and interest only mortgages – may have already had a major impact on a community in terms of the pace of new construction and the types of dwellings built. Projected need figures may have to be adjusted accordingly.

NORTHEASTERN ILLINOIS REGION

1 Population and Household Forecast 2000-2030

	2000	2030	% change
Population	8,092,145	10,050,860	24%
Households	2,907,201	3,636,108	25%



2 Estimated 2030 Housing Demand by Income

Rental Housing

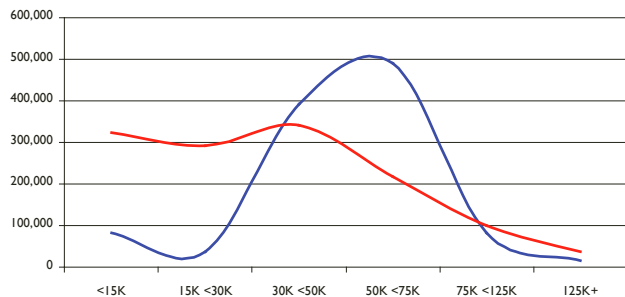
	Affordable →		Workforce →			Market Rate →	Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	82,054	37,402	392,912	490,645	81,969	14,882	1,099,863
2030 Projected Housing Demand by Income	323,855	291,320	341,761	217,499	100,764	37,626	1,312,824
Target Units Needed to Meet Projected Demand by Income	241,802	253,919	<i>n/a</i>	<i>n/a</i>	18,795	22,744	212,962
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	51,151	273,146	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Ownership Housing

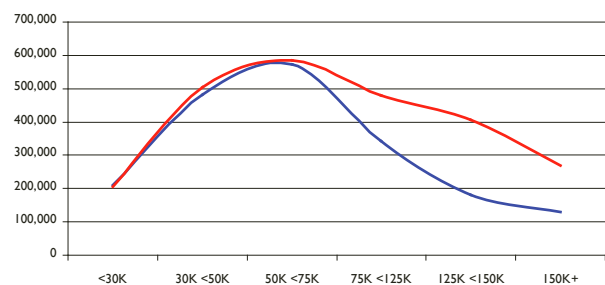
	Affordable →		Workforce →			Market Rate →	Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	209,599	481,342	572,470	341,666	181,155	130,271	1,916,502
2030 Projected Housing Demand by Income	205,376	503,581	584,244	480,178	407,273	270,422	2,451,075
Target Units Needed to Meet Projected Demand by Income	<i>n/a</i>	22,239	11,775	138,512	226,119	140,151	534,572
Additional Units Beyond Forecasted Need Within this Income Range	4,223	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

3 Estimated 2030 Affordable Housing Demand Compared to 2000 Housing Stock

2030 Affordable Rental Demand Compared to Current Housing Stock



2030 Affordable Ownership Demand Compared to Current Housing Stock

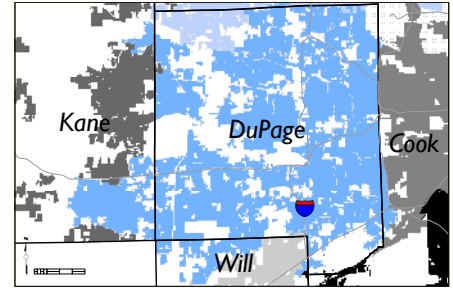


— Housing Stock Affordable at 30% of Income (2000 Estimated)
— 2030 Projected Housing Demand by Income

DUPAGE MAYORS AND MANAGERS CONFERENCE

1 Population and Household Forecast 2000-2030

	2000	2030	% change
Population	906,806	1,114,942	23%
Households	321,109	399,402	24%



2 Estimated 2030 Housing Demand by Income

Rental Housing

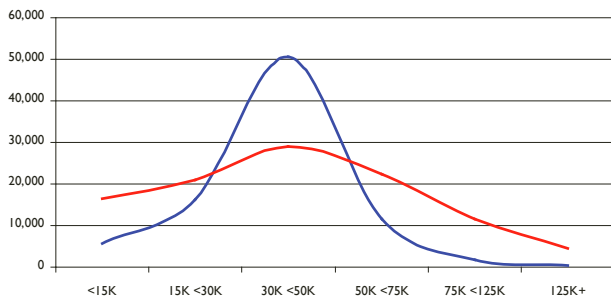
	Affordable →		Workforce →		Market Rate →		Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	5,723	16,206	50,574	11,613	1,776	349	86,241
2030 Projected Housing Demand by Income	16,525	20,989	28,969	22,371	11,641	4,595	105,090
Target Units Needed to Meet Projected Demand by Income	10,802	4,783	<i>n/a</i>	10,758	9,865	4,246	18,849
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	21,605	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Ownership Housing

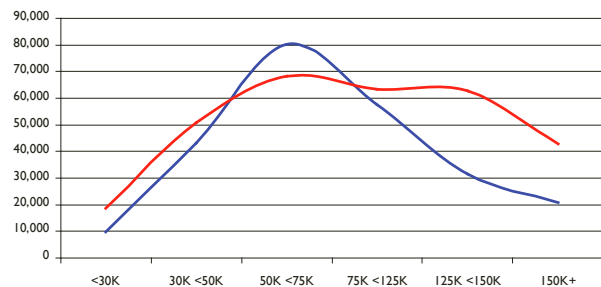
	Affordable →		Workforce →		Market Rate →		Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	9,656	43,143	80,276	57,406	31,604	20,737	242,821
2030 Projected Housing Demand by Income	18,795	50,700	68,324	63,264	62,787	42,882	306,752
Target Units Needed to Meet Projected Demand by Income	9,139	7,558	<i>n/a</i>	5,858	31,184	22,145	63,932
Additional Units Beyond Forecasted Need Within this Income Range	<i>n/a</i>	<i>n/a</i>	11,952	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

3 Estimated 2030 Affordable Housing Demand Compared to 2000 Housing Stock

2030 Affordable Rental Demand Compared to Current Housing Stock



2030 Affordable Ownership Demand Compared to Current Housing Stock

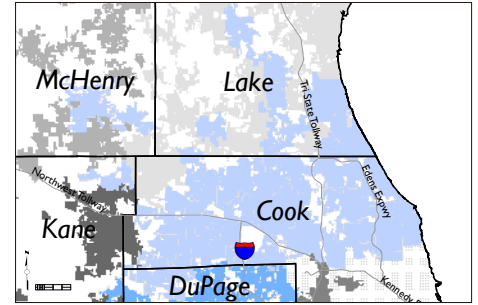


— Housing Stock Affordable at 30% of Income (2000 Estimated)
— 2030 Projected Housing Demand by Income

NORTHWEST MUNICIPAL CONFERENCE

1 Population and Household Forecast 2000-2030

	2000	2030	% change
Population	1,281,249	1,429,423	12%
Households	471,331	535,354	14%



2 Estimated 2030 Housing Demand by Income

Rental Housing

	Affordable →		Workforce →		Market Rate →		Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	8,361	14,060	60,628	17,114	4,465	1,215	105,844
2030 Projected Housing Demand by Income	19,773	23,526	34,989	26,192	14,139	5,651	124,270
Target Units Needed to Meet Projected Demand by Income	11,412	9,466	n/a	9,077	9,674	4,436	18,425
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	25,640	n/a	n/a	n/a	n/a

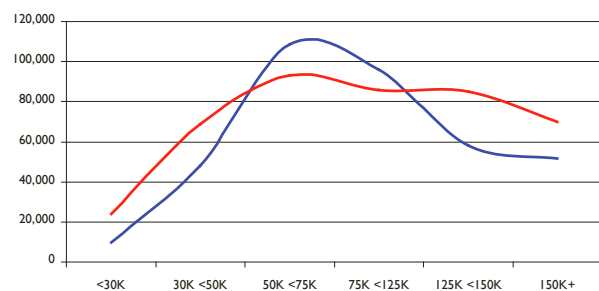
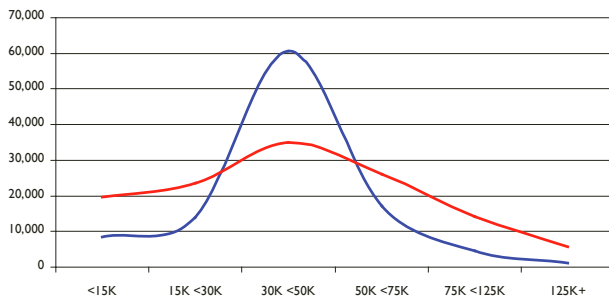
Ownership Housing

	Affordable →		Workforce →		Market Rate →		Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	9,923	48,105	108,505	96,077	58,292	51,780	372,683
2030 Projected Housing Demand by Income	23,965	68,640	92,990	85,670	84,926	69,768	425,958
Target Units Needed to Meet Projected Demand by Income	14,042	20,534	n/a	n/a	26,634	17,987	53,275
Additional Units Beyond Forecasted Need Within this Income Range	n/a	n/a	15,515	10,407	n/a	n/a	n/a

3 Estimated 2030 Affordable Housing Demand Compared to 2000 Housing Stock

2030 Affordable Rental Demand Compared to Current Housing Stock

2030 Affordable Ownership Demand Compared to Current Housing Stock

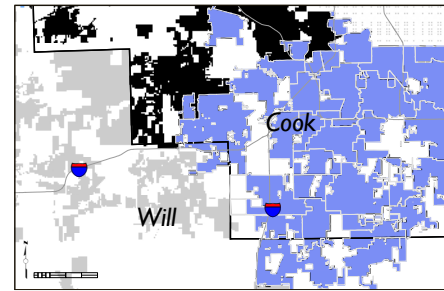


— Housing Stock Affordable at 30% of Income (2000 Estimated)
— 2030 Projected Housing Demand by Income

SOUTH SUBURBAN MAYORS AND MANAGERS CONFERENCE

1 Population and Household Forecast 2000-2030

	2000	2030	% change
Population	520,506	704,415	35%
Households	183,843	255,726	39%



2 Estimated 2030 Housing Demand by Income

Rental Housing

	Affordable →		Workforce →			Market Rate →	Total
	<15K	15K <30K	30K <50K	50K <75K	75K <125K	125K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	6,220	18,714	20,600	1,951	323	38	47,846
2030 Projected Housing Demand by Income	16,433	15,639	18,024	10,557	3,571	949	65,173
Target Units Needed to Meet Projected Demand by Income	10,213	n/a	n/a	8,606	3,248	911	17,327
Additional Units Beyond Forecasted Need Within this Income Range	n/a	3,074	2,576	n/a	n/a	n/a	n/a

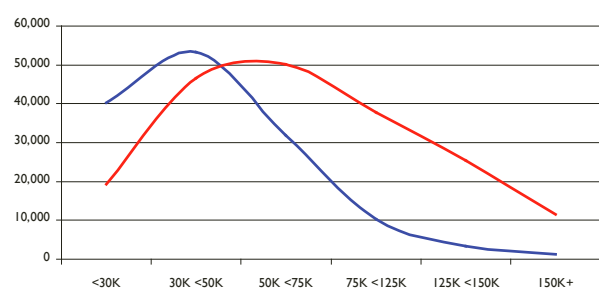
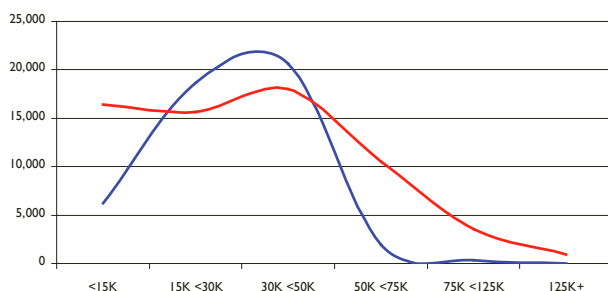
Ownership Housing

	Affordable →		Workforce →			Market Rate →	Total
	<30K	30K <50K	50K <75K	75K <125K	125K <150K	150K+	
Housing Stock Affordable at 30% of Income (2000 Estimated)	40,321	53,220	31,790	10,367	3,294	1,317	140,308
2030 Projected Housing Demand by Income	19,229	46,480	50,178	37,704	25,320	11,643	190,553
Target Units Needed to Meet Projected Demand by Income	n/a	n/a	18,389	27,337	22,026	10,326	50,245
Additional Units Beyond Forecasted Need Within this Income Range	21,093	6,739	n/a	n/a	n/a	n/a	n/a

3 Estimated 2030 Affordable Housing Demand Compared to 2000 Housing Stock

2030 Affordable Rental Demand Compared to Current Housing Stock

2030 Affordable Ownership Demand Compared to Current Housing Stock



— Housing Stock Affordable at 30% of Income (2000 Estimated)
— 2030 Projected Housing Demand by Income

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