CITY OF AURORA, ILLINOIS
RESOLUTION NO. R12-208
DATE OF PASSAGE July 24, 2012

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE 2010-2014 CONSOLIDATED PLAN TO INCLUDE RECOMMENDATIONS FROM THE AFFORDABLE HOUSING TASK FORCE

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit as defined in Article 7, Section 6(a) of the 1970 Constitution of the State of Illinois; and

WHEREAS, said section of the Constitution authorizes a home rule unit to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City of Aurora has initiated numerous community development and housing activities as an entitlement jurisdiction, participating in the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs through the U. S. Department of Housing and Urban Development (HUD); and

WHEREAS, the City of Aurora's City Council adopted the 2010-2014 Consolidated Plan on December 15, 2009; and

WHEREAS, in the course of administering HUD programs, the City may need to amend its Consolidated Plan; and

WHEREAS, in September, 2011, the City Council commissioned an Affordable Housing Study and the Mayor convened a Blue Ribbon Task Force on Affordable Housing; and

WHEREAS, extensive public outreach was conducted during 2011 and 2012 to collect input for the proposed study; and

WHEREAS, Affordable Housing Study Recommendations were adopted by the Mayor's Blue Ribbon Task Force on June 6, 2012; and

WHEREAS, the City of Aurora now wishes to amend its 2010-2014 Consolidated Plan, to include recommendations from the Affordable Housing Task Force in said Plan; and

WHEREAS, the City of Aurora's Citizen Participation Plan requires that, in order to amend the Consolidated Plan, a public notice be published and public comment period be set; and

WHEREAS, said public notice was published in the Aurora Beacon News on June 24,

2012, setting a 30-day public comment period from June 24, 2012 through July 24, 2012;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois that the Amendment to Include Recommendations from the Affordable Housing Task Force be adopted by the City Council of Aurora and submitted to the U.S. Department of Housing and Urban Development as an amendment to the City of Aurora's 2010-2014 Consolidated Plan.

PRESENTED to the City Council of the City of Aurora, Illinois on July 24, 2012

PASSED AND APPROVED by the City Council of the City of Aurora, Illinois, on July 24, 2012

SIGNED by the City Council of the City of Aurora, Illinois, on July 24, 2012

10 Ayes 0 Nays 2 Abstentions

ATTEST:

CITY CLERK

MAYOR

Prepared by the City of Aurora Neighborhood Redevelopment Division, 51 E. Galena Boulevard, Aurora, IL 60505, 6/18/12

PUBLIC NOTICE

In accordance with the City of Aurora's Citizen Participation Plan and the requirements of the U.S. Department of Housing and Urban Development (HUD), the following notice is intended to provide the public with an opportunity to comment on a proposed amendment to the City's 2010-2014 Consolidated Plan.

Effective June 24, 2012, the *Affordable Housing Task Force Recommendations Amendment* to the 2010-2014 Consolidated Plan will be available for review and public comment at the following locations: City of Aurora-Neighborhood Redevelopment, 51 E. Galena Blvd, Aurora, IL; Library-Main, 1 E. Benton, Aurora, IL; Library-Eola, 555 S. Eola Rd, Aurora, IL; Library-West, 233 S. Constitution Dr, Aurora, IL; and on the City of Aurora website: www.aurora-il.org.

Upon request, the City will provide for translation services to meet the needs of non-English speaking residents. The City will also take whatever actions are appropriate to serve the needs of persons with disabilities. For more information, to make special arrangements, or to provide comments, contact Karen F. Christensen, Neighborhood Redevelopment Division, 51 E. Galena Boulevard, 630-256-3321 or kchristensen@aurora-il.org. Comments will be accepted through July 24, 2012.

AMENDMENT TO THE CITY OF AURORA'S 2010-2014 CONSOLIDATED PLAN

TO INCLUDE RECOMMENDATIONS FROM THE

AFFORDABLE HOUSING TASK FORCE

The 2010-2014 Consolidated Plan was adopted by the Aurora City Council by Resolution #R09-470 on December 15, 2009 and subsequently submitted to the U.S. Department of Housing and Urban Development (HUD).

The following text is designed to replace the "Public Housing Strategy 91.215(c)" section of the City of Aurora's 2010 – 2014 Consolidated Plan originally found on pages 68 – 69 as adopted by the aforementioned City Council Resolution.

Any portions of the City's consolidated plan as adopted on December 15, 2009 that are not consistent with the below section are hereby superseded and replaced by this newly revised section 91.215(c).

Public Housing Strategy 91.215 (c)

33. *Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list).*

34. *Describe the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing.*

35. *Describe the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.*

36. *Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))*

37. *If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))*

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The following information was based on the most recent Aurora Housing Authority 5-Year Public Housing Action Plan for 2008-2012. **Inclusion of language from the Aurora Housing Authority's planning documents in this Consolidated Plan does not signify concurrence by the City of Aurora; consistency with this consolidated plan; nor consistency with the Criteria and Principles contained in this Amendment.**

Language providing the AHA's responses to questions 33 – 35:

"The Aurora Housing Authority strives to serve as many extremely-low and low-income residents as possible. Due to the limited number of spaces available, no moderate-income families are eligible to receive assisted housing. There are a total of 652 housing units and 800 Section 8 vouchers in effect, and about 1,400-1,600 persons have been placed on a waiting list."

"Management and operation strategies involve educating and working with residents to properly upkeep each site. Many issues can be avoided through proper maintenance; thus, the AHA is working with staff and residents to promote best maintenance practices. In terms of the living environment, the same methodology applies in creating a safe and sanitary living space for all residents living at each development.

In order to promote AHA residents to become more involved in management and participate in home ownership, residents are encouraged to provide input into the Annual Plan and Capital Fund Program. Currently, the AHA does not provide any homeownership programs for its public housing residents.

With respect to Section 504 Voluntary Compliance Agreements, the AHA has several units that have been modified to be ADA and H/C accessible. The AHA routinely responds to reasonable accommodation requests made by disabled residents. Efforts are put forth to modify units as needed to meet each individual request.

Figure 22 in Appendix A outlines the resources and expenditures for the 2009 fiscal year. The Aurora Housing Authority currently receives upwards of $11 million to be spent towards operating and assistance costs."

At the time of the adoption of Aurora's 2010 – 2014 Consolidated Plan, The Aurora Housing Authority (AHA) had recently announced a new long-term strategy involving plans to sell its 45 scattered-site single-family homes and make significant changes at three of their Public Housing facilities. The East Side residential center, Maple Terrace, and the West Side Jericho Circle development (see below) were slated to be torn down and Centennial House would be converted to a seniors-only facility.

The Demolition of Jericho Circle

In a letter dated Sept. 7, 2010, the U.S. Department of Housing and Urban Development (HUD) approved the demolition of the "28 dwelling buildings containing 145 dwelling units at Jericho Circle." In so doing, HUD found adequate justification for the demolition *"which requires the PHA to certify that the project is obsolete as to physical condition, location, or other factors making it unsuitable for housing purposes, and no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life."* Indeed, the AHA had commissioned a thorough structural review of the buildings finding that they were well beyond repair and would need to be torn down. In addition to the "physical condition" criteria, the AHA also used the "location" criteria in providing its documentation of "evidence of obsolescence of a

severely distressed public housing development." Indeed in the very first sentence of the AHA's "Evidence of Obsolescence" document, the AHA describes the undesirable nature of the Jericho Circle location within the city as being situated "*in an area of Aurora where there are no stores or shopping opportunities, few, if any employment opportunities, [and a] lack of social service providers willing to deliver services.*"[1]

The City of Aurora agreed with this assessment and was pleased to see HUD's approval to demolish the highly problematic public housing complex based on the evidence submitted by the AHA. HUD's approval was finalized not long after Aurora's Consolidated Plan was adopted, and disagreement between the City and AHA soon ensued about how to address the void of affordable housing units left by the planned demolition of Jericho Circle. The AHA originally represented that rebuilding on-site would be a condition of demolition and thus the City included the AHA's plans to rebuild at the Jericho Circle site in its 2010 – 2014 Consolidated Plan. However, HUD officials made it clear in a letter dated March 1, 2011 specifically stating that "*HUD does not require that [the AHA] build replacement housing on the Jericho Circle site, nor does HUD require by regulation that public housing approved for demolition be replaced. HUD has not stated in any communication to the Housing Authority or to the City that we require new housing be constructed on the Jericho Circle site.*"

Since the time of HUD's clarification and given the disadvantageous and unsatisfactory location of the Jericho Circle site, as described by the AHA (above), it has been the City's view that the Housing Authority's plans to nevertheless move forward with a proposal to rebuild on this extremely isolated and stigmatized site (as submitted in IHDA Low Income Housing Tax Credit applications in 2011 and 2012) was neither consistent with the City's 2010 – 2014 Consolidated Plan nor with the AHA's original plan that called for a mixed-income development. The inclusion of AHA's plan for *"Jericho Circle [to] be rebuilt as a mixed income neighborhood, with townhomes and rental units"* has been eliminated from the City's Consolidated Plan given that it was directly clarified by HUD that replacement housing did *not* need to be developed on the Jericho Circle site; that the AHA's plans would not be for a truly mixed income community; and would not include both "townhomes and rental units."

In addition to incorporating a "proactive housing policy" as recommended by the Task Force on Affordable Housing, part of the reason for the adoption of this amendment is to make it abundantly clear that the City will follow the goal laid out in the introductory language of the Metropolitan Mayors Caucus Northeastern Illinois Housing Endorsement Criteria: "[in order] to promote housing and mixed-use developments that meet community needs while also addressing broader regional sustainability and livability goals, new and rehabbed housing should meet most of the [Housing Endorsement] principles and criteria." Therefore the City cannot support the concentration of "extremely

[1] Aurora Housing Authority "Evidence of Obsolescence of a Severely Distressed Public Housing Development" submitted as an attachment to Exhibit A: Reason for Removal of the AHA's application to demolish Jericho Circle.

low" to "very low-income" families[2] in a proposed plan that so clearly fails to meet so many of the Housing Endorsement Criteria that are being adopted into this plan by the City of Aurora. The AHA's proposed plans to rebuild this type of concentrated, low-income development without adequate plans for establishing a true mixed income community are not consistent with the city's goal of furthering fair housing and risk the re-establishment of both racial and socio-economic segregation due to the unfavorable location of the Jericho site on the far edge of town that in the AHA's own words, previously resulted in the establishment of "*an island of poverty, despair and hopelessness, isolated from... activities designed to promote economic self-sufficiency and independence.*"[3]

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At the time during which the Consolidated Plan was prepared, Questions 33, 34 and 35 posed in the section titled Public Housing Strategy [91.215 (c)], were completed with information provided to the City of Aurora by the Aurora Housing Authority. The City of Aurora did not, on its own, specifically address Question 36: "*Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in home ownership.*"

The City of Aurora now wishes to amend its Consolidated Plan for the purpose of addressing Question 36, the answer to which is provided at the end of this section. It is the City's intention to use this amendment and the recommendations of the Mayor's Blue Ribbon Task Force to assess and inform the City's support for housing proposals and to prioritize the use of federal and non-federal funds to address housing needs in our community.

The entire "Recommendations" chapter of the "*Aurora Affordable Housing Study with Recommendations*" report—*as adopted* by the Mayor's Blue Ribbon Task Force on Affordable Housing—is included as an attachment to this amendment.

BACKGROUND:

On March 2, 2011, a joint meeting among the City of Aurora, the Aurora Housing Authority, and officials from the HUD Region V Office, including Regional Administrator Antonio Riley was held. At this meeting and in subsequent communications between the City and AHA, the Housing Authority committed that at this time the AHA's efforts to redevelop Jericho Circle would not proceed and that the AHA would commit itself to leading a community planning process to determine the best solution for providing additional affordable housing in Aurora. This plan was reiterated in a March 30, 2011 letter from Aurora Mayor Thomas Weisner to AHA Executive Director Jean Federman along with the statement that "*the city would like to update its Consolidated Plan this year to reflect any changes that result from the community planning*

[2] As defined by the U.S. Department of Housing and Urban Development (HUD) and as included in the AHA's 2010 and 2011 applications for Low Income Housing Tax Credits to the Illinois Housing Development Authority (IHDA).
[3] Aurora Housing Authority "Evidence of Obsolescence of a Severely Distressed Public Housing Development" submitted as an attachment to Exhibit A: Reason for Removal of the AHA's application to demolish Jericho Circle.

process." When the AHA failed to proceed with this plan and instead signed an MOU with a development team to rebuild on the Jericho Circle site the night before holding their first "public meeting" to supposedly solicit community input, the Mayor began to make plans for the City to lead an open, community planning process itself. This led to the convening, by Mayor Thomas Weisner, of a Blue Ribbon Task Force on Affordable Housing in the fall of 2011, which included 31 individuals from a wide variety of fields, representing varied interests and perspectives in the City, as well as persons representing community organizations, academics, City government, the full board of the Aurora Housing Authority, City and nonprofit agencies, citizens, Realtors, and housing developers.

The Task Force held its first meeting in early October of 2011. The City of Aurora also retained consultants to undertake a comprehensive affordable housing study, with recommended action steps. While the scope of the Task Force is city-wide, the Task Force was also designed to facilitate community dialogue on several pressing issues including the growing inventory of foreclosed homes and the need to address the loss of 145 public housing units (being demolished at Jericho Circle) amidst growing concern from community stakeholders about the Aurora Housing Authority's plans to rebuild on the highly unpopular and stigmatized Jericho Circle site, which is located far from the city center at the very edge of town. Community Planning and Development Advisors LLC (CPDA) was hired by the City of Aurora to serve as facilitators of the Task Force—as well as to undertake a comprehensive study of affordable housing. This process resulted in a final report including data, resources, inventories of existing housing and potential sites and recommendations for future actions designed to address the affordable housing needs of the residents of the City of Aurora to improve their standard of living and benefit the city as a whole. The study was commissioned and approved by the Aurora City Council in September, 2011 and was presented to the Task Force in May, 2012.

As of June 6, 2012, the Affordable Housing Task Force completed its work and passed on a set of ten recommendations to the Mayor. The recommendations were developed with extensive input by the Task Force, and were based on presentations and testimony from a variety of experts, including representatives of other jurisdictions in Illinois, non-profit and for-profit housing developers, and regional planning agencies, including the Metropolitan Planning Council (MPC). Additionally, the City's consultants, CPDA, conducted extensive interviews with additional regional housing experts and stakeholders including:

- HUD staff from the Chicago Regional office;
- City of Aurora staff from Development Services; Planning and Zoning; the Mayor's Office; and Neighborhood Redevelopment;
- Aurora Housing Authority staff;
- The Metropolitan Mayors Caucus;
- Chicago Metropolis 2020

The agendas and locations of each of the Task Force meetings were posted on the City of Aurora's website at least 48 hours in advance of every meeting. The AHA additionally posted the meeting notices since all seven of their board members and their Executive Director were members of the Task Force and a quorum of their Board attended each of the ten Task Force

meetings. Each of the ten Task Force meetings included a public comment period. The complete Aurora Affordable Housing Study with Recommendations was made available to the public for comment through three public forums and a prominent posting on the City of Aurora's home-page. The three public forums were held in three separate school districts/zip-codes and were advertised through a City press release, articles in the local newspaper of record (the Aurora Beacon-News), and as a featured article on the homepage of the City's website (www.aurora-il.org). An on-line and paper survey was made available to the public in order to elicit comments on the Study. Reminders of the public forums were also sent out via social media on the City's Twitter and Facebook accounts and over fifty survey responses were received from Aurora residents.

Among the recommendations is one (#5) that states: "*We specifically recommend that Aurora adopt the Housing Endorsement Principles and Criteria from the Metropolitan Mayors Caucus as part of their housing policy. Subsequent to any such adoption of these Principles and Criteria, the City should review and, if necessary, amend their 2010-2014 Consolidated Plan to assure consistency with this newly adopted criteria. The exact language of the Housing Endorsement Criteria is as follows:*

General Principles

1) Promote Economic Development and Workforce Housing:
   Housing, when appropriately located, encourages the expansion of existing and the location of new businesses and industries within the region. The mismatch between where the jobs are and where workers can afford to live has significant costs. Increasingly, employers recognize that local housing for all levels of their workforce promotes stability and productivity for the workers as well as the individual company.
2) Encourage an Array of Quality Housing Options throughout the Region:
   Redevelopments and new housing accessible to a wide range of income levels are needed to provide the local workforce and residents with a housing supply that is critically needed and currently lacking. By the year 2040, our region is expected to grow significantly, adding over 2 million people, and the housing market must be stabilized and expanded at all price points to accommodate this dramatic growth.
3) Support Innovative Community Development and Design:
   Quality residential and mixed-use developments maintain, enhance, or create livable streets, neighborhoods and public spaces oriented to the pedestrian. A variety of housing types provides a healthy mix of residents from different age groups, racial and cultural backgrounds, income levels and household types. New developments foster a sense of community, while promoting people's choice of housing, privacy and convenient access to nearby amenities.
4) Provide for Mixed Uses Within a Neighborhood
   In order to enhance community livability and decrease auto-dependency, a mix of land uses within a neighborhood combines residential with retail, restaurants, schools and other amenities in close proximity. The location of schools, entertainment districts, parks, businesses, institutions, and recreational facilities will be consciously integrated with new and existing residential developments to encourage ease of pedestrian access.

5) Minimize Cost of Municipal Services
Clustering housing near existing infrastructure minimizes the per capita costs of municipal services by allowing for more efficiency and economies of scale.

6) Promote the Use of Public Transit
Housing, together with commercial space and public amenities, should be planned for, and built first, within walking distance of existing or planned transit service in order to strengthen transit ridership and decrease traffic congestion.

7) Encourage Sustainability and Livability
There are ample opportunities within existing service areas of our older cities and suburbs to provide for a portion of projected housing needs over the next 30 years. Infill development and redevelopment within existing municipal areas and conservation developments are of tremendous value. Adhering to development policies that encourage compact, mixed-use development will promote an array of housing types and expand individual choice. This will advance other regional and community needs, such as the protection of open space and the growth of the local tax base.

Specific Criteria

1) Location
Infill development and redevelopment within existing cities and towns, as well as new conservation developments, will receive preference. In order to maximize compatibility with public transit and minimize auto use, housing within one mile of major transit services, a job hub or town center, provides a future market for transit. The project may be within two miles of a rail transit station if provisions are made to provide ongoing shuttle services to the future residents. Major transit service is defined as a bus or rail stop with peak period wait times of no more than 30 minutes. Major transit service also includes, funded, but not yet built, fixed rail stations.

2) Land-Use
New developments and redevelopments that aim to cluster housing in an efficient manner, in context with the surrounding community, to preserve natural resources and open space will be given priority attention. Higher densities and mixed uses are particularly appropriate near Metra and CTA stations to reduce the growth of traffic congestion on local and regional roads.

3) Attainability
Mixed-income housing developments, which include units accessible to moderate income working families and to households with lower incomes, along with market rate units in the same complex, will be given preference. Developments that help balance affordability levels within communities, while assuring consistent quality and design, will receive strong support.

4) Design
New developments that stress quality design and construction to help ensure its long-term contribution to the improvement of the neighborhood will be given preference. The proposed buildings will fit their setting, complementing and enhancing the existing neighborhood, and promoting a sense of community, pedestrian friendly design and the other principles of good village design. Proposals will address transit use and access and, where appropriate, the potential for mixed-use.

5) Management
The management and maintenance of developments are as critical as the initial design

and construction to meeting the goals of enhancing communities. Therefore, the capacity of the development team to successfully address long-term needs, as evidenced by its track record in selling, leasing and managing development properties, and its history with neighborhood and/or tenant relations, will also be considered."

QUESTION 36: "*Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in home ownership.*"

As previously stated in this Consolidated Plan amendment, it is the City's intention to use this amendment and the recommendations of the Mayor's Blue Ribbon Task Force to assess and inform the City's support for housing proposals and to prioritize the use of federal and non-federal funds to address housing needs in our community. While this will have impact on housing development city-wide across a variety of housing types, it will have particularly significant implications for both Affordable Housing (Sec. 91.210(b)) and Public Housing Strategy (Sec. 91.215(c)).

One of the most important and immediate impacts of this amendment to the City of Aurora's Consolidated Plan will be to bring location and siting decisions for public housing and/or mixed-income housing for public housing residents into conformity with regional best practices by adopting and utilizing the widely accepted and broadly endorsed "Housing Endorsement Criteria." These criteria and principles have been jointly promoted by the Metropolitan Planning Council, Chicago Metropolis 2020 and the Metropolitan Mayors Caucus and were subsequently approved by the entire Mayor's Caucus on May 12, 2011.[4]

As a direct result of the adoption of this "Housing Endorsement Criteria," the City of Aurora will not support the AHA's planned redevelopment of the Jericho Circle site since it is evident that rebuilding on this site is not consistent with the recommendations of the Mayor's Task Force on Affordable Housing and specifically is not consistent with the Metropolitan Mayors Caucus Housing Endorsement Principles and Criteria.

However, in accordance with the City's proactive housing policy being adopted pursuant to the Task Force's recommendations (Recommendation #1) the City will work with the AHA to undertake a project together that jointly identifies and plans a housing program that meets the Housing Endorsement Principles and Criteria and "would achieve their mutual goals" (Recommendation #7).

The Task Force on Affordable Housing recommendations also suggest that "the AHA and the City should work together to ensure that the Housing Authority's housing choice voucher

[4] The City of Chicago, DuPage Mayors and Managers Conference, Lake County Municipal League, McHenry County Council of Governments, Metro West Council of governments, Northwest Municipal conference, South Suburban mayors and Managers Association, Southwest Conference of Mayors, West Central Municipal Conference and the Will County Governmental League were all a part of the approval of the "Housing Endorsement Criteria" as a part of the "Metropolitan Mayors Caucus 2011 Housing and Community Development Committee Action Agenda."

program is thought of as a community development tool (Recommendation #7) which opens up several options to "*encourage public housing residents to become more involved in management and participate in home ownership.*" Specifically, Recommendation #9 suggests expanding homeownership options "to help bridge the gaps between rental status and fee simple title form of ownership" and Recommendation #10 also suggests that the City and AHA work together to open up pathways to home-ownership whereby "ongoing rental assistance [could] strengthen the ability of the assisted household to qualify for additional standard financing for the operation of the house as an owner-occupied property."

RECOMMENDATIONS

RECOMMENDATION # 1:

Adopt a Proactive Housing Policy

Some communities take an opportunistic, reactive approach to housing policy by evaluating each housing development project on a case-by-case basis as it is proposed.

Other communities take a more aggressive, proactive approach by seeking out and choosing only those projects clearly falling within the scope of the City's guidelines, goals and objectives.

Many communities are somewhere in between these two and are on the lookout for interesting opportunities but working from a basic program design framework.

It is our recommendation that the City of Aurora should adopt an aggressive, proactive approach in its housing policy by seeking out, facilitating, and supporting those projects that clearly meet its housing goals and objectives.

RECOMMENDATION # 2:

Establish a Permanent Policy Advisory Group for Housing

Create a permanent policy body of 11 citizens, including 2 representatives from the Aurora Housing Authority and 2 alderpersons to advise the Mayor and the Council on the goals, strategies, and activities the City should implement to maintain a balanced housing stock and create housing opportunities for all of its residents. This group should focus on long term policies and strategies and not on implantation of specific actions, projects and developments. The housing policy advisory group should be staffed by the designated lead City staff person for housing (See Recommendation 3).

The housing policy body should consist of 9 to 11 members appointed by the Mayor and confirmed by the Council. This size of group will be large enough to be representative, but small enough to be viable and engaged. The appointees should be drawn from various sectors and groups involved in housing in the City and represent different perspectives on the maintenance, development, financing, rental and sale of housing as well as the impact of housing on different population groups and neighborhoods.

This housing policy body could continue the initial work of the Mayor's Task Force on Affordable Housing, and continue to serve as a forum for public discussion of affordable housing issues for the area and the development of housing strategy advice to the Mayor and City Council.

RECOMMENDATION # 3:

Designate a Lead City Staff Person for Housing

Designate a lead City staff person responsible for the overall coordination and implementation of the City's housing policy goals and strategies. The city may wish to retain the services of a development expert(s) or consultant to examine particular components of a housing strategy or the development of a specific project, but the city should retain the leadership, control, and capacity to fulfill the following responsibilities:

- systematic gathering of data regarding housing activities and opportunities,
- coordinate various City agencies actively involved in housing,
- communicate with the disparate external agencies involved in housing, and
- evaluate city efforts to achieve its housing goals.

The designated staff person for housing would provide staffing support for the Housing Policy Advisory Group.

The duties of this person should include the following:

a) Integration of housing demand and supply data developed by other City and external agencies into an annual report to the housing policy body, the Mayor and the Council that provides the City with a point-in- time and trend line on various housing patterns, including status of current housing stock, affordability and opportunity issues among different Aurora population groups and neighborhoods, and progress in addressing its short term goals (update Crosswalk annually) and long-term goals.

b) Monitor the status of housing activities within each City agency.

c) Increase the City's involvement in regional planning by maintaining an active participation with other groups conducting housing studies and proposing regional activities and strategies. This would include the Metropolitan Mayors Caucus, the Chicago Metropolitan Agency for Planning (CMAP), the Metropolitan Planning Council (MPC) and others.

d) Develop an Annual Report on the Status of Housing in Aurora. In this report provide an explanation of the status and progress of implementing the recommendations and immediate actions included in this study and any future recommendations or actions proposed by the Policy Advisory Group.

Initially, it may be necessary to fortify this function through the engagement of consultants to provide advice and guidance. However, the goal is to develop internal city capacity to guide and implement city housing programs.

RECOMMENDATION # 4

Compile and Maintain a Description of Housing Incentives, Resources and Housing Priorities:

Those incentives are already implicitly embedded in many City policies and procedures, such as the rental housing licensure program, the City's community development neighborhood revitalization program, or the City's current procedures for the development services process. The intent of this comprehensive description would be to tie these various incentives together in a way that shows how the City encourages and supports certain types of affordable housing in terms that these various groups can access to strengthen their own housing activities, as well as complement the City's priorities.

RECOMMENDATION # 5:

Adopt Affordable Housing Criteria

Based on the consensus reached by Task Force members at the March 21, 2012 Task Force Meeting (See Attachment 13), the City should consider adopting the MMC/MPC Housing Endorsement Criteria and use it as a baseline for accessing its support for housing proposals.

According to the Metropolitan Mayor's Caucus "Homes for a Changing Region", Aurora was found to have a higher percentage of low cost rental housing with a continuing increasing demand, not surprising to Aurora stakeholders and housing advocates.

We specifically recommend that Aurora consider adopting the Housing Enforcement Principles and Criteria from the Metropolitan Mayors Caucus as part of their housing policy. Subsequent to any such adoption of these Principles and Criteria, the City should review and, if necessary, amend their 2010-2014 Consolidated Plan to assure consistency with this new adopted criteria. The exact language of the MMC/MPC Housing Enforcement Criteria is as follows:

General Principles

1) Promote Economic Development and Workforce Housing
   Housing, when appropriately located, encourages the expansion of existing and the location of new businesses and industries within the region. The mismatch between where the jobs are and where workers can afford to live has significant costs. Increasingly, employers recognize that local housing for all levels of their workforce promotes stability and productivity for the workers as well as the individual company.

2) Encourage an Array of Quality Housing Options throughout the Region
   Redevelopments and new housing accessible to a wide range of income levels are needed to provide the local workforce and residents with a housing supply that is critically needed and currently lacking. By the year 2040, our region is expected to

grow significantly, adding over 2 million people, and the housing market must be stabilized and expanded at all price points to accommodate this dramatic growth.

3) Support Innovative Community Development and Design
Quality residential and mixed-use developments maintain, enhance, or create livable streets, neighborhoods and public spaces oriented to the pedestrian. A variety of housing types provides a healthy mix of residents from different age groups, racial and cultural backgrounds, income levels and household types. New developments foster a sense of community, while promoting people's choice of housing, privacy and convenient access to nearby amenities.

4) Provide for Mixed Uses Within a Neighborhood
In order to enhance community livability and decrease auto-dependency, a mix of land uses within a neighborhood combines residential with retail, restaurants, schools and other amenities in close proximity. The location of schools, entertainment districts, parks, businesses, institutions, and recreational facilities will be consciously integrated with new and existing residential developments to encourage ease of pedestrian access.

5) Minimize Cost of Municipal Services
Clustering housing near existing infrastructure minimizes the per capita costs of municipal services by allowing for more efficiency and economies of scale.

6) Promote the Use of Public Transit
Housing, together with commercial space and public amenities, should be planned for, and built first, within walking distance of existing or planned transit service in order to strengthen transit ridership and decrease traffic congestion.

7) Encourage Sustainability and Livability
There are ample opportunities within existing service areas of our older cities and suburbs to provide for a portion of projected housing needs over the next 30 years. Infill development and redevelopment

Specific Criteria

1) Location

Infill development and redevelopment within existing cities and towns, as well as new conservation developments, will receive preference. In order to maximize compatibility with public transit and minimize auto use, housing within one mile of major transit services, a job hub or town center, provides a future market for transit. The project may be within two miles of a rail transit station if provisions are made to provide ongoing shuttle services to the future residents. Major transit service is defined as a bus or rail stop with peak period wait times of no more than 30 minutes. Major transit service also includes, funded, but not yet built, fixed rail stations.

2) Land-Use

New developments and redevelopments that aim to cluster housing in an efficient manner, in context with the surrounding community, to preserve natural resources and open space will be given priority attention. Higher densities and mixed uses are particularly appropriate near Metra and CTA stations to reduce the growth of traffic congestion on local and regional roads.

3) Attainability

Mixed-income housing developments, which include units accessible to moderate-income working families and to households with lower incomes, along with market rate units in the same complex, will be given preference. Developments that help balance affordability levels within communities, while assuring consistent quality and design, will receive strong support.

4) Design

New developments that stress quality design and construction to help ensure its long-term contribution to the improvement of the neighborhood will be given preference. The proposed buildings will fit their setting, complementing and enhancing the existing neighborhood, and promoting a sense of community, pedestrian friendly design and the other principles of good village design. Proposals will address transit use and access and, where appropriate, the potential for mixed-use.

5) Management

The management and maintenance of developments are as critical as the initial design and construction to meeting the goals of enhancing communities. Therefore, the capacity of the development team to successfully address long-term needs, as evidenced by its track record in selling, leasing and managing development properties, and its history with neighborhood and/or tenant relations, will also be considered.

Specifically for Aurora, the MMC report recommends that the City continue its priority to preserve existing housing, promote its historic housing districts, and continue to focus on foreclosure prevention.

Aurora was found to have a balanced housing distribution and is encouraged to maintain this for both low income and middle income households. In this regard, Aurora is encouraged again to work regionally to assist other jurisdictions "to build and preserve their own supply of such housing, in order to create a balanced housing stock across the region."

RECOMMENDATION # 6

Develop an Education Program on Affordable Housing

A plan needs to be developed for continued information sharing and education about affordable housing as well as the city's efforts to address the issue. This plan needs to designate roles and responsibilities, lead entities, communications methods and media to be used, content to be included, goals and timelines.

Many of the studies and reports that we reviewed found a lack of knowledge and understanding about affordable housing throughout the region and encouraged continued educational and informational efforts. This is not unusual and not surprising. However, these studies, as well as our Affordable Housing Task Force focus groups, found this also to be true among stakeholders and concerned citizens. It is true that this issue is one of many serious social issues that local stakeholders are grappling with so it's understandable that affordable housing may not be upmost in their minds. Therefore, continuing education and communication will be helpful.

The City should develop a comprehensive description of its incentives for affordable housing development and maintenance, described in terms of their possible use by various customer groups, such as developers, contractors, realtors, neighborhood or associative groups, and individual households.

These descriptions should be posted on the City's website, communicated to various groups within the region engaged in housing activities, and made available to all City staff so that the community has some shared knowledge base of the City's role and support for affordable housing.

Because of the City's large Hispanic population, these descriptions should also be communicated in Spanish in order to encourage Hispanic participation and contributions toward the City's housing goals.

RECOMMENDATION # 7:

Improve Partners Capacity

Because of the mismatch between housing demand and housing supply, and the challenge or opportunities for affordable housing development, the City should continue to expand its array of potential community-based partners to promote the development, management, and maintenance of appropriate housing for all of its residents.

The City should examine the ways in which it can help build such capacity through the provision of such devices as seed or venture type investing in community groups, structuring its assistance to include a developer's fee, pursuing technical assistance resources to aid in the improved capacity of select local non-profit groups already

engaged in some aspect of housing. The City should contact the Chicago HUD Community Planning and Development (CPD) Division to explore the use of HOME funds for technical assistance to develop Community Housing Development Organizations (CHDO). The City may experiment with providing a greater amount of upfront development subsidy, with a condition that a portion or excess or ongoing excess of revenue over expenses be funneled back into activities with public goals.

The City should enable capacity development by facilitating joint projects between experienced developers and local housing or community organizations interested in addressing City housing goals.

The City should continue to expand its participation in the Kane County/Elgin/Aurora fair housing coalition, and designate certain City staff or community groups to take steps to facilitate the initiatives identified in the recently released Aurora-Elgin-Kane County Analysis of impediments plan.

The City should continue to interact with the United Way of the Fox Valley to identify areas of emerging need and United Way's potential roles in the operational funding of organizations where the City has invested capital funds for the development of emergency shelter, housing first or permanent housing for homeless families and veterans. By combining funding, but clarifying and maintain distinct roles, these two partners could leverage additional resources and more efficiently focus on their respective missions.

The City and the Aurora Housing Authority share particular concerns and mutual goals regarding housing for very low income people in environments where those families can thrive and contribute to the community. In the recently completed AHA Analysis of Impediments, one of the recommendations was to "Collaborate with the City of Aurora on affordable housing and related support services activities when opportunities do arise". The city should establish formal mechanisms of communication with the Housing Authority by inviting the AHA Executive Director to city staff meetings; and the appointing official should let AHA board appointees know that this is a non-negotiable expectation. Housing authority policy makers (the Board of Commissioners) should always have a seat at the table when decisions are made about city housing policies.

The AHA and city should work together to ensure that the housing authority's housing choice voucher (HCV) program is thought of as a "community development" tool. The AHA board should adopt public housing and HCV policies that are complementary to and supportive of the city's housing goals.

The City and AHA should undertake a project together that jointly identifies and plans a housing program that would achieve their mutual goals. This project may take advantage of the city's current excess supply of single-family units, or smaller multi-family buildings at risk of or involved in foreclosure. This joint City-AHA team should review and access the inventory of vacant and developable land for possible use in in-fill housing projects, explore the possible adaptive reuse of abandoned commercial and

school buildings, and leverage the housing authority's access to the housing choice voucher program.

While the AHA has stated that scattered site development will result in higher maintenance and operating costs than a single family facility, the AHA should explore using creative techniques such as a lease to own program for its larger working families or households with disabilities to gain access to foreclosed homes. This type of project might also attract community "sponsors" or leverage other funds or help acquire property at fairly low acquisition costs to help offset any projected estimated higher operating costs, and help citywide housing goals regarding stabilization of neighborhoods.

RECOMMENDATION # 8:

Structure Financial Assistance for Housing

The City should structure financial assistance for housing to generate future income for housing programs and to benefit second generation users of the assistance.

The City funds or operates a number of programs which are beneficial to first time users of financial assistance for housing in that the assistance is primarily a grant and not a loan. In designing its programs in this way, the City is missing opportunities to build a longer range pool of resources that would continue to assist community development activities beyond the initial use.

The City should explore ways to make its financial assistance in the form of loans or shared appreciation or partial asset control, in order to build additional capital over time to fund additional housing. These payback or claw back schemes can be designed in such a manner so that the current occupant is not necessarily overburdened in their current operating or housing costs, but can be designed so that the payback to the City is due and payable at the time of ownership transfer or is so incremental in nature as to maintain the affordability of the dwelling for the assisted occupant.

The design of loan terms for repayment can be applied to affordable housing projects for very low income people, when repayment is deferred until the property is sold or re-used for some other purpose. In addition, the re-use of the loan proceeds enables the City to serve additional generations of housing participants and extend the benefits of these public funds into the future.

The City should explore such tools as

- Community land trusts,
- Land banking,
- Shared appreciation,
- Sliding scales of assistance based on income, and
- Deferred repayment of assistance until future sale and change in ownership.

There are all methods able to promote affordable housing and yet still capture or promote future resources for affordable housing.

RECOMMENDATION # 9:

Expand homeownership options:

The City should continue to help expand the range of affordable housing options within the city, and specifically explore community interest in forms of housing that help bridge the gaps between rental status and fee simple title form of ownership,

The City should promote the development of such housing as self-help housing, limited equity cooperatives or condos, and community land trust where various forms of financing or resident participation help reduce or limit the cost increases in housing. See Attachment 25 for examples of housing Best Practices presented to the Task Force on February 15, 2012.

The City may explore some alliances with certain employers in the community such as hospitals, the school districts, or other major employers, who may be able to offer employee incentives for workforce housing located near their place of employment, to reduce travel time, employee absences, or turn-over.

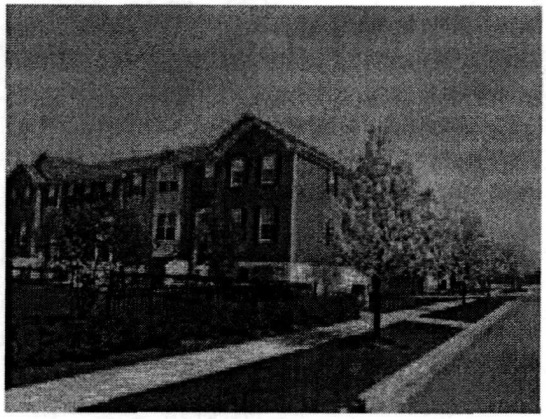
RECOMMENDATION # 10:

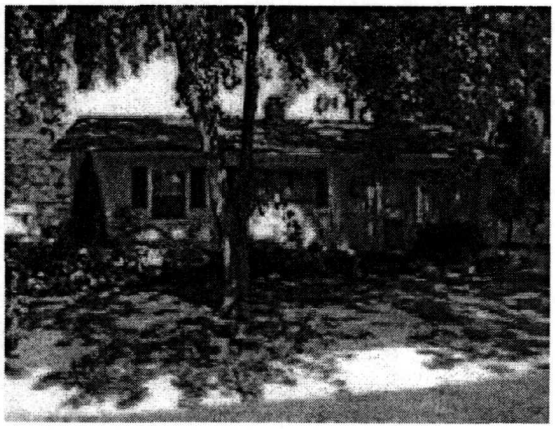
Explore Foreclosures and Adaptive Reuse as a resource for affordable housing

The City should work with the Aurora Housing Authority and other non-profit groups to facilitate acquisition, conversion, or rehabilitation of foreclosed properties (either starting or in the foreclosure process), and work with transfer groups that would either be responsible for ongoing rental management or interim management until the household becomes capable of assuming full ownership . The City may also review opportunities for other scattered site efforts that do not involve foreclosed properties, such as adaptive re-use of vacant commercial and school buildings or underutilized parcels suitable for affordable housing.

For homebuyer projects, the Housing Authority could provide some ongoing rental assistance that would strengthen the ability of the assisted household to qualify for additional standard financing for the operation of the house as an owner-occupied property. Due to HUD regulations that permit longer periods of rental assistance for households with a person with disabilities, the housing authority commitment of a place-based voucher enables the eligible household of a person with disabilities to better qualify for conventional private mortgage financing. Such a program may also help advance city success in addressing one of the impediments to fair housing

identified in the recent January 2011 AHA Analysis of Impediment regarding persons with disabilities.





City of Aurora

Planning and Development Committee Referral

TO: Mayor Thomas J. Weisner

FROM: Karen D. Christensen, Manager, Neighborhood Redevelopment Division

DATE: June 18, 2012

SUBJECT: Referral to Planning and Development Committee, June 28, 2012: Resolution Authorizing an Amendment to the 2010-2014 Consolidated Plan to Include Recommendations from the Affordable Housing Task Force

PURPOSE:
Staff requests authorization of an Amendment to the 2010-2014 Consolidated Plan to include Recommendations from the Affordable Housing Task Force.

DISCUSSION:
The 2010-2014 Consolidated Plan was adopted by the Aurora City Council by Resolution R09-470 on December 15, 2009 and subsequently submitted to the U.S. Department of Housing and Urban Development (HUD).

At the time during which the Consolidated Plan was prepared, questions posed in the Section titled Public Housing Strategy [91.215 (c)] were completed with answers provided to the City of Aurora by the Aurora Housing Authority. The City of Aurora now wishes to amend its Consolidated Plan to include Recommendations from the Affordable Housing Task Force, as approved by the Mayor's Blue Ribbon Task Force on June 6, 2012.

Upon approval of this amendment to the City's 2010-2014 Consolidated Plan by the City Council, the amendment will be forwarded to HUD. The City will use this amendment and the recommendations of the Mayor's Blue Ribbon Task Force to assess the City's support for housing proposals and prioritize the use of federal and non-federal funds to address housing needs in our community.

RECOMMENDATIONS:
Staff recommends City Council authorization of this Amendment to the City of Aurora's 2010-2014 Consolidated Plan.

Forwarded to the Planning & Development Committee for consideration.

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Mayor's Office Initials & Date

Attachment

C: Alderman Michael B. Saville, Chair, Planning and Development Committee
Alderman Richard Irvin
Alderman Rick Mervine
Alderman Scheketa Hart-Burns, Alternate
Chuck Nelson, Assistant Chief of Staff, Mayor's Office
Dan Barreiro, Chief Community Services Officer
Cheryl Vonhoff, City Clerk