



SPECIAL COMMITTEE OF THE WHOLE MEETING

Thursday, April 3, 2014 at 7pm

**City Hall Council Chambers
109 James Street
Geneva, IL 60134**

AGENDA

- 1. Call to Order**
- 2. Homes For A Changing Region Project: Review draft recommended housing strategies for the Central Fox Valley Housing Plan**
- 3. New Business**
- 4. Adjournment**



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item:	DRAFT RECOMMENDED HOUSING STRATEGIES FOR GENEVA – HOMES FOR A CHANGING REGION PROJECT: CENTRAL FOX VALLEY HOUSING PLAN		
Presenter & Title:	Dick Untch, Director of Community Development		
Date:	Thursday, April 3, 2014		
<i>Please Check Appropriate Box:</i>			
<input type="checkbox"/>	Committee of the Whole Meeting	<input checked="" type="checkbox"/>	Special Committee of the Whole Meeting
<input type="checkbox"/>	City Council Meeting	<input type="checkbox"/>	Special City Council Meeting
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	Other -
Estimated Cost:		Budgeted?	YES NO
<i>If NO, please explain how the item will be funded:</i>			
Executive Summary:			
<p>Since last summer a Project Steering Committee comprised of representatives from Batavia, Geneva, North Aurora, St. Charles, Chicago Metropolitan Agency for Planning (CMAP), Metropolitan Planning Council (MPC), and Metropolitan Mayors Caucus (MMC), has been working on the plan. The Project Team has gathered and analyzed housing data for each of the municipalities, conducted community workshops, and formulated draft recommended housing strategies for each of the municipalities. Draft recommendations for sub-regional collaboration among the four municipalities are also being formulated. The purpose of the meeting is to review/discuss the draft recommended housing strategies for Geneva.</p>			
Attachments: <i>(please list)</i>			
<ul style="list-style-type: none"> • Memorandum on draft recommended housing strategies for Geneva 			
Recommendation / Suggested Action: <i>(briefly explain)</i>			
Approval of draft recommended housing strategies for Geneva			

TO: CITY OF GENEVA
FROM: HOMES PROJECT TEAM
SUBJECT: REPORT OUTLINE AND
PRELIMINARY DRAFT RECOMMENDATIONS
DATE: MARCH 31, 2014



What is *Homes*?

Homes for a Changing Region provides technical assistance to municipal leaders, charting future demand and supply trends for housing in communities and developing long-term housing policy plans. The communities of St. Charles, Geneva, Batavia, and North Aurora were awarded assistance to complete a *Homes* plan through the Chicago Metropolitan Agency for Planning's (CMAP) local technical assistance (LTA) program in the summer of 2012. Beginning in the spring of 2013, CMAP, Metropolitan Mayors Caucus (MMC), Metropolitan Planning Council (MPC), and Kane County Development Department have worked with the four communities free-of-charge.

Summary of Progress to Date

Since initially meeting with both elected officials and City staff, the project team has undertaken the following:

- Presented a preliminary analysis of the existing and projected housing data to a joint meeting of the City Council and Housing Task Force on Housing and Planning & Development Committees on Wednesday, October 9th.
- Designed, planned, and facilitated one public workshop for the City on Thursday, November 7th. Residents provided feedback on preferred types and locations for housing both throughout the City and in a focus area at the southeast corner of S Bennett St. and E State St. Approximately 26 residents and elected officials attended the workshop.
- Collected additional public input through an interactive website which was open throughout the month of November. A total of 77 visitors from Geneva left feedback through the website.
- Draft recommendations for Geneva were reviewed by the Geneva Housing Task Force on March 13, 2014, and then a follow-up review of the recommendations was conducted by the project team.

Next Steps: Feedback on Draft Plan Outline and Policy Recommendations

The project team is now asking for feedback on the plan outline, and the draft recommended strategies from the Committee-of-the-Whole of the Geneva City Council. The following questions especially interest the project team:

- What revisions, if any, would you suggest for these recommendations?
- Are there any recommendations that you feel are missing from this outline?
- Do you anticipate that any of these recommendations would not meet with the Council's approval?

Draft Plan Outline

Project Summary

- I. Community Strengths
 - a. Fox River
 - b. Fox River Bike Trail
 - c. Historic downtown
 - d. Strong retail base
 - e. Transportation network
 - i. Metra Rail station
 - ii. Randall Rd., Kirk Rd., Rte. 31, Rte. 25
 - iii. State St., Fabyan Pkwy.
- II. Community Challenges
 - a. How to accommodate growth
 - b. Development should maintain and enhance Geneva's historic character and be consistent with all existing context.

Existing Conditions

- I. Location – bordering towns
- II. Population and households

Current Housing Analysis

- I. Housing units by type
- II. Housing units by tenure
- III. Tenure by household income
- IV. Affordability
 - a. Housing affordability for owners and renters
 - b. Utility Costs
 - i. Household energy use compared to Kane County
 - c. Transportation costs
 - i. Employment base
 - ii. Annual transportation costs
 - iii. Commuting patterns
- V. Current owner analysis
- VI. Current rental analysis
- VII. Market segmentation analysis

Projecting Future Housing Needs

- I. Future ownership needs
- II. Future rental needs
- III. Combined housing needs
- IV. Urban Design Focus Area (visualization)
 - a. Southeast corner of S Bennett St. and E State St.

Capacity for Growth

- I. Total capacity for development and redevelopment by unit type
- II. Vacancy analysis
- III. Identification of lands and structures appropriate for the construction of affordable housing

Conclusion and Recommendations

- I. Capacity for growth vs. projected future housing need by unit type
- II. Recommendations (see next page)

Recommended Strategies

1. Establish a goal that 15% of all new housing units will be affordable housing

The City should encourage the development of new affordable housing units, thereby making its entire housing stock more diverse over time. These units will help make living in Geneva possible for those who work in the City, such as public servants, teachers, and first responders. The strategies 2 through 9 outlined in the remainder of this memorandum, if implemented aggressively and intentionally, can meet this goal.

2. Amend zoning ordinance to allow for compact residential development in key areas of the City

Geneva should begin the process of revising its zoning code to allow for more compact, residential development downtown and in other parts of the city. This recommendation is consistent with the Downtown/Station Area Master Plan and the City's Comprehensive Plan, which identified specific areas for more compact (higher density) residential development. Updating the zoning ordinance will accommodate the density levels that promote housing affordability and will foster the development of the "Opportunity Sites" highlighted in the plans.

Allowing developers to build more units per acre on appropriate sites will decrease the price per unit for the developer, which will result in the provision of lower-cost units; the demand for which data show is currently unmet and is expected to grow in the future. Specifically, forecasts predict that millennials and working age families will increasingly seek ownership and rental options in walkable, transit-oriented, downtown areas like Geneva's that are attainable at the moderate incomes more common in the current economy. Strategically locating compact residential development in areas well served by the existing Metra station, or along arterials where Pace Routes exist (State Street, Rte. 31, 3rd Street), can provide household cost reductions through providing access to inexpensive travel options. Provisions should be made to ensure aesthetically pleasing, functional, compact residential development fits into the context of Geneva's existing single family neighborhoods and historic downtown area.

In conjunction with these updates, Geneva should also create zoning regulations that allow more by-right development (along with standards to ensure development quality and compatibility with surrounding areas), and place less reliance on the use of the open-ended planned unit development public hearing review process. By-right development refers to projects that are approved administratively, without requiring a formal Plan Commission public hearing. Allowing more by-right development would add consistency and punctuality to the entitlement process, saving property owners/developers time and money and ensuring a quality, predictable product for the City of Geneva.

3. Create an incentive-based overlay zoning district that encourages the development of affordable housing

The City of Geneva should consider creating an incentive-based overlay zoning regulation that provides dwelling unit density bonuses, maximum building height flexibility, and construction-related fee waivers to builders/developers, in return for providing affordable housing units. This incentive will help the City achieve construction of affordable housing units by designating a percentage of a new development's units as attainable to persons with low to moderate incomes. Providing compact housing in selected areas of the city will lower housing related costs for residents by providing them with access to inexpensive mobility options.

The specific geography of the incentive-based affordable housing overlay zone should be determined by an ad hoc advisory committee comprised of aldermen and citizens. The overlay zone should encourage affordable housing at carefully selected sites. Affordable senior housing developments, in particular, should be encouraged along the East State Street corridor extending from the Fox River to the city's east municipal corridor limits to. Senior housing along the corridor would not strain the enrollment capacity of Harrison Street (elementary) School. Data show seniors are a major reason for the current and future unmet demand for attainable housing units in Geneva.

Affordable senior housing along the East State Street Corridor would complement the East State Street (Route 38) Streetscape Enhancement Plan, which will widen East State Street, improve sidewalks and add both functional and aesthetic features to enhance traffic and pedestrian flow and add value and desirability to the corridor. The project is part of the Illinois Transportation Enhancement Program (ITEP), with matching funds provided by the City of Geneva.

The City should also explore the establishment of a tax increment financing district as a way to incentivize construction of affordable senior housing units. The corridor already includes one TIF district, which could be leveraged to support the development of housing for low income seniors. TIF funds can support up to 100% of rehabilitation costs for the purpose of housing households earning less than 80% of the [Area Median Income](#) (\$52,150 for a family of three). The City has also considered expanding the existing TIF district or creating new ones.

4. Commission a downtown parking study.

Geneva should commission a parking study that would analyze the existing zoning ordinance and help determine the ideal parking requirements for residential and mixed-use buildings in the downtown area. The downtown parking space supply/demand relationship is complex as it includes multiple transit options, high development demand, various business interests, sensitive nearby neighborhoods and an existing moratorium on requiring additional parking spaces for new commercial uses. The complexity of the downtown parking environment necessitates further analysis. Providing excess parking for downtown residential development can increase development costs while wasting land and other resources. A shortage of parking for downtown residential development can put pressure on commercial parking needs and may produce negative impacts on nearby neighborhoods.

The zoning regulations on parking will be addressed as part of the Downtown Zoning Update, but the City should consider conducting a detailed parking study if major downtown redevelopment projects surface. A detailed parking study, including primary data collection, will ensure Geneva identifies the appropriate parking ratios to provide the most efficient, equitable parking policy for the downtown area. Geneva could apply for technical assistance from CMAP for such a study under the competitive Local Technical Assistance (LTA) program. CMAP has also produced a report, entitled "Parking Strategies to Support Livable Communities," that can help the City conduct its own study.

5. Consider a foreclosure redevelopment program.

Public funding continues to be made available for the acquisition and rehabilitation of foreclosed properties. Geneva should commission a foreclosure study that will identify and map foreclosure activity within the city to inform opportunities for a foreclosure redevelopment program. This study will help Geneva understand

foreclosure activity in the city to determine the best course of action for the program. Such a program would involve purchasing foreclosed properties, completing necessary renovations, and selling the properties to income-qualified families. Doing so would provide additional affordable housing units in the city and preserve the character and stability of existing neighborhoods.

As a non-home rule municipality, the revenue streams for funding a foreclosure redevelopment program are limited, so the City should explore other innovative options and grant programs. In the meantime, the City should identify an experienced non-profit partner to administer the foreclosure redevelopment program on its behalf. As the City continues to consider various programs to preserve existing housing stock, it will be increasingly important to identify a partner with the capacity to administer such programs. It should be noted that Geneva will also need to identify sustainable funding streams to build the capacity that such an organization would need to take on program administration on behalf of the City.

5. Create and market materials to citizens that describe housing trends, data and related goals.

It is important to provide residents with clear information that demonstrates the importance of supplying a range of housing options which respond to market demand and meet the needs of families and people at all stages of life. Geneva's planning and outreach staff should collaborate with the Kane County Planning Cooperative and local developers to create engaging informational materials that can be posted online and distributed to residents. These materials should include and expand on *Homes* data and recommendations and include private sector input to inform the public on housing trends and local goals. Private developers have expressed interest in communicating the changes in housing demand that they are seeing locally; including the newfound demand for smaller lots, smaller units and rental. A joint public / private collaborative effort would add credibility to these materials and successfully inform residents on the state of the housing market.

7. Register and Inspect Rental Properties

Over the course of the recession and continuing recovery, the region has seen an increase in the demand and supply for rental housing. Local forecasts and national trends show that this will likely continue. To provide for the safety of the City's residents and maintain the quality of the City's housing stock, an inspection program will be important. Geneva could require that landlords register with the City and set requirements for building maintenance that include landlord restrictions. While non-home rule municipalities may not be able to issue and revoke a license from a bad landlord and put him/her out of business in the community, it can monitor, inspect and fine the landlord for any violations of code. If the landlord has a certain number of violations, then the city could conduct more frequent inspections. The City should start a pilot rental inspection program that will help ensure the program has an effective fee structure; one that is designed to cover inspection costs without overburdening landlords.

8. Reaffirm the City's Commitment to be an Open Community

A key component for any community seeking to maintain an efficient and effective housing market is ensuring that local housing and service providers show openness to current and future residents of all backgrounds. The following strategies outline ways Geneva can continue fostering openness throughout the City.

The Geneva website provides information to new and existing residents about services available in the City, including information on local, county, and state resources. The City's website does not appear to currently provide information about how residents can file complaints about housing discrimination. Therefore, Geneva should provide such contact information on its website. Moreover, the City should ensure that all of the service information reflects its commitment to openness by including a statement of welcome for peoples of all backgrounds and that all City materials are available in a variety of languages and should be accessible to persons with disabilities, including those with sight or hearing impairments.

Care should be taken to make sure that multi-family housing meets both the design standards of the Illinois Accessibility Code (IAC) and the Fair Housing Act. Statewide, the IAC requires that new residential housing be accessible to persons with disabilities. Under the IAC, prior to issuing permits, municipalities must evaluate whether the designs comply with the IAC. However, municipalities are not obligated to assess whether the plans comply with the federal Fair Housing Act under the IAC. The federal law requires that multi-family housing with four or more units include basic attributes of accessibility (e.g., accessible entrances, accessible routes, accessible kitchens and bathrooms, and accessible common areas).

9. Additional measure: Consider creating an Inclusionary Zoning Ordinance

In addition to setting the goal of providing 15% of all new housing units as affordable housing (Recommended Strategy 1 above), the city could also consider adopting an Inclusionary Zoning Ordinance. Both St. Charles and Highland Park have approved Inclusionary Zoning (IZ) ordinances. An IZ ordinance requires that all new developments over a certain threshold number of units (5, for example) set aside a certain percentage as affordable to people earning a certain percentage of the region's Area Median Income (AMI). Please note: Most IZ ordinances give the housing developer an option to actually build the required number of affordable units, or pay a fee in-lieu. Since Geneva is a non-home rule municipality under Illinois law, if the city adopted an IZ ordinance, it would not be able to provide a fee in-lieu option.