

## LEAGUE OF WOMEN VOTERS OF GLENVIEW/GLENCOE

### 2018-2019 GLENVIEW HOUSING AFFORDABILITY STUDY

#### BACKGROUND

The League of Women Voters (LWV), at the state and national levels, has held positions relating to housing for many years. Through study and member consensus, the LWV concluded long ago that there was a need for proactive measures to work toward equitable and affordable housing for all. In 2018, the League of Women Voters of Glenview/Glencoe (LWVGG), using these positions as guidance, began to advocate for affordable housing in Glenview.

Specifically, the LWVGG lobbied the Glenview Village Board to consider the inclusion of some units of affordable housing in the proposed Drake development at 1850 Glenview Road, the site of the former Bess Hardware. The reaction we received from the developer and the Village Board, and their lack of engagement on this issue, led us to decide that we needed to undertake a local study. Their response made us realize that we needed to better educate ourselves about the state, regional, and local housing situation in order to advocate more effectively in what looked to be a long and complex conversation. Consistent with the League approach to advocacy, we concluded that a local study of affordable housing was warranted.

#### THE STUDY PROCESS AND OVERARCHING STUDY QUESTION

Prior to advocacy on an issue, any League--at the national, state, or local level--must undertake a study in order to arrive at a public policy position. Formation of a study committee, development of study questions and thorough research of the topic are foundational to any study. The findings of the study group are presented to the general membership at a consensus meeting. During the presentation, members question and examine the research and conclusions. In order to reach consensus, attendees must agree with the conclusions; thus, a public policy position is born.

Study committee members grappled mightily with what our overarching question should be. We decided that the focus should be on Glenview's Affordable Housing Plan itself as a starting point, as this was a set of goals which had been set out by our own Village Board. Utilizing the same language contained in the 2015 Affordable Housing Plan, Glenview's Comprehensive Plan (adopted in 2017) also describes the Village's commitment to a "*proactive and reasoned approach to compliance with the State of Illinois requirements.*"

The overarching question we posed in this study was ***How effectively does the 2015 Glenview Affordable Housing Plan and its implementation meet the needs of its population and workforce?***

## **THE RESEARCH PROCESS**

Beginning in October 2018 the study group began by learning the fundamentals of affordable housing: We began our study by educating ourselves about the State, regional, and local affordable housing situation, housing-related legislation, and the response of Glenview and other municipalities to the shortage of affordable housing within their jurisdictions.

We reviewed the state mandated requirements for affordable housing, thoroughly examined the 2015 Glenview Affordable Housing Plan, and investigated existing affordable housing in Glenview. As our research progressed over the months, in 2019 we met with Village staff four times to discuss affordable housing in general and to provide comments and questions about the 2015 Plan. We also met with affordable housing developers, affordable housing non-profit organizations, and staff from other municipalities to learn about their approach to affordable housing and the tools and techniques they have used to create opportunities, even in “built-out” suburban communities like Glenview.

As we began to look into the housing situation in Glenview, many new questions arose: Has there ever been a formal assessment of current and future housing needs in Glenview? What kind of dialogue takes place between Village staff and potential developers to encourage the creation of affordable housing? How well utilized are the Plan’s tools? What progress has been made toward increasing the stock of affordable housing since 2015?

## **RESEARCH FINDINGS**

### **◆ Illinois Law**

#### **The Illinois Affordable Housing Planning and Appeal Act**

The Affordable Housing Planning and Appeal Act (AHPAA or ‘Act’, Public Act 93-0595) was signed into law in 2004 (amended in 2013) to address the lack of moderately-priced housing that exists in many communities. The law established a process for identifying communities with the most acute shortage of local housing stock available at an amount that would be affordable to:

- Homebuyers at 80% of the regional median household income.
- Renters at 60% of the regional median household income.

For larger, urbanized areas, the Area Median Income (AMI) used is for the entire Metropolitan Statistical Area (MSA), while county AMI figures are used for those counties not located within an MSA.

The Illinois Housing Development Authority (IHDA) was named the State-administering agency in the Act and provides a detailed Local Government Handbook to aid

communities in compliance with the Act. IHDA uses the most current American Community Survey (ACS) data to update the non-exempt local government list approximately every 5 years, with the most recent update released in 2018.

#### ◆ **Glenview's 2015 Affordable Housing Plan**

Glenview is located in the Chicago Metropolitan Statistical Area. As reported in the plan, using 2011 US Census data, the AMI for this Area was \$61,045. Therefore, affordable rent at that time was determined to be \$916/month. An affordable mortgage was determined to be \$1221/month.

In 2013, IHDA informed the Glenview government that the Village did not meet the standard for exemption from the Act, i.e. 10% of housing stock determined to be affordable. As required for non-exempt governments, the Glenview Board of Trustees created and adopted the 2015 Glenview Affordable Housing Plan (Resolution No. 15-81) and submitted the Plan to IHDA. Through this policy and Plan, the Village reaffirmed its ongoing commitment to *"a proactive, but reasoned approach towards compliance with the State requirements."*

#### **AHPAA-Required Components of Glenview's 2015 Affordable Housing Plan:**

1. Requirement: Select a goal for increasing local affordable housing stock.

Glenview Plan: The Village selected attainment of 10% affordable housing stock within its jurisdiction as the goal.

2. Requirement: Identify the Number of Additional affordable housing units necessary to exempt Glenview from the operation of the Act.

Glenview Plan: In 2015, the total number of affordable housing units required for Glenview exemption was 1,601 units (10% of 16,002 total units). Based on the data and calculations provided by IHDA, 1,183 affordable housing units were identified within the Village. To comply with the 10% requirement for compliance with the Act, an additional 418 affordable units would be required.

3. Requirement: Identify potential locations for affordable housing

Glenview Plan: *"... because of the predominant single-family character and other desirable features such as prestigious school districts and plentiful options for recreation that have evolved over the 116 years of the Village's history, real estate in Glenview tends to be expensive.*

*The relatively high value of land in Glenview, an inner-ring suburb, makes it impractical to achieve the goal of this Plan through the creation of new affordable single-family detached dwellings. Rather, the focus could be on the creation of new affordable units in multi-family buildings. Given the limited availability of vacant properties or parcels*

*amenable to large-scale redevelopment and the high cost of land, the plan concluded that few significant opportunities for increasing new affordable housing units within the Village."*

These 'unique' circumstances were taken into account in developing Glenview's Plan.

4. Requirement: Identification of lands on which affordable housing could be built

Glenview Plan: Potential locations for additional affordable housing units were not specified in the Plan, but the best opportunities for creating this housing were noted to be relatively large parcels in zoning districts which permit multi-family/mixed use residential uses. Such potential mixed-income or affordable multi-family developments should be focused in locations that are supported by public transportation and provide amenities including possible places of employment, a grocery store, shopping choices, parks for recreation, and in a pedestrian friendly walking environment.

5. Requirement: Identify potential village incentives that may be provided to attract affordable housing

Glenview Plan: The Plan adopted three methods of encouraging landowners and developers to provide Affordable Developments:

- Education of owners and developers by the Village Manager early in the planning process
- Zoning bonuses for multi-family developments incorporating a certain percentage of affordable units
- Direct Village involvement once a desirable site is identified, community support is verified, and Village involvement is the only practical way to accomplish the project, e.g. acquisition and resale of a property to a developer or other financial techniques with broad cost sharing impact.

The Plan excluded several methods suggested in the AHPAA, including adoption of an inclusionary zoning ordinance, creation of a housing trust fund or community land trust, or award of grants/loans to not-for-profit organizations engaged in addressing the needs of low- and moderate-income households.

Implementation of the plan: According to the Village Manager, he meets with property owners and developers early in the planning process to educate them about the affordable housing policy and request that they consider including affordable units in their property.

### ◆ 2017 Comprehensive Plan for Glenview's Future

The 2017 Comprehensive Plan acknowledges that "*there will continue to be a demand for new residential, commercial, and industrial development in the future; meeting these demands will likely require replacing older existing land uses and redeveloping transitional sites*" (Section 1.7). Housing-related implementation goals stated in the Comprehensive Plan include the following:

- Goal NH-3.1 Affordable housing monitoring as an ongoing project as part of an annual Comprehensive Plan Progress review.
- Goal NH-3.3 Senior housing monitoring in the community and consideration for new zoning regulations for senior housing developments as a Priority 1, short-term (within one year) project (Section 8.4).

We could not verify any Village government actions taken to achieve these implementation goals as they relate to affordable or senior housing.

In conjunction with the review of the latest housing trends as part of the 2017 Comprehensive Plan, the Comprehensive Plan Committee did not recommend consideration of new building types and/or additional zoning categories (e.g. carriage homes, duplexes, fourplexes, and bungalow courts) and housing types supportive of an aging population. Additionally, no community engagement plan pertaining to forecasting the future housing needs, affordability, or diversity was developed.

### ◆ History of Building Affordable Housing in Glenview 1998-2014

The Village has been involved in supporting or approving affordable housing options for more than 25 years "*so that residents can enjoy the benefits of a community with economic diversity and persons with low or moderate incomes can enjoy the benefits of living in Glenview*", as noted in the 2015 Affordable Housing Plan. Private developers have utilized a variety of financial instruments including Low Income Housing Tax Credits (LIHTC) and other state/federal government subsidies to provide housing for low income seniors, individuals with a disability, and a few working families. These properties include Patten House (opened in 1988), Depot Square (1995), Thomas Place (2006), Greenleaf Manor (2014), and Axley Place (2016).

### ◆ Creating Affordable Housing in Neighboring Communities

As we studied the housing situation in the north and northwest suburban regions, we examined practices and tools which neighboring communities used to add to housing diversity and increase their affordable housing stock. Each community which has had a measure of success in creating some amount of affordable housing has benefitted from having tools and plans in place - ordinances, fees, commissions, and relationships with housing organizations. Thus, when affordable housing development opportunities

present themselves, the municipality's officials and staff are prepared to evaluate them and take action.

Building affordable housing, especially in communities in densely populated suburban areas, is a complex and multi-faceted process. Some municipalities have found that the most realistic and effective way to tackle the problem is to create boards or commissions, with appropriate expertise, which are devoted entirely to housing, or to work with housing organizations which can help to administer a town's efforts in this arena. And, in conjunction with those boards/commissions, elected officials have utilized the Committee-of-the-Whole process to discuss their findings and recommendations.

Highland Park has had such programs in place for decades. The Highland Park Housing Commission, whose members are appointed by the mayor, with city council approval, is responsible for acquiring land and generating revenue in order to develop senior and family housing. They administer the Affordable Housing Trust Fund to provide financial resources for affordable housing activities. Additionally, they oversee the city's Inclusionary Housing Program. This program has ordinances in place which require developers to include a specific portion of affordable units alongside market priced units in any new housing developments. Highland Park's intent is *to increase the supply of housing for the city's workforce*. 20% of total units developed for sale or rent are set at an affordable price for income-qualified households. In smaller developments "in-lieu" payments allow a developer who is not able to include affordable units to make substantial payments into the Affordable Housing Trust Fund.

The city of Highland Park works closely with the not-for-profit Community Partners for Affordable Housing (CPAH), which administers the Land Trust and keeps affordable housing ownership opportunities available to qualified residents in perpetuity. CPAH serves as an advisor and administrator for many facets of Highland Park's housing programs and is an example of a resource a municipality may rely on to add expertise and guidance to the complex equation of how to create greater housing diversity.

Nearby Arlington Heights and Mount Prospect are two of five communities which helped establish the Northwest Suburban Housing Collaborative (NWSHC), which assists in developing regional solutions to address the short- and long-term housing needs of the participating communities. The organization addresses the common challenges of rising foreclosures, growing income diversity, demographic changes and an aging population, affordable rental options at risk of being lost, and employees being forced to live further from work to afford housing costs. Additionally, Arlington Heights has a Housing Commission and recently enacted an inclusionary housing ordinance. Northbrook is not far behind in adopting this type of ordinance.

Lake Forest utilizes many of the same tools as other communities which are proactively making efforts to increase its housing diversity and has included a sizable teardown impact fee as part of a developer's responsibility when new housing is proposed. The rationale behind a teardown fee is that housing which is demolished tends to consist of older, smaller homes, thereby likely reducing a town's more affordable housing stock.

These fees are more substantial than the cost of a simple demolition permit, and may be invested, in part or in full, toward the creation of affordable housing.

## **STUDY CONCLUSIONS**

Based on our study and consensus, we believe that implementation of the Glenview 2015 Affordable Housing Plan has failed to meet the needs of our population and workforce.

- The paucity of affordable housing for seniors or individuals with a disability is evident from the current waiting periods for units at Patten House (3-5 years), Thomas Place (>25 years, 300 applicants), Greenleaf Manor (11 applicants waiting), and Axley Place (waitlist is closed).
- In 2017, 31% of Glenview households across the income spectrum, including >\$75,000/year, were housing cost burdened (2019 Chicago Metropolitan Agency for Planning Municipality Profile). This equates to 5,322 of 17,157 Glenview households spending >30% of their annual gross income on housing.
- Four large multi-family apartment properties have been approved by the Board since 2014. These properties are Avidor, Midtown Square, The Reserve, and Tapestry. The number of affordable units in this collection of properties is zero '0'.
- Development of the former Bess Hardware property, which was owned and controlled by the Village, was the latest missed opportunity to address the housing needs of our community. The Village purchased the 1800 Glenview Road property in 2013. Despite providing multiple zoning variances and financial incentives to the Drake Group, the Village chose not to leverage its control of the property to negotiate for a single affordable unit within the planned 72-unit apartment complex.
- No ordinance/zoning bonuses have been offered to developers, and no cash-in-lieu of units have been required since adoption of the 2015 Plan to support affordable housing or assistance for low- or moderate-income households.

### *An Update. . .*

The situation in Glenview will soon grow more serious as housing burden and insecurity increase due to declines in employment and income during the COVID-19 pandemic.

- The April 2020 unemployment rate in Glenview was estimated to be 14.9%, a huge increase from the 2019 Annual Average rate of 2.7% as a consequence of the COVID-19 pandemic (Illinois Department of Employment Security Monthly Labor Force Report, May 29<sup>th</sup> Update). The preliminary June rate was 13.2%, demonstrating that employment recovery in the Village is not responding in real time to the recent declines in rate of local COVID-19 hospitalizations or deaths.

- Food insecurity, which tracks closely with housing insecurity, has significantly increased in the community during the pandemic, according to staff from Maine and Northfield Township Food Pantries.
- Poverty and homelessness (Illinois State Board of Education Classic report card, as reported in 2019 by District 34) were realities in our community pre-COVID-19 and are expected to climb as eviction and foreclosure moratoriums expire.

### **CURRENT STATUS RELATIVE TO THE ILLINOIS AHPAA**

In December 2018, IHDA notified Glenview that the village remains a Non-Exempt Local Government with respect to the Illinois AHPAA. Our affordable housing share in 2013 was estimated by IHDA to be 7.4% with 418 additional units required to meet the 10% affordable housing stock goal. IHDA calculated that as of 2018, our current share is 7.3% with 455 additional units required to meet our stated goal. IHDA required that an updated affordable housing plan be submitted by July 1, 2020. Glenview did not submit a revised plan to IHDA.

### **LWVGG RECOMMENDATIONS**

We are concerned that many important community members, including current residents experiencing a significant life event, retired residents, younger families seeking to return, may be increasingly unable to live here because of unaffordable housing costs. Many essential workers, including teachers, hospital and assisted living facility employees, first responders, Village staff members, and restaurant employees have limited or no options for living in the community they serve. In addition, the housing needs of veterans and individuals with disabilities do not seem to have been explored and addressed since adoption of the 2015 Plan.

In 2018, we advocated for a housing commission with appropriate expertise necessary to examine the complex issues regarding housing affordability and diversity. We renew our call for its establishment. Any thought of making Glenview a more welcoming community to a greater number of people necessitates a thoughtful, honest examination of what we truly value. We support a professional study of the current and projected housing needs and development of a specific, measurable, and accountable plan to address those needs in the next 10 years. Housing is an essential component of our comprehensive planning and economic development processes. Now is the time to give housing serious consideration.