AGENDA: AFFORDABLE HOUSING OVERVIEW

1) The City’s Work

2) Evanston’s Supply & Demand

3) Strategies for Evanston’s Affordable Housing Future
WHO WE SERVE

- At-risk families and individuals
- Low- to moderate-income households
  - People with disabilities
  - Older adults
  - People earning below living wages
HOW WE SERVE

FUNDING SOURCES

- CDBG
- HOME
- ESG
- AHF

DIRECT SERVICES

- MHB
- EA
- GA
- Property Standards
- Resident Assistance
- CDBG Housing Rehab

Community Development
# HOW WE SERVE

## Funding Sources

<table>
<thead>
<tr>
<th>Community Development Block Grant</th>
<th>HOME Investment Partnerships Program</th>
<th>Emergency Solutions Grant</th>
<th>Affordable Housing Fund</th>
<th>Mental Health Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Public facilities</td>
<td>• Develop new housing units</td>
<td>• Homeless prevention</td>
<td>• Housing programs</td>
<td>• Social services</td>
</tr>
<tr>
<td>• Public services</td>
<td>• Preserve existing units</td>
<td>• Rapid re-housing</td>
<td>• Develop new housing units</td>
<td></td>
</tr>
<tr>
<td>• Housing Rehab Program</td>
<td>• Tenant-based rental assistance</td>
<td>• Shelter support</td>
<td>• Preserve existing units</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Street outreach</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

City of Evanston
## HOW WE SERVE

### Direct Services

<table>
<thead>
<tr>
<th>General Assistance</th>
<th>Emergency Assistance</th>
<th>Resident Assistance</th>
<th>Housing Rehab</th>
</tr>
</thead>
</table>
| • Entitlement benefits | • Maintain housing stability  
  • Prevent homelessness  
  • Utilities | • Case management  
  • Referrals  
  • Housing locating | • Owner-occupied & rental rehab  
  • 0% interest loan |

- **Community Development**
REGIONAL HOUSING SUPPLY & DEMAND

Affordability Gap, Cook County
GAP BETWEEN SUPPLY AND DEMAND
1,893 - 3,664
3,665 - 5,435
5,436 - 7,205
7,206 - 8,976
8,976 - 15,000

INSTITUTE FOR HOUSING STUDIES AT DePAUL UNIVERSITY

SUBMARKET
Evanston/Skokie
AFFORDABLE HOUSING DEMAND (HOUSEHOLDS) 9,927
AFFORDABLE HOUSING SUPPLY (UNITS) 3,945
UNDERSUPPLY OF AFFORDABLE HOUSING (UNITS) 5,983

City of Evanston™
If reduced economic & racial segregation in the Chicago region to national median:

- Increase access to opportunity areas
- Decline in income inequalities
- Create a stronger economy for the region

These maps illustrate where white, African American and Latino people live in the Chicago region. Each dot represents 1,000 people.

1 dot = 1,000 people
Population: 8,505,977
- White (52.2%)
- African American (17.0%)
- Latino (22.4%)

Source: Map by MPC, based on Urban Institute map and analysis of 2011-2015 American Community Survey (ACS) five-year estimates.
EVANSTON IN THE HOUSING MARKET

Find a community

Evanston

Evanston »

- **47% is in Submarket 6.**
  High cost suburban housing stock, low density, high income, aging

- **29% is in Submarket 3.**
  Higher density urban, high income, young, high home prices and rents

- **13% is in Submarket 4.**
  Suburban post-war housing stock, moderate- and middle-income, lower cost stock

- **11% is in Submarket 2.**
  Higher density urban and suburban, large households, high foreclosure/moderate vacancy, low/moderate income

Source: https://www.regionalhousingsolutions.org/
AFFORDABLE RENTAL HOUSING
INCOME RESTRICTED RENTAL UNITS

There are a total of 803 income-restricted rental units in the City of Evanston.
INCOME & HOUSING COSTS MISMATCH

Cook County
- Fair Market Rent for a 2BR apartment: $1,232

Evanston
- Small Area Fair Market Rents: $1,230 - $1,430
- Average rent for a 2BR apartment: $2,454
RISING HOUSING COSTS & WAGE STAGNATION

Household Incomes Have Not Kept Pace With Rental Costs
Percent change since 2007, adjusted for inflation

- Median gross rent (including utilities)
- Median household income

Source: CBPP analysis of Census Bureau American Community Survey.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG
HOUSING SURVEY RESULTS

Developed by Age Friendly Evanston! Task Force

- Goal: identify current & future housing needs for residents as they age

Survey highlights

- Evanston housing affordability perceptions
  o Housing is too expensive
  o Young people can’t afford to buy a home
  o Limited options for affordable housing

- Factors contributing to moving out of Evanston
  o Lack of financial resources
  o Amount of home upkeep required
  o Taxes becoming unaffordable
OLDER ADULT/FIXED INCOME CHALLENGES

- Property taxes
- Maintenance and repairs
- Landlord tenant selection criteria
- Supportive housing
PROPOSED HOUSING ACTION PLAN

1. Revise City code to create new options
2. Increase affordable units in market rate developments
3. Expand revenue for affordable housing
4. Create paths to homeownership
5. Preserve affordable housing
6. Expand programs to overcome barriers
7. Promote healthy housing & neighborhoods
PROPOSED HOUSING ACTION PLAN

1. Revise City code to allow:
   • Rental of accessory dwelling units to non-family at affordable rents
   • New accessory dwelling units built with universal design, alley access
   • More flexibility in home sharing

Source: https://intentionallysmall.com/tag/accessory-dwelling-unit/
2. Increase affordable units in market rate development
   • Raise IHO fee-in-lieu; partial payment due at receipt of building permit
   • Conduct outreach and market benefits of on-site affordable units, including centralized waitlist
   • Yes, in my back yard!
3. Expand revenue for affordable housing

- IHO fee-in-lieu
- Demo tax (currently $10,000)
- Impact fee on new construction (additions, etc.)
- Leverage additional funding & resources
- Provide gap funding for developments with layered funding that target HHs ≤ 30%
PROPOSED HOUSING ACTION PLAN

4. Create paths to homeownership
   - ETHS Geometry in Construction
   - 1\textsuperscript{st} time homebuyer programs in partnership with banks
   - Land trust to maintain affordability
   - Financial literacy
PROPOSED HOUSING ACTION PLAN

5. Preserve affordable housing

- Handyman Program
- CDBG Housing Rehab
- Fund rehab & repairs for nonprofit developers
- Explore rehab program for owner-occupied 2-flats & small rental buildings
- Collaboration with community partners
PROPOSED HOUSING ACTION PLAN

6. Expand programs to overcome barriers
   • Pilot a Landlord Mitigation Fund
   • Continue to fund social service/housing programs
   • Maintain direct assistance programs
   • Supportive housing
   • Collaboration with community partners
PROPOSED HOUSING ACTION PLAN

7. Promote healthy housing & neighborhoods
   • Property Maintenance
   • Lead paint remediation
   • Mold & other health hazards
   • Rental Registration Program
   • Vacant building registry
   • CDBG-funded capital improvements in low/mod income neighborhoods
PROPOSED HOUSING ACTION PLAN

1. Revise City code to create new options
2. Increase affordable units in market rate developments
3. Expand revenue for affordable housing
4. Create paths to homeownership
5. Preserve affordable housing
6. Expand programs to overcome barriers
7. Promote healthy housing & neighborhoods