

Memorandum

To: Housing and Homelessness Commissioners

From: Savannah Clement, Housing Policy and Planning Analyst

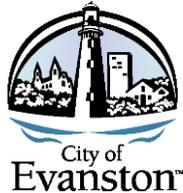
Subject: November 1, 2018 HHC Meeting Cover Memo

Date: October 30, 2018

Attached please find:

- The meeting agenda
- Item 1: Draft minutes of the October 4, 2018 meeting for approval
- Item 2: Demolition fee document
- Item 3: 2018 demolitions
- Item 4: Affordable Housing Fund description

We look forward to seeing you on November 1st.



HOUSING AND HOMELESSNESS COMMISSION

Thursday, November 1, 2018

7:00 PM

Lorraine H. Morton Civic Center, 2100 Ridge, Room 2402

- 1. CALL TO ORDER / DECLARATION OF QUORUM**
- 2. APPROVAL OF MEETING MINUTES** October 4, 2018
- 3. PUBLIC COMMENT**
- 5. DEMOLITION TAX DISCUSSION CONTINUED**
- 6. STAFF REPORTS**
- 7. CHAIR'S REPORT**
- 8. NEW/OTHER BUSINESS**
- 9. ADJOURNMENT**

Next Meeting: December 6, 2018 at 7:00 p.m. in room 2402

Order & Agenda Items are subject to change. Information about the Housing and Homelessness Commission is available at: www.cityofevanston.org/government/agendas-minutes. Questions may be directed to Savannah Clement at 847.448.8679.

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MEETING MINUTES

HOUSING AND HOMELESSNESS COMMISSION

Thursday, October 4, 2018, 7:00 P.M.
Lorraine H. Morton Civic Center, Room 2402

Present: Chair Ellen Cushing, Vice-Chair Geri Palmer, Alderman Eleanor Revelle, Monika Bobo, Noelle Gilbreath, Larry Donoghue, Renee Phillips

Absent: Mark Kruse, Moika Long

Staff: Savannah Clement, Housing Policy and Planning Analyst

Call to order

Chair Ellen Cushing called the meeting to order at 7:06 PM with a quorum present.

Approve minutes of September 6, 2018 meeting

Ald. Revelle moved for approval, and Vice-Chair Geri Palmer seconded; Chair Ellen Cushing abstained. The motion was approved 6-0.

Public comment

Sue Loellbach, of Joining Forces for Affordable Housing and Connections for the Homeless, provided public comment on changes to Affordable Housing Fund description - concerns about funds available to help people at 120% AMI. She stated she has concerns about AHF no longer conforming to Consolidated Plan. She said there is no longer a condition that the use of funds needs to conform to a plan. She is in favor of increasing the demolition tax.

Doreen Price, provided public comment on a townhouse development, and said she is concerned about public land not being used for what it's worth.

Demolition Tax Increase Discussion

Chair Ellen Cushing said the Commission should outline how to attack this. She asked if the Commission should develop a timeline and working groups. She suggested Commissioners bring back research and suggestions on the demolition tax to the November meeting. Then, she said staff could draft ordinance to bring back to the Commission in December.

Commissioners discussed whether the tax should include non-residential buildings. Commissioners like the idea of calling it a fee instead of a tax. Commissioners suggested structuring the fee so that certain property values have different fees, in order to discourage tearing down affordable housing and building McMansions. Commissions also said that could also look at square footage of buildings, too. The Commission stated there could be a fee differential between the old structure and the new, depending on the difference in value and/or square footage - perhaps look at value differential, higher the difference the higher the fee. Commissioners asked whether to

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assess the neighborhood or location of structure being demolished. Alderman Revelle suggested looking at the last five to ten demolitions to assess the type of structure torn down and the new structure that went in place. Should tax be dependent on area? Such as x number of feet from a church, or school, etc.? Commissioners suggested maybe taking into consideration neighborhood disruption. Other municipalities have impact fees due to impact on neighborhood. Commissioners asked if impact fees are allowed in Illinois. At a City Council meeting, impact fees were discussed and staff stated IL has one of the toughest laws against impact fees. Monika Bobo says other IL municipalities do have them.

Staff will create Google doc with questions and share with group, and will include current Affordable Housing Fund description in next meeting packet.

Staff Reports

Commissioners asked about the proposed consolidation of boards, committees, and commissions. The consolidation is proposed to better align work with the STAR Community framework. Staff said future discussions on the consolidation will not occur until a more cohesive outreach strategy is developed. However, staff can provide the Commission with the STAR Community framework.

Chair's Report

Chair Ellen Cushing has a question about the recycling center letter from Joining Forces for Affordable Housing, and thinks future RFPs should include affordable housing proposals. Sue Loellbach said she will be meeting with Economic Development Manager to discuss the topic.

New/Other Business

Commissioners agreed that the Metropolitan Tenants Organization (MTO) report is sufficient after some discussion. The Commission suggested asking MTO for a report in six months. Renee Phillips wants to know more information about the personality of the TBRA program.

Adjournment

Vice-Chair Geri Palmer motioned to adjourn, Alderman Revelle seconded, and the motion was unanimously approved. The meeting was adjourned at 8:23 p.m.

The next scheduled meeting of the commission is Thursday, November 1, at 7:00 p.m. in room 2402.

Respectfully submitted,
Savannah Clement, Housing Policy and Planning Analyst

Demolition Fee Increase Research and Considerations

At its meeting on October 4, 2018, the Housing and Homelessness Commission discussed ideas and considerations for raising the City's demolition tax. The Commission also agreed to call the tax a fee.

Before the next HHC meeting on November 1, 2018, Commissioners are asked to provide research and thoughts on the following questions and considerations:

- Should the fee apply to non-residential buildings?
 - Monika: I think this is more appropriate for the Economic Development Commission. Demolition & redevelopment of non-residential buildings are required and completed under different circumstances. Additionally, none of the Commissioners (HHC Commissioners) have the expertise to analyze this aspect of redevelopment.
 - Alderman Revelle: My immediate thought is to say “yes,” but Monika has made a good point: the Economic Development Committee should consider this. (What is the experience of other communities that apply demolition fees to non- residential properties?)
- Should the fee be structured so that certain property values have different fees in order to discourage tearing down affordable housing? The fee could vary depending on the value of the property being torn down and built - the higher the difference in value, the higher the fee?
- Should the fee look at square footage? Would square footage be used instead of property value? The City does not currently track square footage of buildings, so that may pose a challenge.
 - Monika: I think square footage should be used rather than property value. Using property value would likely discourage the redevelopment of structures that are more costly to rehab than to rebuild.
 - Alderman Revelle: I suggest that the fee take into account the new structure that will be built rather than the one that will be demolished. Let's consider a variation on the Marin County approach: A basic demolition fee (an increase in the current \$10,000) plus an additional fee for demolitions that result in a new home that is significantly larger than the original home (e.g., 500 sq' or more larger? 1,000 sq' or more larger?).
- Should the fee take into account the neighborhood or location of structure? For example, should the fee be higher if the property is located adjacent to a school or church? Should the impact of the construction on the surrounding area be taken into account? Would taxing the impact of the construction be considered an “impact fee”? Other municipalities have impact fees, but City Council has also learned that Illinois has very strict laws on implementing impact fees.
 - Monika: Varying the fee by neighborhood worries me. Are we going to charge higher in high wealth areas? This will come across as an extra tax on the rich. Alternatively, if we charge a higher fee in middle-income and low-income areas, we are making it harder to redevelop the areas that are more likely to have a redevelopment need. Taking the local amenities into

account is a more viable strategy, but a specific recommendation should be made for the Commission to consider. My immediate concern is what if the demolition is structured as to not have an impact on schools (because the demolition is completed during summer break) or churches (because the demolition is completed on a weekday) - in these instances, why should we charge additional fees?

- Alderman Revelle: I share Monika's reluctance to vary the fee depending on the neighborhood. I think it would be hard to predict the different situations where this would be applicable and the possible unintended consequences.
- Staff will provide information on the last five to ten demolitions, including information on the structure torn down, and the new structure that went in place (if possible).
- Other: The demolition fee should increase on a regular schedule. (Alderman Revelle)

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FEE AND PAYMENT BY CAP

File Date: 1/1/2018 to 10/24/2018

CAP Type: Building / Demolition / Building / NA

CAP Number	File Date	CAP Type	Site Address	Assessed Fees	Invoiced Fees	Payments	Balance Due	Not Applied
18DEMO-0003	01/12/2018	Building/Demolition/Building/NA	1413 FLORENCE AVE <i>G</i>	\$200.00	\$200.00	\$200.00	\$0.00	\$0.00
18DEMO-0006	01/23/2018	Building/Demolition/Building/NA	811 EMERSON ST <i>C</i>	\$21,050.00	\$21,050.00	\$21,050.00	\$0.00	\$0.00
18DEMO-0009	02/08/2018	Building/Demolition/Building/NA	1008 FLORENCE AVE <i>G</i>	\$130.00	\$130.00	\$130.00	\$0.00	\$0.00
18DEMO-0015	03/06/2018	Building/Demolition/Building/NA	3315 DARTMOUTH PL <i>R</i>	\$11,150.00	\$11,150.00	\$11,150.00	\$0.00	\$0.00
18DEMO-0016	03/07/2018	Building/Demolition/Building/NA	2521 THAYER ST <i>G</i>	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00
18DEMO-0018	03/15/2018	Building/Demolition/Building/NA	1022 BRUMMEL ST <i>G</i>	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00
18DEMO-0022	04/04/2018	Building/Demolition/Building/NA	1623 SOUTH BLVD <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0024	04/10/2018	Building/Demolition/Building/NA	2500 JACKSON AVE <i>G</i>	\$110.00	\$110.00	\$110.00	\$0.00	\$0.00
18DEMO-0029	05/03/2018	Building/Demolition/Building/NA	1325 ROSALIE ST <i>G</i>	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0030	05/08/2018	Building/Demolition/Building/NA	1305 PITNER AVE <i>R</i>	\$2,745.00	\$2,745.00	\$2,745.00	\$0.00	\$0.00
18DEMO-0031	05/09/2018	Building/Demolition/Building/NA	1520 DEMPSTER ST <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0032	05/09/2018	Building/Demolition/Building/NA	2530 CENTRAL PARK AVE <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0034	05/11/2018	Building/Demolition/Building/NA	1740 BROWN AVE <i>G</i>	\$110.00	\$110.00	\$0.00	\$110.00	\$0.00
18DEMO-0035	05/11/2018	Building/Demolition/Building/NA	721 CASE ST <i>G</i>	\$88.00	\$88.00	\$88.00	\$0.00	\$0.00
18DEMO-0039	05/23/2018	Building/Demolition/Building/NA	1136 FLORENCE AVE <i>R</i>	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00
18DEMO-0040	05/24/2018	Building/Demolition/Building/NA	555 MICHIGAN AVE <i>R</i>	\$11,150.00	\$11,150.00	\$11,150.00	\$0.00	\$0.00
18DEMO-0041	05/24/2018	Building/Demolition/Building/NA	2525 CHURCH ST <i>C</i>	\$11,950.00	\$11,950.00	\$11,950.00	\$0.00	\$0.00
18DEMO-0042	05/25/2018	Building/Demolition/Building/NA	818 COLFAX ST <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0046	06/11/2018	Building/Demolition/Building/NA	611 RIDGE AVE <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0048	06/15/2018	Building/Demolition/Building/NA	2108 BRUMMEL ST <i>G</i>	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0049	06/15/2018	Building/Demolition/Building/NA	2731 SIMPSON ST <i>G</i>	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0051	06/19/2018	Building/Demolition/Building/NA	1727 LEE ST <i>G</i>	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00

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*permit
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*G = Garage
R = Residential
C = Commercial*

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FEE AND PAYMENT BY CAP

File Date: 1/1/2018 to 10/24/2018

CAP Type: Building / Demolition / Building / NA

CAP Number	File Date	CAP Type	Site Address	Assessed Fees	Invoiced Fees	Payments	Balance Due	Not Applied
18DEMO-0053	06/21/2018	Building/Demolition/Building/NA	2640 LINCOLNWOOD DR G	\$140.00	\$140.00	\$140.00	\$0.00	\$0.00
18DEMO-0054	06/21/2018	Building/Demolition/Building/NA	830 RIDGE TER G	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00
18DEMO-0055	06/27/2018	Building/Demolition/Building/NA	2412 LAWDALE AVE G	\$110.00	\$110.00	\$110.00	\$0.00	\$0.00
18DEMO-0056	06/27/2018	Building/Demolition/Building/NA	2221 FORESTVIEW RD G	\$135.00	\$135.00	\$135.00	\$0.00	\$0.00
18DEMO-0057	07/03/2018	Building/Demolition/Building/NA	2441 PROSPECT AVE G	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0058	07/05/2018	Building/Demolition/Building/NA	2503 EASTWOOD AVE R	\$5,950.00	\$5,950.00	\$5,950.00	\$0.00	\$0.00
18DEMO-0059	07/06/2018	Building/Demolition/Building/NA	1940 WESLEY AVE G	\$160.00	\$160.00	\$160.00	\$0.00	\$0.00
18DEMO-0060	07/11/2018	Building/Demolition/Building/NA	3320 HAYES ST G	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0061	07/11/2018	Building/Demolition/Building/NA	2125 OAKTON ST G	\$110.00	\$110.00	\$110.00	\$0.00	\$0.00
18DEMO-0067	07/27/2018	Building/Demolition/Building/NA	2737 ASBURY AVE G	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00
18DEMO-0070	08/01/2018	Building/Demolition/Building/NA	1450 SHERMAN AVE C	\$3,600.00	\$3,600.00	\$3,600.00	\$0.00	\$0.00
18DEMO-0071	08/01/2018	Building/Demolition/Building/NA	1508 SHERMAN AVE C	\$3,500.00	\$3,500.00	\$3,500.00	\$0.00	\$0.00
18DEMO-0072	08/01/2018	Building/Demolition/Building/NA	1502 SHERMAN AVE C	\$3,100.00	\$3,100.00	\$3,100.00	\$0.00	\$0.00
18DEMO-0073	08/01/2018	Building/Demolition/Building/NA	1506 SHERMAN AVE C	\$2,450.00	\$2,450.00	\$2,450.00	\$0.00	\$0.00
18DEMO-0075	08/08/2018	Building/Demolition/Building/NA	2000 GREEN BAY RD C	\$850.00	\$850.00	\$850.00	\$0.00	\$0.00
18DEMO-0076	08/10/2018	Building/Demolition/Building/NA	312 ASBURY AVE G	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0078	08/10/2018	Building/Demolition/Building/NA	3121 HARTZELL ST G	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00
18DEMO-0079	08/10/2018	Building/Demolition/Building/NA	1040 ELMWOOD AVE G	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00
18DEMO-0081	08/16/2018	Building/Demolition/Building/NA	1801 GREY AVE G	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
18DEMO-0082	08/16/2018	Building/Demolition/Building/NA	1200 JUDSON AVE G	\$120.00	\$120.00	\$120.00	\$0.00	\$0.00
18DEMO-0083	08/23/2018	Building/Demolition/Building/NA	2728 GRANT ST G	\$150.00	\$150.00	\$150.00	\$0.00	\$0.00
18DEMO-0085	08/28/2018	Building/Demolition/Building/NA	1512 CRAIN ST G	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0088	09/06/2018	Building/Demolition/Building/NA	1726 BRUMMEL ST G	\$80.00	\$80.00	\$80.00	\$0.00	\$0.00

for reduced fee by - FD St. A's

Albion

EVANSTON

FEE AND PAYMENT BY CAP

File Date: 1/1/2018 to 10/24/2018

CAP Type: Building / Demolition / Building / NA

CAP Number	File Date	CAP Type	Site Address	Assessed Fees	Invoiced Fees	Payments	Balance Due	Not Applied
18DEMO-0089	09/06/2018	Building/Demolition/Building/NA	1829 LEMAR AVE R	\$11,050.00	\$11,050.00	\$11,050.00	\$0.00	\$0.00
18DEMO-0090	09/11/2018	Building/Demolition/Building/NA	2022 LAKE ST G	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
18DEMO-0095	09/27/2018	Building/Demolition/Building/NA	710 MADISON ST G	\$130.00	\$130.00	\$130.00	\$0.00	\$0.00
18DEMO-0097	10/19/2018	Building/Demolition/Building/NA	2414 HARTZELL ST G	\$70.00	\$70.00	\$70.00	\$0.00	\$0.00
18DEMO-0099	10/23/2018	Building/Demolition/Building/NA	2102 DARROW AVE G	\$90.00	\$90.00	\$90.00	\$0.00	\$0.00
TOTALS:				\$102,378.00	\$102,278.00	\$102,168.00	\$110.00	\$0.00

Number of CAP's: 50

CHAPTER 18 - AFFORDABLE HOUSING DEMOLITION TAX AND AFFORDABLE HOUSING FUND

SECTION:

4-18-1. - PURPOSE.

The purpose of this Chapter is to provide a source of funding for the creation, maintenance, and improvement of safe and decent affordable housing in the City of Evanston in order to enhance preservation and maintenance of the City's cultural and economic diversity.

(Ord. No. 139-0-05; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012)

4-18-2. - DEFINITIONS.

For the purposes of administering this Chapter:

<p>AFFORDABLE HOUSING FUND.</p>	<p>The fund established by City Council which can only receive and expend monies dedicated to the creation, preservation, maintenance, and improvement of affordable housing for households whose income is one hundred percent (100%) or less of area median income, with no less than sixty percent (60%) of all monies reserved for households that earn less than eighty percent (80%) of area median income. The City Manager or his/her designee may implement programs including, but not limited to: down payment and/or rental assistance; building rehabilitation and/or construction loans; property acquisition and disposition; and grants to nonprofit organizations that serve households that earn less than one hundred percent (100%) of area median income. Said programs shall be administered in accord with guidelines generated by the Evanston Housing and Homelessness Commission, reviewed by the Planning and Development Committee and/or Human Services Committee of the City Council, and approved by the City Council.</p>
<p>AFFORDABLE HOUSING, OWNER OCCUPIED.</p>	<p>Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost of the mortgage payment and relevant expenses (a calculation of property taxes, homeowner's insurance, and, when applicable, condominium or homeowner association fees) of owner occupied dwelling units shall not exceed thirty three percent (33%) of the relevant household's gross annual household income (the total income of all adults over eighteen (18) years of age in the household).</p>
<p>AFFORDABLE HOUSING, RENTAL.</p>	<p>Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost (including a utility allotment and adjustment for household size) of rental dwelling units shall not exceed thirty percent (30%) of the relevant household's gross annual household income (the total income of all</p>

	adults over eighteen (18) years of age in said household).
APPLICANT.	Any individual who applies for a building demolition permit under this code.
AREA MEDIAN INCOME.	The median income level for the Chicago primary metropolitan statistical area, as established and defined in the annual schedule published by the secretary of the United States department of housing and urban development and adjusted for household size.
DEMOLITION.	The removal or destruction of a structure or building in whole or in part to the extent of fifty percent (50%) or more of such structure or building as it existed prior to the commencement of such act or process.
DEMOLITION STRUCTURE.	The building or structure to be demolished.
DIRECTOR.	The director of the Evanston Community and Economic Development Department.
DWELLING UNIT.	A room or group of contiguous rooms that include facilities used or intended to be used for living, sleeping, cooking and eating, and that are arranged, designed, or intended for use exclusively as living quarters.
RELEVANT HOUSEHOLD.	A low or moderate income household whose total income does not exceed the relevant percent of median income for the Chicago primary metropolitan statistical area Chicago area, as established and defined in the annual schedule published by the secretary of housing and urban development, and adjusted for household size. A low income household has income that does not exceed eighty percent (80%) of HUD area median income. A moderate income household has income that does not exceed one hundred percent (100%) of the HUD area median income.
REPLACEMENT STRUCTURE.	Any building or structure replacing the demolition structure.
RESIDENTIAL STRUCTURE.	Any building or structure containing dwelling units.
RESIDENTIAL STRUCTURE,	A detached residential building containing three (3) or more dwelling units, including what is commonly known as an apartment building, but not including

MULTI-FAMILY.	group, row, or townhouses, excluding a hotel, motel, boarding house, rooming house, dormitory, nursing home, mobile home, institution, or retirement home or community.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY ATTACHED (Group, Row, Or Townhouses).	Three (3) or more dwelling units joined side by side.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY ATTACHED, TWO-FAMILY.	A residential building containing not more than two (2) dwelling units entirely surrounded by open space on the same lot.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY DETACHED.	A residential building containing not more than one dwelling unit entirely surrounded by open space on the same lot.

(Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012; Ord. No. 61-O-12, § 2, 10-8-2012)

4-18-3. - TAX IMPOSED.

(A) Amount Of Tax. Any person granted a permit under this code for demolition of a residential structure shall pay an affordable housing demolition tax of: 1) ten thousand dollars (\$10,000.00) for the demolition of any single-family detached residential structure, or 2) for the demolition of any multi-family, single-family attached, or two-family residential structure, either ten thousand dollars (\$10,000.00) or three thousand dollars (\$3,000.00) for each unit in the structure, whichever amount is more. The tax imposed pursuant to this Subsection shall be in addition to the demolition permit fee established from time to time by the City Council and all other applicable fees and charges. Payment of the tax, unless deferred as provided in Section 4 of this Chapter, shall be due upon issuance of a demolition permit by the department, and is a condition to the validity of the permit. The City shall have a lien against the property which was the subject of the demolition permit until applicable tax obligations imposed by this Chapter are satisfied. The funds received by the City for the amount imposed pursuant to this Subsection shall be dedicated to achievement of the affordable housing goals and objectives as set forth in Section 1 of this Chapter. The demolition tax funds received pursuant to the tax imposed by this Chapter shall be deposited directly into the affordable housing fund.

(Ord. No. 40-0-07)

- (B) Specific Applicability Rules. Notwithstanding the general requirement set forth in Subsection (A) of this Section, the tax shall not apply under the following circumstances. This Subsection, however, shall not affect an applicant's obligation to pay the demolition permit fee.
1. If the applicant and the City enter into an agreement for the provision of "affordable housing" as defined in Section 2 of this Chapter in conjunction with the demolition that would otherwise be the subject of Subsection (A) of this Section. Any such agreement shall require prior City Council approval and shall specifically set forth the applicability of this Subsection.
 2. If the Director determines, pursuant to regulations enacted by the City Council, that the building or structure replacing the building or structure that is the subject of the demolition permit constitutes "affordable housing" as defined in Section 2 of this Chapter.
 3. If the director or any other city department head, or their respective designees, orders a demolition for any reason, including, but not limited to, nuisance, public safety, or fire hazard, this tax shall not apply, regardless of whether the demolition work is performed by a public or private entity.
- (C) General Applicability: Imposition of the tax provided for by subsection (A) of this section shall not apply to any demolition for which a perfected application for the demolition permit was on file with the city on or before the effective date hereof.

(Ord. No. 139-0-05)

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-3)), 1-23-2012)

4-18-4. - TAX DEFERRAL OPTION.

- (A) A person who has been the record title holder or beneficiary of a land trust (collectively, "record title holder") and occupant of a residential structure for three (3) consecutive years, and who files or causes to be filed an application for a demolition permit for that structure, may opt for deferral of the tax, as provided in this Subsection 4-18-4(A) or (B). In the event the demolition permit is for a multi-unit structure, the person may only defer that portion of the demolition tax attributable to his/her own dwelling unit. The demolition permit fee must be paid at the time of application. The person shall make application for deferral of the tax to the Director on a form provided for that purpose and available from the Building Permit Desk. To qualify for the deferral, the person shall provide documentation to establish that all real estate taxes on the subject property have been paid in full as of the date of application for the permit; that any and all City liens and judgments recorded on the subject property have been satisfied; and that the person has been the record title holder and occupant of the subject structure for three (3) consecutive years prior to the date of application for the permit. Documentation the Director may require to establish the person's qualification for the tax deferral option may include, but shall not be limited to, income tax records and proof of voter registration. If the Director determines that the person qualifies for the deferral option, he/she shall cause a lien to be recorded against the property with the Cook County Recorder in the amount of the tax to be deferred, to which shall be added the applicable recordation fee. Except as provided in Section 4-18-4(C), the lien shall not bear interest. The Director may, upon written request of the person, subordinate the lien to any mortgage the person may have or seek on the property. Among the factors the Director may consider in determining whether or not to grant the subordination request is whether the value of the property is adequate to ensure payment of the City's lien, and that all real estate taxes have been paid.
- (B) Deferral of the Tax in the case of Recycling/Reuse of Materials. Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the materials generated by the demolition of a structure will be recycled and/or reused, may apply for a deferral of the tax. Evidence of such recycling/reuse shall be furnished to the Director in writing, and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.

- (C) Deferral of the Tax in the case that the subject property is no longer a buildable parcel. Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the lot/parcel in question is no longer buildable under the City's ordinance may apply for a deferral of the tax. Evidence of such change in property characteristics must be furnished to the Director in writing and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.
- (D) Release of lien.
- (1) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B), or (C) and who has been the record title holder and occupant for three (3) consecutive years after issuance of a Final Certificate of Occupancy for the replacement structure may apply for release of the lien by making application therefor to the Director on a form provided for that purpose and available from the Building Permit Desk. Documentation the Director may require to establish the person's qualification for the release of lien may include, but shall not be limited to, income tax records and proof of voter registration for the years in question. If the Director determines that the person qualifies for the release, he/she shall provide the person with a recordable release of lien no later than thirty (30) days after he/she determines that the person qualifies for the release.
 - (2) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B) or (C) who sells the subject property prior to the expiration of the three (3)-consecutive-year period after issuance of the Final Certificate of Occupancy shall, as a condition to the City's release of the lien, pay the tax due, to which shall be added interest at the annualized Money Market Index rate published by the Government Finance Officers Association.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 62-0-11, § 2, 8-8-2011; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-4)), 1-23-2012)

4-18-5. - STABILITY INCENTIVE.

When the tax was paid at the time of permit issuance as provided for in subsection 3(A) of this chapter, a person who has been the record title owner and occupant of a residential property demolished subsequent to the effective date of this chapter ("preexisting structure") for all of the three (3) years immediately preceding the date of the application for demolition ("prepermit period"), and remains the record titleholder and occupant of the property for three (3) consecutive years beginning immediately after the date on which the certificate of occupancy for the new residential structure is issued, may qualify for a monetary stability incentive in an amount equal to the demolition tax paid on the issuance of the permit for demolition of the preexisting structure, provided, however, that only persons whose real estate taxes on the property are paid in full at the time of application for stability incentive may apply for the incentive.

Application for the stability incentive payment shall be made to the director on a form provided for that purpose and available from the building permit desk. The person must provide the director of Community and Economic Development with such documentation as he/she may require to establish that the owner qualifies for the payment under the requirements of this section. Such documentation may include, but is not limited to, income tax returns and proof of voter registration for the years in question. The city shall pay qualifying persons an amount equal to the demolition tax, if any, imposed pursuant to this chapter on the issuance of the permit for the preexisting structure, less the amount of any liens recorded by the city against the subject property, including, but not limited to, liens for judgments entered in cases adjudicated in the city's Division Of Administrative Adjudication, no later than thirty (30) days after the Director of Community and Economic Development determines that an owner qualifies for the stability incentive.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-5)), 1-23-2012)

4-18-6. - SEVERABILITY.

The provisions, sections, and subsections of this chapter shall be deemed separable, and the invalidity of any portion of this chapter shall not affect the validity of the remainder.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-6)), 1-23-2012)