



Memorandum

To: Members of the Affordable Housing Plan Steering Committee

From: Sarah Flax, Housing and Grants Administrator
Savannah Clement, Housing Policy and Planning Analyst

Subject: March 19, 2019 Affordable Housing Plan Steering Committee Meeting
Cover Memo

Date: March 15, 2019

Attached please find:

- The meeting agenda
- Item 1: Draft minutes of the February 13, 2019 meeting for approval
- Item 2: 2009 Plan for Affordable Housing Accomplishments
- Item 3: Affordable Housing White Paper homework summary

We look forward to seeing you on March 19th.



AFFORDABLE HOUSING PLAN STEERING COMMITTEE

Tuesday, March 19, 2019

7:00 PM

Lorraine H. Morton Civic Center, 2100 Ridge, Parasol Room 4900

- 1. CALL TO ORDER / DECLARATION OF QUORUM**
- 2. PUBLIC COMMENT**
- 3. APPROVAL OF MEETING MINUTES:** February 13, 2019
- 4. 2009 HOUSING PLAN ACCOMPLISHMENTS**
- 5. EVANSTON HOUSING MARKET AND DATA SUMMARY PRESENTATION**
- 6. DISCUSSION OF WORKING GROUPS AND MEMBER ASSIGNMENTS**
- 7. NEW/OLD BUSINESS**
- 8. ADJOURNMENT**

Next Meeting: Wednesday, April 10th, at 7:00 p.m. in room 4900

Order & Agenda Items are subject to change. Information about the Affordable Housing Plan Steering Committee 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

AFFORDABLE HOUSING PLAN STEERING COMMITTEE

Wednesday, February 13, 2019, 7:00 P.M.
Lorraine H. Morton Civic Center, Parasol Room 4900

Present: Chair Jennifer O'Neil, Alderman Eleanor Revelle, Ellen Cushing, Aum Harvey, Stephanie Murray, Rodney Orr, Uri Pachter, Michael Roane, Christopher Rothwell, Timothy Stroh

Absent: Sarah Delgado

Staff: Sarah Flax, Housing and Grants Manager; Savannah Clement, Housing Policy and Planning Analyst

Call to order

The meeting was called to order at 7:04 PM with a quorum present.

Public comment

- Doreen Price, Evanston resident and homeowner, provided comments on the United Nations' sustainability plan.
- Calvin Lynn, Evanston resident and property owner, provided comments in favor of homeownership and scattered site housing as opposed to more density.
- Sue Loellbach, Joining Forces for Affordable Housing, spoke about quantifying the need for affordable housing and goals. She offered Joining Forces' services to the Steering Committee, such as providing Affordable Housing 101 classes to residents.
- Bonnie Wilson, Age Friendly Evanston Task Force and Joining Forces for Affordable Housing, wanted the Steering Committee to be aware of the Age Friendly Evanston housing report and feasibility study.
- Sarah Vanderwicken, Evanston resident and affordable housing advocate, said it was difficult to hear in the Parasol Room, and asked the Steering Committee to make sure not to forget about the Affordable Housing Fund in its deliberations.
- Alvin Paden, Paden Properties, spoke in favor of the City not accepting fees in lieu for onsite affordable units in IHO-covered developments.
- Allie Harnid, D65 social worker, said she has noticed families leaving Evanston because they can't afford to stay, and then kids, especially those experiencing challenges, will have to start all over again elsewhere. Ms. Harnid suggested to the Steering Committee that the City should create universal Evanston credit check/rental application system, so that households aren't paying credit check/application fees multiple times when looking for housing.

Introductions

Steering Committee members introduced themselves and provided a brief explanation of their interest in affordable housing and the Committee.

Discuss Prior and Current Housing Work

Staff answered questions from the Steering Committee. Members asked staff to provide data from the Affordable Housing White Paper in a “more digestible format.”

Ellen Cushing suggested hiring a consultant to facilitate, lead and/or write the plan. Staff noted that Homes for a Changing Region had not finalized what municipalities it would be working with in 2019 or the scope of its technical assistance.

Discuss Working Groups

The Steering Committee discussed topics for work groups. Michael Roane suggested that everyone on the Steering Committee re-read the Affordable Housing White Paper, and send staff the following in advance of the next meeting:

- Identify the needs and potential goals
- List potential subject areas for work groups

Establish Meeting Schedule

The Steering Committee agreed to have its next meeting on Tuesday, March 19th, at 7:00 p.m. Going forward, the Steering Committee will meet on the second Wednesday of each month at 7:00 p.m.

New/Other Business

No new business.

Adjournment

Michael Roane motioned to adjourn, Ald. Revelle seconded, and the meeting was adjourned at 8:29 p.m.

The next scheduled meeting of the Steering Committee is Tuesday, March 19, at 7:00 p.m. in the Parasol Room (4900).

Respectfully submitted,
Savannah Clement, Housing Policy and Planning Analyst

2009 Plan for Affordable Housing Goals & Strategies Updates

Goal 1 – Rental Housing: Encourage and implement activities that increase the number of rental units that are affordable for Evanston individuals and families with incomes below the AMI.

Strategy 1.1: *Expand existing and establish new rental assistance programs in order to provide immediate, inexpensive assistance to low-income households.*

- **Outcomes:**

- The City began its Tenant-Based Rental Assistance (TBRA) program using HOME Investment Partnership funds in 2014; the program is administered by Connections for the Homeless and has helped an estimated 50 families with household incomes at or below 50% of the area median, to date
- Additionally, 11 of the units at Emerson Square have project-based subsidy support
- The 2009 plan states that the average rental subsidy per family per year would be \$5,000, but with high rents in Evanston, the TBRA program now pays approximately \$15,000 per family per year
- The City has also increased the rental subsidy amounts for its General Assistance program to account for the escalating rents in Evanston
- City Council has discussed an additional tenant-based rental subsidy program using money from the City's Affordable Housing Fund (AHF); however, due to a lack of steady funding into the AHF, discussions on such a program have been placed on hold

Strategy 1.2: *Encourage activities that use existing underutilized housing stock for affordable housing, primarily affordable rental housing.*

- **Outcomes:**

- The City received \$18.15M for the NSP2 program in 2010
- Funding from NSP2 was used to acquire 101 units of foreclosed housing to be rehabbed and put back into productive use (rental and ownership) or demolished if rehab was infeasible. Funds were also used to acquire the site for Emerson Square, a 32-unit mixed income rental property with 28 units affordable ≤ 60% AMI and 4 market rate units
- The NSP2 program resulted in the rehab or construction of 31 rental units ≤ 50% AMI, 21 rental units between 60% and 80% AMI, 18 rental units ≤ 120% AMI, and 4 market rate units
- The NSP2 program resulted in 40 rehabbed or redeveloped single family homes and condominiums sold to HHs with incomes ≤ 120% AMI
- Three lots acquired as foreclosed homes that were demolished are sites for ETHS Geometry in Construction homes that have been sold to HHs with incomes ≤ 120% AMI; two more ETHS homes are under construction on vacant lots acquired as sites for ETHS homes that will be sold to income eligible HHs at completion

Goal 2 – Foreclosures: Use the current foreclosure crisis to invest in properties that can be retained as long-term affordable housing.

Strategy 2.1: *Increase the foreclosure prevention counseling capacity of local HUD-certified counseling agencies.*

- **Outcomes:**
 - Cook County launched the Circuit Court of Cook County Foreclosure Mediation program in 2010 to help families in foreclosure. Open Communities was funded specifically for work in Evanston
 - The United States Department of Housing and Urban Development (HUD) has provided funding to HUD-certified housing counseling agencies; Open Communities (formerly Interfaith Housing Center of the Northern Suburbs) and Housing Opportunity Development Corporation (HODC) are two local HUD-certified agencies that provide housing counseling to Evanston residents

Strategy 2.2: *Monitor foreclosure data and bank activity; hold banks accountable for their lending and foreclosure activities in Evanston.*

- **Outcomes:**
 - Oversight of banks is done at a state or national level, not municipal

Strategy 2.3: *Building on the NSP2 proposal, implement a strategy to deal with vacant foreclosed housing that will make it available to Evanston residents at affordable prices.*

- **Outcomes:**
 - The City's Property Standards Division implemented a vacant building registry and demolished blighted properties
 - The City partners with Community Partners for Affordable Housing (CPAH) for acquisition/rehabilitation of rental and homeownership units; all of CPAH's properties have been put into their community land trust in order to ensure affordability in perpetuity
 - The City partnered with CPAH to secure funding from the Illinois Attorney General National Foreclosure Settlement Fund to acquire and rehab 10 units of housing – 7 rental for HHs ≤ 60% AMI and 3 ownership for HHs ≤ 120% AMI; all units are in the land trust to maintain affordability in perpetuity

Goal 3 – Homeownership: Publicize, use and building on existing successful homeownership programs.

Strategy 3.1: *Continue the Downpayment Assistance Program for households with incomes under 100% of the AMI.*

- **Outcomes:**
 - Due to significant reductions in HOME funding the City discontinued its Downpayment Assistance Program

- HOME funds requirement that HHs served have incomes ≤ 80% AMI made downpayment assistance program infeasible due to changes in the mortgage eligibility following the foreclosure crisis
- City staff regularly refers residents to the Illinois Housing Development Authority (IHDA) and Federal Home Loan Bank for homebuyer assistance programs

Strategy 3.2: *Explore and support employer-assisted housing (EAH), an effective tool to build public-private partnerships in support of workforce housing.*

- **Outcomes:**
 - The City partnered with Northwestern University for employer-assisted home purchases through the NSP2 program; attempts to launch similar programs with other Evanston employers have not been successful

Goal 4 – Infrastructure: Implement redesign of City and nonprofit infrastructure related to affordable housing retention and production to make it more efficient, transparent, proactive and responsive to housing needs.

Strategy 4.1: *Elevate housing issues within City government.*

- **Outcomes:**
 - The City’s Housing and Grants Division was formed to manage federal CDBG, HOME and ESG grants and the Affordable Housing Fund, improving efficiency, transparency and responsiveness to housing and homeless needs
 - City staff works with regional groups including the Metropolitan Mayors Caucus, Chicago Metropolitan Agency for Planning and the Metropolitan Planning Council

Strategy 4.2: *Develop an Evanston housing web site.*

- **Outcomes:**
 - The City’s Housing and Grants Division has its own pages on the City’s website where residents can find information about affordable housing resources, the City’s centralized wait list for affordable units provided through the Inclusionary Housing Ordinance and other market rate buildings, landlord-tenant rights and responsibilities, the CDBG Housing Rehab program, etc.
 - City staff provides referrals to residents who inquire about affordable housing and homeownership resources

Strategy 4.3: *Working with HUD consultants, analyze capacity and capabilities of each CHDO and, where recommended, increase capacity through operational grants or facilitate mergers among the CHDOs.*

- **Outcomes:**
 - New HUD capacity requirements for Community Housing Development Organizations (CHDOs), restrictions on use of CHDO reserve funding, and

reductions in total HOME funding resulted in 3 of 5 Evanston CHDOs no longer meeting capacity requirements

- The City has partnered with Community Partners for Affordable Housing, a certified CHDO that works in several North Shore suburbs, for the acquisition and rehabilitation of rental properties in Evanston

Goal 5 – Public Education and Awareness: Increase public knowledge about affordable housing, awareness of housing needs of Evanston residents and families, and willingness to actively support housing efforts.

Strategy 5.1: Launch a social marketing campaign.

● **Outcomes:**

- In 2011-2014, Housing and Homelessness Commission formed a working group to focus on building awareness of the need for and “put a face” on the types of Evanston residents who need it; no measurable outcomes were achieved. HHC has been tasked with working with the Steering Committee on outreach for the Affordable Housing Plan in order to solicit input from a broad range of Evanston stakeholders and residents, including people who are most impacted by the lack of affordable housing options but whose perspectives are rarely heard
- Efforts of affordable housing advocates, elected officials and City staff have built general consensus in Evanston for the need for more affordable housing. However, there is lack of consensus on how to address the needs, as well as NIMBYism from immediate neighbors of new developments and residents who oppose development in general because it changes the character of Evanston or a neighborhood

Strategy 5.2: Build community support for affordable housing through outreach activities.

● **Outcomes:**

- The City provided tours of units built at Emerson Square, as well as homes rehabilitated through the NSP2 programs
- City staff held a community workshop when revising the Inclusionary Housing Ordinance (IHO) in 2014 and 2015, and also provided a housing finance workshop when revising the IHO again in 2018
- In January 2019, the City partnered with the Metropolitan Mayors Caucus and Northwestern University to provide a Granny Flat Academy workshop in an effort to educate the public about accessory dwelling units

Goal 6 – Political Will: Increase political support for affordable housing at the City Council level.

Strategy 6.1: Create an ad hoc committee of representatives from the Housing Commission, Plan Commission, Zoning Board of Appeals and Property Standards department to determine if changes should be made to existing ordinances and building

regulations that would facilitate the provision of affordable housing throughout Evanston.

- **Outcomes:**

- 2018 City Council goal to Expand Affordable Housing Options maintained as a goal for 2019-2020
- The City revised its Inclusionary Housing Ordinance twice (revisions effective 1/1/2016 and 1/1/2019) to include more types of developments as covered and better incentivize onsite affordable units in market rate developments
- The City's Zoning Board of Appeals has required onsite affordable units for zoning relief and variances in smaller buildings and projects not covered by the IHO
- In 2019, the Housing and Homelessness Commission developed a recommendation to increase the City's demolition tax
- In 2018, City Council approved the rental of coach houses/accessory dwelling units to nonfamily members
- Changes to zoning that would allow and encourage the development of new accessory dwelling units and small lot housing proposed to facilitate the provision of affordable housing throughout Evanston

Strategy 6.2: *Amend ordinance 12-O-86, which established the Housing Commission, to require that one alderman sit on the Commission.*

- **Outcomes:**

- Ordinance 61-O-12 was approved, amending portions of the City Code relating to the Housing Commission, changing its title to the Housing and Homelessness Commission, expanding its scope of work to include the needs of homeless individuals and families, to have 11 members, and to require one alderman as a member
- Ordinance 94-O-17 was approved, effective 1/1/2018, changing the Powers and Duties of the commission to more accurately reflect its work responsibilities, and to better describe the desired qualifications for members

Affordable Housing Plan Steering Committee Homework Summary

Needs/greatest needs identified:

- Housing affordable for:
 - Extremely low, low, moderate and middle-income households
 - Residents \leq 50% AMI because nearly 80% of them are housing cost burdened and they represent $\frac{1}{4}$ of all Evanstonians
 - Families with school age children that are homeless/couch surfing (McKinney-Vento definition of homeless)
- Accessible and affordable housing for seniors, frail elderly, and disabled
- Supportive/special needs housing for people with mental illness, autism, developmental disabilities, etc.
- Workforce housing
- Decrease the gap of needed vs. available affordable units overall
- Rental and homeownership
- Include moderate and middle income HH that typically don't qualify for government assistance

Goals Identified:

- Decrease the level of cost burdened residents \leq 50% AMI 50% AMI by a reasonable percentage (e.g. from 80% of such households being cost burdened, to 70%) within two years
- Decrease the gap between available affordable units and needed affordable units by a reasonable percentage (e.g. 10%) within one to two years
- Create a popular community campaign to put housing at the forefront of civic awareness and engagement
- Include more affordable units spread throughout the city

Components of Plan Identified:

- Why the need for affordable housing
 - Racial/economic diversity > most livable city
 - Positive for residents of affordable housing and everyone else
 - Macroeconomic changes have disproportionately impacted low-income residents and people of color
 - Morally right thing to do
- Evanston's role
 - State and federal: stay abreast/involved, but acknowledge Evanston's impact is limited
 - Regional: work w/Cook County, regional government and organizations to make regional changes
- Local policies and funding (what Evanston can control)
 - Affordable housing funding and inclusive policies need to be a priority and a model for other communities
 - Engage stakeholders in meaningful ways, early in the process, and meet them where they are at

- Do not shy away from addressing segregation and the racial impacts of the lack of affordability
- Make data-driven decisions based on local and regional data the city already has
- Make affordable housing easier to be built
- Maximize the scenarios that affordable housing can be built by right
- Make more on-site affordable housing required in market-rate developments
- Focus on both maintaining affordability and increasing supply
- Expand access to subsidies/rental assistance/homeowner rehab
- Make non-affordable housing changes that help reduce non-housing costs for low-income residents
- End parking minimums and implement parking maximums to reduce development costs and make more affordable housing possible
- Expand and make affordable housing information more prominent on city's website

Work Groups Identified:

- Plan structure: framing (why affordable housing is so important), best practices for affordable housing plans, review relevant plans (local, state, regional)
- Information gathering:
 - Research, data, identify population segments (income, race, age, ability, etc.),
 - Outline what's already being done to address affordable housing and homelessness
 - Inventory of projects in process
 - Identify vacant properties and places to build affordable housing, etc.
- Policies and strategies to increase affordable housing options:
 - Zoning changes to allow greater density, accessory dwelling units
 - Home sharing program for seniors
 - Home repair and energy efficiency programs
 - Universal design
 - Home buyer assistance programs
 - Homeownership, including rehab, keeping owners in their homes
 - Rental, including landlord & tenant assistance, programs and incentives
 - Changes at the State and County level, such as offering property tax reductions for inclusion of low income units
- Stakeholder and community outreach and engagement
 - Develop a way for residents to provide their input and ideas for affordable housing
 - Analyze and identify the most viable suggestions from the public and forward these suggestions to other working groups
- Financing and resources for affordable housing
 - Funding Sources/Programs
 - Potential new resources:
 - Funding
 - Community organizations
 - Partnerships

Meeting Topics for Committee Education/Discussion:

- Review of 2009 Plan for Affordable Housing
- Overview of current and future affordable housing needs:
 - Current affordable unit inventory, location, population served, how long affordable
 - HHs receiving rent assistance and through what programs
- Demographics – current and projected
 - How many HHs cost burdened/severely cost burdened
 - Demographics of those HHs
 - Demographic trends