Aurora Affordable Housing Study with Recommendations

Presented by Community Planning and Development Advisors, LLC

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INTRODUCTION

As the second most populous city in Illinois, with a population of 197,899, according to the 2010 American Community Survey (ACS) U.S. Census Data, and the western anchor of the vibrant Chicago metropolitan area, Aurora is a city caught between contrasts of potential robust growth and growing foreclosures and poverty.

Aurora is a city that experienced major market rate and high end housing growth in the 1990s and into the mid-2000s. Also during that period, the city experienced a continued population boom including seniors and new immigrants, primarily Hispanics. The I-88 corridor produced hundreds of new jobs many of which were high paying, professional jobs, but the lower end jobs in manufacturing and other unskilled occupations were hurt by the downturn in manufacturing of the 1990s and, more significantly, by the recession starting in 2008. The 2006-2010 ACS census data reports that 11.9% of the population, or more than 23,000 persons, are living below the poverty level. This economic slump also caused a major problem with foreclosures, abandonment and derelict housing especially in the inner core of Aurora.

Aurora has been actively involved in administering and partnering in a number of housing and community development programs for many years. Among these are the following:

- Community Development Block Grant funding, approximately $ 1.3 million annually, which the city allocates for public facilities housing rehabilitation, public services and economic development.
- HOME Program funding annually, beginning in 2010, for $ 581,048. The City will be using this to rehabilitate single family homes for rental housing.
- Neighborhood Stabilization Act (NSP) funding in 2009 of $ 3,083,568 currently being used in areas of the city with the highest foreclosure rates for purchase and rehabilitation of foreclosed houses to be used for resale as rental units or new homeownership.
- CDBG Recovery Act Program (CDBG-R) one time funding in 2009 of $ 331,504.
- McKinney Act homeless programs as a member of the Kane County Continuum of Care. Funding received on average of $ 1.13 million annually for such projects as Hesed House, Public Action to Deliver Shelter (PADS), Lazarus House and Community Crisis Center.

Mayor Tom Weisner recognized there was a need for an analysis of affordable housing in Aurora that would include a community-wide assessment and a planning effort to articulate the City of Aurora's future approach to affordable housing. The Mayor determined that, in order to succeed, this undertaking would require the participation and guidance of many of the City's recognized leaders. On September 2, 2011, the Mayor issued a "call to service" by inviting a number of community leaders to join the Mayor's Blue Ribbon Task Force on Affordable Housing. (See Attachment 1)

Also, in 2011, with Aurora Housing Authority plans in place to relocate residents of the Jericho Circle Public Housing project and subsequently demolish the project, questions arose regarding the city's need for affordable housing, how best to determine what type of housing and where it should be located, and what resources were available for affordable housing.

To answer these questions and other questions related to affordable housing, it was decided to combine an affordable housing study with the initial organization and input of the Mayor's Affordable Housing Task Force.

The Aurora Affordable Housing Study was begun in October, 2011, following an August 16, 2011, request from the City of Aurora to provide a proposal to undertake such a study. Community Planning and Development Advisors (CPDA) was selected to undertake the study and provide recommendations to the city. CPDA is a consulting firm that previously completed Aurora's five year Consolidated Plan (covering 2010 to 2014) for funding of the Community Development Block Grant (CDBG) and HOME Programs from the U.S. Department of Housing and Urban Development (HUD). CPDA also assisted in designing and developing documents and procedures for a proposed single family housing rehabilitation program for HOME funding for the city under a technical assistance contract from HUD.

GOALS

The goals and expected outcomes for this project were the following:

a) Conduct a study of affordable housing in the City of Aurora including a review of the current state of affordable housing, an analysis of the current state and recommendations for future actions that the City should take to further affordable housing.

b) Provide technical assistance by the consultants during the study and shortly afterward including the provision of advice and guidance on affordable housing issues and questions as requested by the authorized representatives of the City.
c) Formation of a Mayor's Task Force on Affordable Housing designed for education and training on affordable housing, and to provide input into the study. CPDA facilitated the initial meetings of the Task Force.
d) A final briefing on the results of the study upon completion. The briefing will include an explanation of the methods, assumptions and rationales used for the study, presentation of the analysis and recommendations and a discussion of the study.

This document is the culmination of that initial study. However, it is not the culmination of the process of studying or providing affordable housing for Aurora. This process must be flexible and ongoing.

OUR APPROACH

The study was designed to address the following questions.

1. What does the data say?
2. What do the stakeholders and the people say?
3. What does the literature say regarding regional needs?
4. What are the impediments and barriers to affordable housing?
5. How does this all fit together?
6. How do we plan and organize to address the affordable housing needs of Aurora?

METHODOLODY

Key Demographic and Statistical Review

To answer the first question, we gathered data from various sources including the American Communities Survey, Aurora Consolidated Plan and Chicago Metropolitan Agency for Planning (CMAP). That data is presented in Chapter V. We reviewed data on population, income, housing, including inventories, homeownerships rates, home values, and age of housing, rents, vacancy rates, and affordability.

Stakeholder Input

To obtain stakeholder input, we assisted the city in organizing and briefing newly appointed Mayor's Task Force on Affordable Housing. From a number of Task Force meetings, input was obtained from that group as well as others who have an intimate connection to affordable housing. HUD staff from the Chicago Regional Office and planners from the Metropolitan Mayors Caucus were also contacted and interviewed.

Research of Current Literature

Research found a significant number of studies and reports conducted and completed regarding the affordable housing situation in the Chicago metropolitan area. Significant studies and reports were reviewed from the Metropolitan Mayors Caucus, the Chicago Metropolitan Agency for Planning (CMAP) as well as other major organizations such as The Metropolitan Planning Council, Chicago Metropolis 2020, Illinois Housing and Development Authority (IHDA)(See Attachment 2), the Woodstock Institute and others.

Analysis

Using the demographic data, stakeholder input and research, we identified the "gaps" that are not being filled for affordable housing in Aurora. Supply and demand characteristics were compared to establish shortages and surpluses. Current and potential assets and barriers to affordable housing in the City including organizational capacity were identified.

Observations, Findings and Recommendations

Based upon this analysis, we made ten (10) strategic and specific policy and programming recommendations to ensure and incentivize affordable housing in the City of Aurora in the future. This report highlights specific challenges and solutions with both short- and long-term recommendations.

ORGANIZATION OF THE REPORT

This study was conducted over a eight-month timeframe; it was initiated in October 2011 and concluded at the end of May 2012.

This study is presented in nine (9) chapters.

Chapter I: Executive Summary
Chapter II: Definitions
Chapter III: Methodology
Chapter IV: Demographics
Chapter V: Mayor's Affordable Housing Task Force
Chapter VI: Research
Chapter VII: Best Practices
Chapter VIII: Recommendations
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EXECUTIVE SUMMARY

The Aurora Affordable Housing Study was begun in October, 2011, following an August 16, 2011, request from the City of Aurora to provide a proposal to undertake such a study. Community Planning and Development Advisors, LLC (CPDA) was selected to undertake the study and provide recommendations to the city on its pursuit of providing affordable housing to all Aurora residents. CPDA is a consulting firm that previously contracted with Aurora to complete the 5-year 2010-2014 Consolidated Plan for funding from the U.S. Department of Housing and Urban Development (HUD). CPDA also assisted in the design of a single family housing rehabilitation program for HOME funding for the city under a technical assistance contract from HUD.

PROJECT OVERVIEW

Aurora has many advantages for the development and provision of affordable housing. Among these are the strong commitment of the Mayor and City Council as evidenced by the Mayor's call for an affordable housing study and his organization of the Affordable Housing Task Force, both of which were supported by the City Council. In our opinion, this is an example of outstanding leadership and commitment not always common among suburbs in older, developed areas.

Additionally, the city's housing stock is diverse**.** When compared to other areas of the Chicago Metropolitan area, housing values in Aurora are considered to be affordable. Transportation and access to employment is very good considering the city's location along major transportation routes including interstate highways, major local roads and especially the Chicago Metra commuter rail system, as well as PACE buses. In addition, the city has active and impassioned groups and individuals, who strive in their activities and actions to provide a decent, suitable and safe environment that allows residents to live, work, play and thrive within their community.

However, as can be expected, the city faces major questions, challenges and obstacles to these activities and actions, including the preservation and development of affordable housing. Among the questions is should the city encourage development of additional new affordable housing and, if so, where should that occur? Or, should the city concentrate on addressing the existing housing stock, primarily in the older, inner city neighborhoods that have seen a significant increase in foreclosures and deterioration due to the economic downtown and housing crisis?

As to the current context of affordable housing in Aurora, particularly with respect to affordable rental housing, we are aware of comments made to the effect that Aurora already has enough affordable housing or Aurora has more affordable housing than anywhere around. This sentiment is understandable when homeowners have seen their own housing values drop dramatically since 2006 (See Attachment 3) and, while it's apparent that Aurora is currently extremely affordable in terms of purchasing a house, for those Aurora residents who cannot qualify or choose to rent, rent has never been higher in Aurora, causing a significant problems of affordability for thousands of

Aurora's families who have no choice but to rent. (See Attachments 4 & 5) The Census Bureau's American Community Survey (ACS) estimates that fully 53% of Aurora's renters are "cost burdened". (See discussion in Chapter 4)

COMMON CONCERNS AND OPPORTUNITIES

As we conducted our research and listened to a wide range of people interested in Aurora's housing future, we identified a series of common concerns and opportunities.

Among these are the need for the city and community in general to develop greater capacity, for goal-setting, for orientation and development of partner relations and skills, and for sustained institutional efforts over the long run. We believe that the city, in the short term, needs to establish a housing infrastructure of shared goals, endorsement criteria, and an ongoing forum for city staff and community discussion about affordable housing that would lay the groundwork for stronger sustained housing efforts over the long run.

The common concerns and opportunities are:

- The city lacks a housing policy or strategies.

- The city lacks an internal focus specifically for implementing a housing development policy.

- The capacity of the city's partners needs to be strengthened. This includes the Aurora Housing Authority as well as current and potential CHDOs (Community Housing Development Organizations).

- The city's relationship to regional planning and housing related entities needs to be strengthened. There are numerous existing studies and plans that provide an incredible amount of data and recommendations and the city needs to be aware of them, familiar with them and needs to utilize them.

- There is a need to focus both on existing housing, particularly foreclosed properties, as well as rental housing affordable to low and moderate income households. This focus needs to be both within Aurora and as part of a regional plan. Additionally, although housing supply is a continuing problem, *housing affordability is the most significant problem facing Aurora's low and moderate income households*. Current demographic data as well as an analysis of the City's Consolidated Plan and other statistically based housing studies confirm this.

- The city will need to continue to study demographics and land use on an ongoing basis to ensure that affordable housing pursued and supported by the City meets the needs, priorities and locations identified by the Task Force, Mayor and City Council in conformance with the City's newly developed policies and priorities.

There are many concerned stakeholders and excellent organizations pursing affordable housing and there has been a significant - although never sufficient – number of Federal and state programs available to the City. We found a common theme among stakeholders that other localities, specifically Naperville, should be asked to do more and Aurora should not be expected to do as much. Whether this is true or not, we found that this argument often sidetracks the discussion moving the focus off of what can be done in Aurora.

We reviewed many well written, meticulously documented, carefully researched and factually based housing studies done by professional, expert, independent entities in the six county Chicago metropolitan area and each one of those studies strongly emphasized the need for a regional approach to affordable housing.

Lastly, the dispute between the City and Aurora Housing Authority (AHA) has not been productive in advancing affordable housing. No matter what the reason was for this conflict, it will be in the best interest of the community to resolve these differences and to develop a plan to improve communication and work together to further affordable housing. Both the City and Housing Authority control significant funding and resources and power to support or deny further development.

RECOMMENDATIONS

Based on our research, including input from several of the Affordable Housing Task Force meetings, demographic reports, interviews and other observations, we came up with ten (10) recommendations for the City to consider as it pursues addressing its affordable housing issues. The recommendations are:

RECOMMENDATION # 1:

Adopt a Proactive Housing Policy

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 that 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 implementation 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).

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. This would involve systematic gathering of data regarding housing activities and opportunities, coordination among the various City agencies actively involved in housing, communication with the disparate external agencies involved in housing, and evaluation of City efforts to achieve its housing goals. The designated staff person for housing would provide staffing support for the Housing Policy Advisory Group.

RECOMMENDATION # 4:

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

These incentives are already implicitly included in many City policies and procedures, such as the rental licensure program, the City's community development neighborhood revitalization program, and 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

The City of Aurora should adopt affordable housing criteria, taking into consideration housing recommendations from Aurora's 5-Year Consolidated Plan, the Aurora Housing Authority 5-Year Plan, the Continuum of Care 10-Year Plan, and the Metropolitan Mayors Caucus 2011 Housing and Community Development Action Agenda: Housing Endorsement Criteria.

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.

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.

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.

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 ownership, such as fee-simple title.

RECOMMENDATION # 10:

Explore Foreclosures and Adaptive Reuse

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. (See Attachment 6)

DEFINITIONS

Areas of Minority Concentration

The Federal Department of Housing and Urban Development (HUD) requires communities that receive Federal funds (like Aurora) to develop a definition of "areas of minority concentration" and "areas of low and moderate income concentration" for its five year Consolidated Plan outlining the needs within a community and its funding goals. The locations and degree of these concentrations must be identified, either in a narrative or on one or more maps.[1]

The City of Aurora's 5-Year Consolidated Plan 2010-2014 defines an area of minority concentration as "Any area having a racial and/or ethnic concentration in excess of the total race/ethnicity percentage for the entire City of Aurora is deemed to have a higher than average representation of minority residents."[2]

The Aurora Housing Authority's Analysis of Impediments, in its discussion of the City's definition, states "A more precise definition would separate truly concentrated areas from neighborhoods where housing opportunities could be developed for the purpose of expanding choice. A more appropriate definition would include census tracts where the population of a particular racial or ethnic group is 10 percentage points higher than the citywide average for each group."[3]

The City, as the grantee receiving HUD funds, is the sole official entity that develops such a definition. Since it is a local definition, the designation of these areas is basically a local policy decision, subject to approval by HUD. Other terms associated with or substituted in defining an "area of minority concentration" are "high-impact areas"; "impacted areas" or "high and low opportunity areas".

To provide some background material to allow for future discussions and defining of these areas by the city and the AHA, we have provided a number of attachments, including articles, studies and a "Voluntary Compliance Agreement" between HUD and the City of Las Vegas that define, discuss and debate this issue. (Attachments 7, 8, 9, 10)

Some jurisdictions also define what could be viewed as the "policy opposite" of 'areas of concentration', where the policy goal is to promote integration of races and incomes throughout the community. These "policy opposites" of "areas of concentration" are sometimes called "opportunity areas", housing choice areas, scattered site target areas, or favored development areas. The jurisdiction would encourage the location of racial/ethnic minorities and the development of affordable housing in ways that

[1] Consolidated Plan Final Rule: 24 CFR Sec. 92.210

[2] City of Aurora 5-Year Consolidated Plan 2010-2014 Pg. 61
http://www.aurora-il.org/documents/neighborhoodredevelopment/doc_2010_2014_consolidatedplan_final.pdf

[3] Aurora Housing Authority Analysis of Impediments to Fair Housing Choice Pg. 17
http://www.aurora-il.org/documents/neighborhoodredevelopment/doc_fair_housing_impediments_draft.pdf

encourage those populations and developers/realtors to consider those target areas. (See Opportunity Areas below)

Opportunity Areas

HUD's "site and neighborhood standards"[4] sets out the agency's basic approach to complying with the prohibition on siting additional low income housing in racially concentrated neighborhoods required by the Fair Housing Act. These areas are often referred to as opportunity areas for siting federally subsidized housing programs. Site and neighborhood standards are not uniform across HUD programs and there are no standards at all in important programs such as HUD's multifamily preservation activities.

A recent report prepared in October 2011, "Opportunity and Location in Federally Subsidized Housing Programs"[5] provides a new look at HUD's site and neighborhood standards because of federal policy discussions currently underway calling for a "compliance harmonization" initiative for agencies that sponsor low income housing (HUD, the Treasury Department, and the Department of Agriculture). According to the report, the structure of HUD's CDBG program funnels housing activities toward low-income and distressed areas without meaningful oversight.[6] Similarly, while Project-Based Voucher (PBV) rules under HUD's Public Housing program include standards for acquisition of existing housing, the regulations lack any reference to conditions of segregation.[7]

This report, which includes a discussion on "opportunity mapping"[8], is included in its entirety in Attachment 10. Opportunity mapping provides policymakers with a clearer understanding of spatial inequalities by illustrating patterns in racial and socioeconomic distribution as well as social and financial resources.

Affordable Housing

Housing for which the occupant is paying no more than 30 percent of his or her income for gross housing costs, including utilities[9]

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[4] 24 CFR Sec. 941.202

[5]" Opportunity and Location in Federally Subsidized Housing Program, A New Look at HUD's Site and Neighborhood Standards As Applied to the Low Income Housing Tax Credit" by Philip Tegeler, Henry Korman, Jason Reece, Megan Haberle, October, 2011

[6] The operation of the CDBG program frequently conflicts with some of the program's other key statutory objectives, which include "the reduction of the isolation of income groups within communities and geographical areas"; the "promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income, and the "revitalization of deteriorating or deteriorated neighborhoods." 42 USC sec. 5301(c)(6). (See Footnote 7)

[7]A complicating factor is that a large component of LIHTC development involves acquisition of existing property using bond financing and 4% tax credits, and also may involve PBVs. (See Footnote 7)

[8] Opportunity mapping was pioneered by Professor john powell in the late 1990s, working first out of the Institute on Race & Poverty at the University of Minnesota and later at the Kirwan Institute at Ohio State University, where the Institute's opportunity communities program further refined and expanded the analysis, and has conducted mapping analysis in more than two dozen states and dozens of metropolitan areas.

[9] U.S. Department of Housing and Urban Development Glossary of CPD Terms

An "affordable" dwelling unit is one that can be owned or rented by a family allocating no more than 30% of its gross income for housing and housing-related costs. The 30% figure is used by the U.S. Department of Housing and Urban Development and the U.S. Census Bureau when reporting on housing conditions. It is also used by private lenders.[10]

Affirmatively Furthering Fair Housing

Local and state governments and public housing agencies (PHAs) must "certify" (pledge in writing) that they are affirmatively furthering fair housing.[11]

For CDBG, HOME, and other Community Planning and Development Programs,[12] "Affirmatively Furthering Fair Housing" can be defined as actions that a jurisdiction takes to advance, broaden and promote housing choice and to reduce or eliminate housing discrimination. Such actions would include:

1. Having an Analysis of Impediments (AI) (barriers) to fair housing choice;
2. Taking appropriate actions to overcome the effects of impediments; *and*,
3. Keeping records reflecting the analysis and showing the actions taken.

In public housing programs,[13] Affirmatively Furthering Fair Housing is defined in those regulations as a public housing agency:

1. Examining its programs;
2. Identifying any impediments to fair housing choice in those programs;
3. Addressing those impediments in a reasonable fashion in view of available resources;
4. Working with local jurisdictions to carry out any of their AFFH work; and,
5. Keeping records showing the analysis and actions.

Analysis of Impediments to Fair Housing Choice

The HUD Fair Housing Planning Guide[14] defines the AI as:

1. A comprehensive review of a jurisdiction's laws, regulations, and administrative policies, procedures, and practices.
2. An assessment of how those laws, regulations, and practices affect the location, availability, and accessibility of housing.

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[10] Chicago Metropolis 2020 and the Metropolitan Mayors Caucus "Home for a Changing Region" 2005, pg. 4
[11] National Low Income Housing Coalition:
http://nlihc.org/sites/default/files/2AffirmativelyFurtheringFairHousingOutline.pdf:
[12] CDBG entitlement jurisdiction regulations [24CFR570.601(a)(2)]; CDBG states and small cities regulations [24CFR487(b)]; ConPlan regulations for entitlement jurisdictions [24CFR91.225(a)(1)]; ConPlan regulations for states and small cities [24CFR91.325(a)(1)]
[13]The Public Housing Agency Plan regulations [24CFR903.2(2)(2) and 903.7(o)(
[14] U.S. Department of Housing and Urban Development Fair Housing Planning Guide, page 2-7
http://nlihc.org/sites/default/files/2AffirmativelyFurtheringFairHousingOutline.pdf

3. An assessment of conditions, both public and private, affecting fair housing choice for all protected classes*.
4. An assessment of the availability of affordable, accessible housing in a range of unit sizes.

*The "protected classes" are: race, color, religion, gender, disability, national origin, and familial status (in other words, households with children). The Illinois Human Rights Act (HRA) extends protection to persons based on ancestry, age, use of guide or support animals, pregnancy, association or relationship with an individual with a disability.

An "impediment" can be an action or an inaction which restricts housing choice, or which has the effect of restricting housing choice. (See Attachment 11)

Community Housing Development Organization (CHDO)

A CHDO, as defined by the HUD HOME program[15] is a private nonprofit, community-based service organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves. A jurisdiction (City of Aurora) receiving HOME funds must set aside a minimum of 15 percent of their HOME allocations for housing development activities in which qualified CHDOs are the owners, developers and/or sponsors of the housing.

Consolidated Plan

The document that is submitted to HUD that serves as the comprehensive housing affordability strategy, community development plan, and submissions for funding under any of the Community Planning and Development formula grant programs (e.g., CDBG, ESG, HOME, and HOPWA), that is prepared in accordance with the process described in 24 CFR Part 91[16].

Cost Burden

The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data available from the U.S. Census Bureau.[17]

Impediments to Fair Housing Choice

Any actions, omissions or decisions that restrict or have the effect of restricting the availability of housing choices, based on race, color, religion, sex, disability, familial status or national origin.[18]

[15] CHDO definition: 24 CFR Part 92.2 and 92.300
[16] Consolidated Plan Final Rule 24 CFR Part 91.5
[17] U.S. Department of Housing and Urban Development Glossary of CPD Terms
[18] U.S. Department of HUD Fair Housing Guide, Vol.1

The Illinois Human Rights Act (HRA) extends protection to persons based on ancestry, age, use of guide or support animals, pregnancy, association or relationship with an individual with a disability.

Median Family Income (or Area Median Income or AMI)

To calculate the FY 2012 MFI estimates, HUD incorporates 2005-2009 5-year ACS data. Specifically, for each metropolitan area, subarea of a metropolitan and non-metropolitan county, 5-year ACS data is used as the new basis for calculating MFI estimates. HUD is incorporating the 5-year data in this way to eliminate the reliance on the data collected during the 2000 Decennial Census as it is more than a decade old. [19]

Low- and Moderate Income[20]

Families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

During 2012, HUD calculated the Median Family Income (MFI), 30% of MFI (Extremely Low Income), 50% of MFI (Very Low-Income) and 80% of MFI (Low-Income) of household income in Aurora (calculated for the Chicago-Joliet-Naperville Metropolitan Statistical Area) to be the following:

Table 1: HUD Median Family Income for 2012

Chicago-Joliet-Naperville FY 2012 Median Family Income (MFI): $75,800								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% of MFI Extremely LI	15950	18200	20500	22750	24600	26400	28250	30050
50% of MFI Very LI	26550	30350	34150	37900	40950	44000	47000	50050
80% of MFI Low-Income	42500	48550	54600	60650	65550	70400	75250	80100

HUD calculates the median family income using U.S. Census Bureau surveys. HUD determines the Aurora income figures and rent figures on a regional basis, since it considers the Chicago suburban market as a single housing market for these purposes. Hence, the Aurora market includes Chicago-Joliet-Naperville. (See Attachment 12)

Extremely Low Income

[19] HUD Office of Policy Development and Research: For additional details concerning the use of the ACS in HUD's calculations of MFI, please see HUD's FY 2012 Income Limits Briefing Materials at the following web address: http://www.huduser.org/portal/datasets/il/il12/IncomeLimitsBriefingMaterial_FY12.pdf.
[20] Consolidated Plan Final Rule: CFR 91.5

Families and individuals whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families

Very Low Income

Families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

Low Income

Families and individuals whose incomes exceed 50 percent, but do not exceed 80 percent, of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

These terms are used in the major HUD housing and community development programs to determine specific household eligibility or eligible neighborhood areas.

METHODOLGY

CPDA's approach to this project was to provide the City of Aurora with a fact-based, practical, pragmatic and innovative affordable housing study at a reasonable cost with continuing assistance and input.

The original approach was to research and analyze demographics, existing conditions and best practices followed by development of a set of observations, recommendations and strategies. The original proposal included meetings and interviews with local stakeholders to gather input and subsequently present and review the recommendations and strategies for feedback and revisions.

Based upon discussions with the City, this approach was changed to include establishment of a Mayors Affordable Housing Task Force at the initial stages of the study and facilitation of the Task Force from October, 2011 to March, 2012. This would provide a forum for interested stakeholders to provide input into the study and receive training and education on affordable housing.

Stakeholder and Public Participation

Mayor's Affordable Housing Task Force

The Task Force was organized in October, 2011. The city sent out invitations to stakeholders requesting their participation**.** (See Attachment 1)

Thirty-one individuals representing 16 non-profit organizations, realtors, schools, churches, government agencies, and the community-at-large accepted the invitation to participate on the Task Force. The first meeting was held on Wednesday, October 12, 2011. Each meeting of the Task Force included an informative, educational presentation on a housing-related topic and some of the meetings also included small group discussions following the presentations. The meetings were held from 3:00 pm to 5:00 pm at the Waubonsee Community College, Downtown Aurora Campus or at the Aurora Police Department, Community Room.

The chart below lists the dates of the Task Force meetings and topics of the presentations and small group sessions. At the beginning of each of the Task Force meetings, the Aurora Housing Authority Board Chairman, Al Schuler, convened a meeting of the Aurora Housing Authority Board and adjourned the AHA Board at the conclusion of the Task Force meeting. Each meeting of the Task Force was open to the public and a Public Comment period was provided at the end of each meeting. For a complete report of each of the Task Force meetings, see Attachment 13 for Task Force meeting agendas and the minutes of each meeting.

Table 2: Aurora Affordable Housing Task Force Meetings Synopsis

Date	***Presentations***
Wednesday, October 12, 2011	*CPDA Approach to Study:* Marcia Bergeson, CPDA Hickory Hurie, CPDA
	Small Group session
	Questions: 1. What 2 or 3 items from the outline are crucial to your understanding of affordable housing in Aurora? 2. What critical issues would you add that are not included in the outline? 3. Are there sources of data, information, analysis, or commentary that should be reviewed for the study?
Wednesday, November 2, 2011	***Recap of Initial Meeting Small Group Exercise and Synopsis of Future Meetings*** Marcia Bergeson, CPDA Hickory Hurie,CPDA
	Small Group session
	Questions: 1. Who in the city is most cost- burdened (spending more than 30% of annual gross income and other factors) on housing? 2. What are Aurora resident's key non-housing concerns that affect the availability of affordable housing? 3. Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?
Wednesday, December 7, 2011	***Demographic and Housing Information:*** Marcia Bergeson, CPDA Hickory Hurie, CPDA ***Overview of Fair Housing and Fair Housing Choice Strategies*** Anne V. Houghtaling, HOPE Fair Housing Center
Wednesday, January 11, 2012	***Demographic Data and Requirements for Use of Housing Funds:*** Marcia Bergeson, CPDA Hickory Hurie, CPDA ***Overview of Fair Housing and Fair Housing Choice Strategies:*** Anne V. Houghtaling, HOPE Fair Housing Center
Wednesday,	***City of Aurora HUD-Funded Programs Overview and Aurora's 2012 Analysis of Impediments Draft***

January 26, 2012	Karen Christiansen, City of Aurora Neighborhood Redevelopment ***Panel Presentation from the Chicago Department of Housing and Urban Development*** Ray Willlis, Director, Community Planning and Development (Region V) Steve Meiss, Director, Public Housing (Region V) Gorden Patterson, Deputy Director, Fair Housing and Equal Opportunity (Region V)
Wednesday, February 15, 2012	***Best Practices Workshops*** • *Session 1: Specialty Housing Models* Mercy Lakefront Housing Midwest Shelter for Homeless Veterans • *Session 2: Rehabilitation/ Preservation Models* Chicago Housing Authority Blue Stem and DuPage Housing Authority • *Session 3: New Construction Models* Applegate & Thorne-Thomsen, P.C. CPDA/City of Waukesha, WI
	Small Group Session
	Questions: 1. Which two characteristics of these models helped to make them successful? 2. Based on these models, what 2 or 3 messages would you advise the city to include in its affordable housing strategy?
Wednesday, March 21, 2012	***Local Housing Programs Presentations:*** • Hesed House/Permanent Supportive Housing: Ryan Dowd, Hesed House • CHAD/ Scattered Site Low-Income Rental Housing: Paul Chedda, CHAD • Dunham Fund/Joseph Corporation/ Rehab & Refill: Denny Wiggins, Joseph Corp Rick Guzman, Emmanuel House, CDC • MMC/MPC Housing Endorsement Criteria: Audra Hammernick, A. Hammernick and Associates
	Large Group Session
	Question: Can the Task Force members agree to recommend to the city to embrace the MMC/MPC Housing Criteria as part of Aurora's on-going housing policy? (General consensus was acknowledged)
Wednesday,	***Affordable Housing Study Recommendations Presentation*** Marcia Bergeson, CPDA Bob Berlan, CPDA

May 2, 2012	Hickory Hurie, CPDA
	Small Group Session
	Questions: 1. What did you like about the recommendations? 2. Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective? 3. What recommendations did you expect that are not included?

The Task Force meetings were also used to provide part of the "educational" component of this study which the City requested. The meetings included workshops and training to city officials, staff and the public to explain and further explore issues of affordable housing.

A description of the Task Force and summary of its meetings is included in Chapter 5.

Interviews and Consultations

U.S. Department of Housing and Urban Development

CPDA interviewed officials and staff from the Chicago Regional Office of the U.S. Department of Housing and Urban Development (HUD) for background information and advice. HUD administers public housing authorities and programs, community development programs such as CDBG, HOME and NSP and oversees fair housing and civil rights laws, regulations and enforcement.

- Ray Willis, Director
  Office of Community Planning and Development (CPD)
- Kimberly T. Danna-Mulick, Program Manager
  Office of Community Planning and Development (CPD)
- Steven Meiss, Director
  Office of Public and Indian Housing (PIH)

City of Aurora

- Karen Christensen, Manager
  Neighborhood Redevelopment Division
- Bill Wiet, Chief Development Officer
  Development Services Department
- Stephane Phifer, AICP, Director
  Planning and Zoning Division
  Development Services Department
- Edward Sieben, Zoning Administrator
  Planning and Zoning Division

Development Services Department
- Rick Guzman, Assistant Chief of Staff
  Office of the Mayor

Aurora Housing Authority

- Jean Federman, Executive Director
- Patrice McGinn
  McGinn & Associates LLC
  Consultant

Regional Contacts

- Allison Milld, Director of Housing Initiatives
  Metropolitan Mayors Caucus
- Nancy Firfer, Project Manager
  Metropolitan Mayors Caucus
- King Harris, Senior Executive
  Chicago Metropolis 2020

Demographics and Data

Concurrently with the Task Force meetings, CPDA gathered data utilizing the standard methodology employed in similar studies of affordable housing. First, we used data from the American Communities Survey produced annually by the U.S. Census Bureau[21]. This data includes population, income and housing demographics. In addition demographics were reviewed and used from the Aurora Consolidated Plan, the Aurora-Elgin-Kane County Analysis of Impediments, the Aurora Housing Authority Analysis of Impediments, the Chicago Metropolitan Agency for Planning (CMAP) and the Woodstock Institute.

We recognize that limitations exist in using Census data. However, **t**he primary source of demographic data used for housing studies is the 2006-2010 American Communities Survey issued by the United States Census Bureau. We used this source to be consistent with the basic methodology for housing studies.

A discussion and summary of the demographic data that was used is included in Chapter 5.

[21] "The American Community Survey (ACS) is a relatively new survey conducted by the U.S. Census Bureau. It uses a series of monthly samples to produce annually updated data for the same small areas (census tracts and block groups) formerly surveyed via the decennial census long-form sample…." It is the largest survey other than the decennial census that the Census Bureau administers. U.S. Census Bureau. http://www.census.gov/acs/www

Existing Reports and Research

The study team found a significant number of locally based studies focusing on affordable housing in the six county Chicago metro areas. The six counties are Cook, DuPage, Will, Kane, Lake and McHenry. The two organizations that did the most current and relevant studies were the Metropolitan Mayors Caucus (MMC) and the Chicago Metropolitan Agency for Planning (CMAP).

The Housing committee of the MMC produced a series of studies that has focused specifically on a number of Chicago suburbs including Aurora[22]. The most relevant CMAP study that we used was the regional comprehensive plan titled "Go To 2040" which includes an extensive section on land use and housing.

Other studies and reports that were reviewed included the City of Aurora 2010-2014 Consolidated Plan (for Community Development Block Grant and HOME funding), Aurora-Elgin-Kane County Analysis of Impediments, Aurora Housing Authority Five Year Plan, and Aurora Housing Authority Analysis of Impediments..

These studies included recommendations, some specifically related to or generally applicable to Aurora, as well as regional recommendations for affordable housing.

Chapter 6 of this study includes a discussion and summary of these studies.

Analysis

The demographics were initially reviewed to determine the answers to two basic questions:

- Is there a reasonable balance between housing supply and demand across tenures?
- Is the housing that is being provided both affordable and appropriate?

We compared our answers to these questions to data and conclusions found in the other literature, studies and plans that we reviewed. Interestingly, but not surprisingly, we found similar data, conclusions, commonalities and observations.

Recommendations and Next Steps

Based upon the findings of the demographic analysis, comparative research and literature, and input from stakeholders including the Mayor's Task Force, and public comments a set of recommendations and next steps for future actions were drafted. These recommendations and next steps were reviewed by our staff as well as a number of stakeholders.

[22] "Homes for a Changing Region"

The Recommendations are included in Chapter 8 and Next Steps/Immediate Actions in Chapter 9

DEMOGRAPHIC & HOUSING CHARACTERISTICS

Population Data:

In 2000, the U. S. Census counted 142,990 residents in the city of Aurora. In 2010, the Census counted 197,899 people, an increase of almost 55,000 individuals.

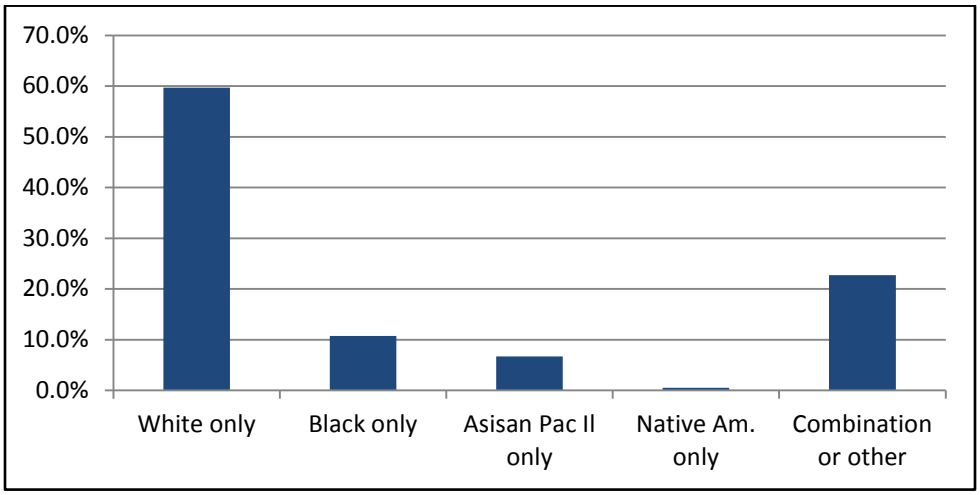
The Chicago Tribune (March 23, 2011) described Aurora as the second fastest growth city in the state with 38.4%, second only to Joliet's 38.8%. This growth enabled Aurora to become the state's largest city outside of Chicago.

The 38.4% growth during the 2000 to 2010 period compared to the state's growth of 3.3%. Youth under 18 made up a large portion of this growth, becoming nearly 32% of the population, compared to a statewide average of 24%. The percentage of children under 5 was 9.1%, almost 140% more than the state average of 6.5%. The American Community Survey (ACS) estimated that the median age in Aurora was 30.8, compared to 39.5 in Naperville, 37.6 in Springfield, and 31.8 in Elgin.

The ACS estimated that Aurora included about 56,000 households, with an average 3.1 persons per household and that families (related by blood or marriage) constituted 72 % of the households. In contrast, while Elgin and Naperville enjoyed a similar percentage of families, the ACS estimated that families constituted 61% of Rockford's households, and 58% of Springfield's households. Rockford's estimated average household size was 2.5 and Springfield's was 2.2. (Note: The Census, using its field estimates from a slightly later period than the American Community Survey, reported that Aurora included over 62,000 households.)

The racial composition of Aurora's population also changed, with the 2010 composition of the population represented in Table 3.

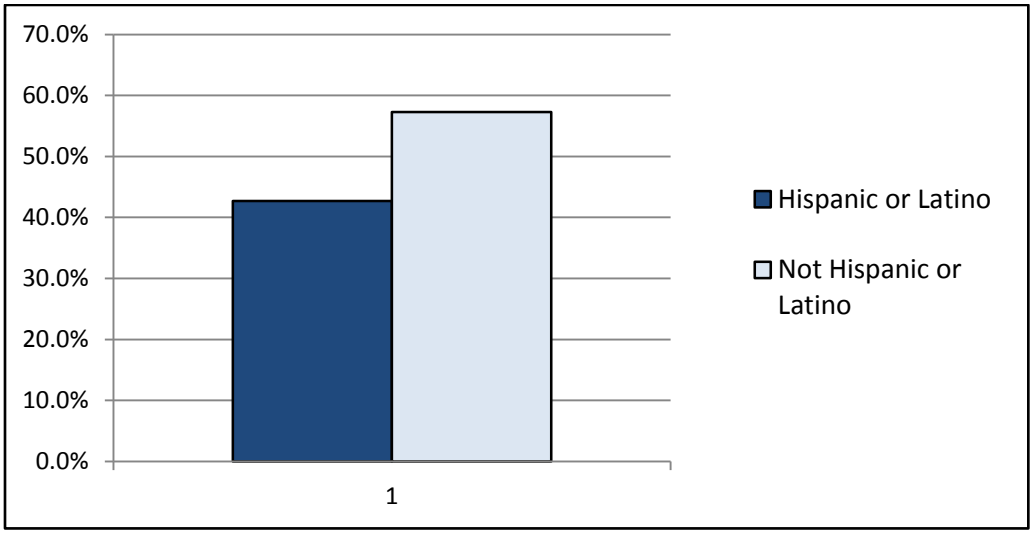
Table 3: Race as a Percentage of Population in Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

During the 2000 to 2010 decade, the size of the population who claimed Hispanic or Latino origin grew to 41.3% of total individuals. This ratio was almost twice the statewide average of 21.7%.

Table 4: Ethnicity as a Percentage of the Population in Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

The census reported that 42.7% of the population over 5 years of age described their home language other than English, compared to an Illinois average of 21.7% and an estimated average of 20% in Naperville and 42% in Elgin.

High school graduates made up 78.0% of the Aurora population of persons 25 and older compared to a statewide average of 86.2%. 31.3% of the population had earned a

bachelor's degree or higher, compared to a statewide average of 30.3%. But the American Community Survey estimated that less than 22% of Aurora's population earned less than a high school diploma or equivalent, compared to Elgin's 24%, Naperville's 3% and Springfield's 9%.

The average (mean) travel time to work for workers 16 years and older was 29 minutes, a minute more than the statewide average, almost 5 minutes less than Naperville, and 4 minutes less than the US average commute time, but a minute more than Elgin's estimated 28 minutes.

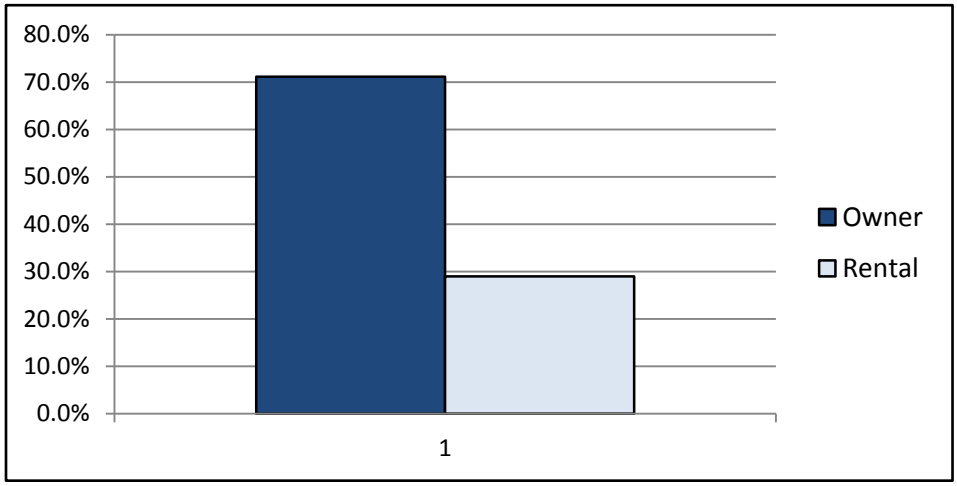
Housing Data

Where did all of these people of Aurora live? The census reported that the city included a total of 67,273 dwelling units in 2010. 73.9% of these dwelling units were single-family structures, while 26.1% were in multi-unit structures.

According to the ACS estimates, about 6% of these dwelling units were vacant, constituting a total of more than 4000 units.

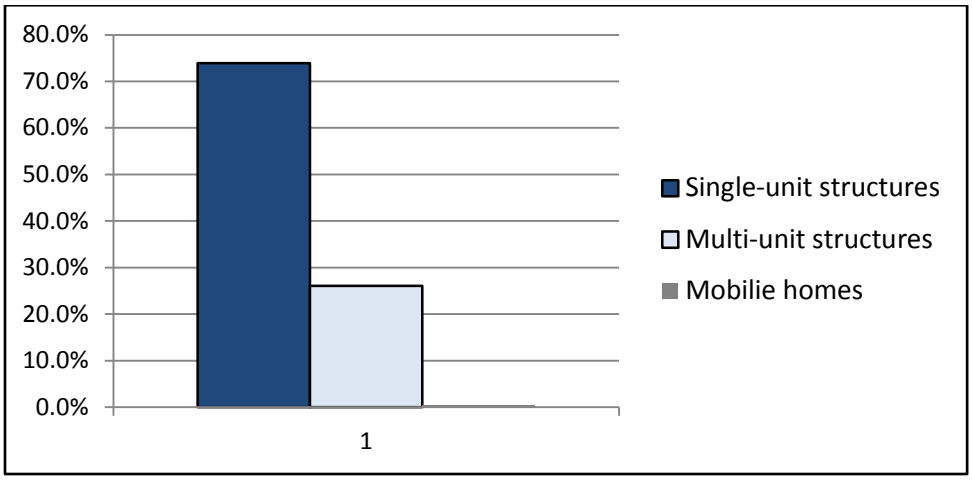
The census estimated that 71.1% was the homeownership rate in Aurora, compared to a statewide average of 69.2%. The ACS estimated that 80% of Naperville's occupied dwelling units were owner-occupied, in contrast to Rockford's 62%, and Springfield's 65%. Other boundary communities included higher rates as well, such as Montgomery, Sugar Grove, North Aurora, Batavia, Oswego and Plainfield.

Table 5: Tenure of Housing Units Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

Table 6: Type of Housing Units in Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

The median value of owner-occupied units during 2006-2010 was estimated to be $205,600, compared to a slightly less statewide average of $202,500. Other sources of data, such as the private housing market research group City-Data[23], estimated that the housing value index for Aurora was $133,800 in 2010, compared to Rockford's $77,300, Springfield's $114,500, Elgin's $130,000, and Naperville's $338,000.

39% of Aurora's dwellings were built since 1990, compared to Rockford's 13%, Springfield's 22%, Elgin's 27% and Naperville's 40% (ACS). The shape of these building age groups has implications for maintenance, energy, and safety costs related to housing. In general, housing less than 30 years old requires less maintenance and fewer safety and energy improvements and offers lower housing costs.

In Aurora, the Housing Authority owns approximately 650 units of housing, and administers over 900 housing choice vouchers that pay some portion of a household's rent. This represents about 9% of the rental units in the housing authority's market area.

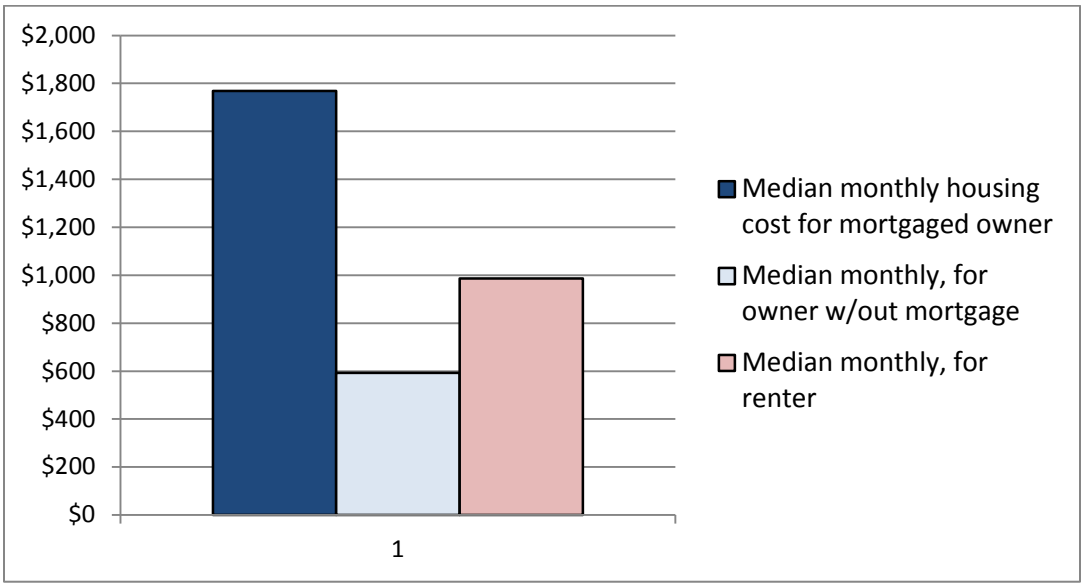
According to the federal Department of Housing and Urban Development, based on random sample surveys during 2009, the "Fair Market Rent"[24] for Aurora for an efficiency unit was $790/month inclusive of utilities, compared to Rockford's $503 and Springfield's $442. A 2 bedroom unit by comparison, was $1,016 in Aurora, compared to Springfield's $671 and Rockford's $718. (Note: HUD groups Aurora, Elgin and Naperville into a suburban Chicago area, hence the fair market rents is the same for all three communities.)

23

24 The FMR Documentation Systems are intended to provide an in-depth exposition of the methodology used to generate Fair Market Rents for a given geographic area selected by the user. See website for more information: http://www.huduser.org/portal/datasets/fmr.html

Another source of housing cost data (ACS) suggested that the 2009 median monthly cost for an owner with a mortgage was $1,769/month for Aurora, compared to Springfield's $1,153 and Naperville's $2,417.

Table 7: Median Monthly Housing Costs in Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

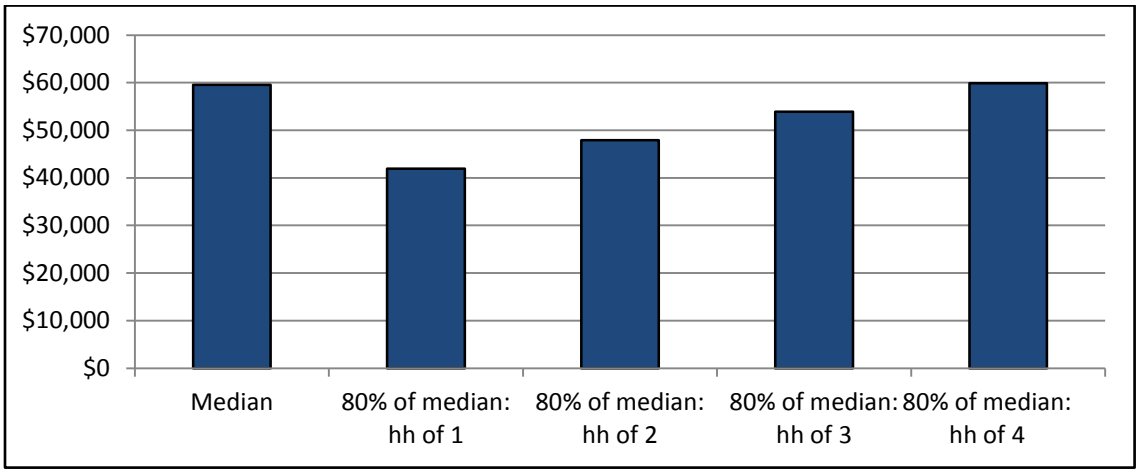
Paralleling this pattern of medium range costs for housing in Aurora, compared to lower Springfield and higher Naperville, ACS suggested that the monthly cost for an Aurora owner without a mortgage was $593/month, compared to Springfield's $416, and Naperville's $792.

ACS suggested that the median monthly cost for a renter in Aurora is $987, compared to a Springfield cost of $644 and a Naperville cost of $1,113. (Note: HUD groups Aurora, Elgin and Naperville into a suburban Chicago area, hence the fair market rents is the same for all three communities.)

Affordability

In terms of income, the 2010 census reported that per capita money income in the previous 12 months was $25,491, compared to a statewide average of $28,782. The ACS estimated that Naperville enjoyed a median household income of $100,503, compared to Aurora's median household income of $59,570, Elgin's $57,009, Rockford's $38,486, and Springfield's $46,819.

Table 8: Median Income in Aurora, Ill



Source: U.S. Census American Community Survey 2006-2010

The census bureau estimated that the percentage of Aurora residents living below the national poverty level was 11.9%, compared to a statewide average of 12.6%.

As the Chicago Tribune reported, 17.5% of Aurora's households made less than $25,000/year in 2009, while almost the same percentage, 17.6%, made over $100,000.

Much of Congressional policy and HUD's housing programs, as well as private mortgage markets, assume that a reasonable cost of housing is about 30% of a household's income. This is called affordability. The greater the housing costs are over 30% of a household's income, the less the likelihood that the household will be able to afford that particular housing unit. If housing costs are greater than 30% of income, the more likely that the household will face a housing burden.

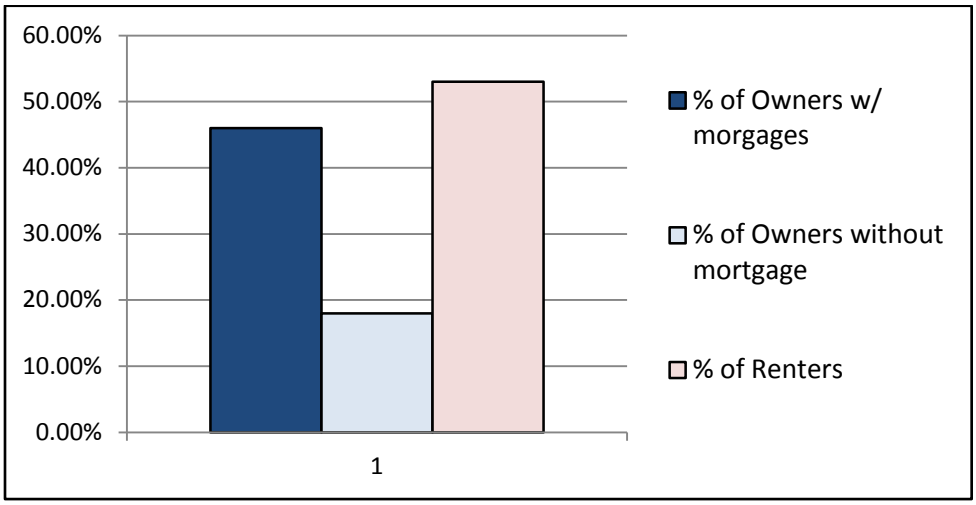
For Aurora, the ACS estimates that 46% of owners with a mortgage pay more than 30% of their income for housing costs, and hence face a housing burden. Only 18% of owners without mortgage find themselves in such a situation. In contrast, in Elgin, the ACS estimates that over 51% of owners with mortgages face a housing burden, whereas only 19% of those without mortgages pay more than 30%.

For renters, ACS estimates that over 53% of Aurora renters pay more than 30% of their income for housing, and hence carry a housing burden. This compares with 48% of Elgin's renters, 56% of Rockford's renters, and 39% of Naperville's renters.

Table 9: Number of Units that are Cost Burdened in Aurora, Ill

Aurora, Ill	Units	Units with > 30% Cost Burden	% with > 30% Cost Burden
Total	62,558		
With Mortgage	33,846	14,928	39%
Without Mortgage	6,278	1,088	17%
Occupied Paying Rent	16,698	8083	53%

Table 10: Percentage of Homeowners/Renters with a Housing Burden in Aurora, Ill.



Source: U.S. Census American Community Survey 2006-2010

Another indication of housing challenges is the number of homeless persons who, due to housing costs or other causes have no permanent shelter. Aurora, Elgin, and Kane County counted 333 solo individual homeless persons in their February point-in-time count, and 112 households with adults and children. In comparison, DuPage County, which includes Naperville for the purpose of this report, had 120 solo individuals and 30 additional households with both adults and children.

A third indication of housing challenges in Aurora is the increase in foreclosures over the last several years. The Woodstock Institute, a non-profit research and community organizing group, has documented the trends in the Chicago area over 2009, 2010, and 2011. The Institute found that foreclosures on single-family homes in Aurora rose to 1,902 in 2010; the apparent peak of foreclosure activity, although the 2011 trend appeared on track for about 1450 foreclosures. These foreclosures represent a significant portion of Aurora's housing market, both for the existing homeowners affected by the foreclosures and the future buyers in the area. Indeed, 51% of the total sales in Aurora in 2011 were either short sales to avoid foreclosure or foreclosed

homes.[25] As this study noted, these foreclosure sales were differentially distributed, comprising 69% of the sales in the central area of Aurora, 50% of the western area, but only 34% in the eastern area of Aurora (areas outside of Kane Co).

In early 2012, the Aurora Planning and Zoning Division identified over 361 acres of vacant land on parcels of 5 acres or more within its boundaries that was available for housing." When the analysis is expanded to include parcels with other zoning types and vacant commercial or school buildings with development potential, the number increases to 1300 acres. (See Attachment 6)

Table 11: Vacant Parcels in City of Aurora Over 5 Acres

Zoning	# of Vacant Parcels	Total Acreage
R-4	26	6.29845
R-4A	20	107.1672
R-5	39	77.0655
R-5A	3	7.3792
PDD	8	163.2298
Total	96	361.14015

Source: City of Aurora Planning and Zoning Division

Conclusions:

In spite of that 2000 to 2010 decade of growth, the census reported that the community was relatively stable, with 86.5% of the households living in the same house as in the prior year or earlier. This stability contrasts with other "boom-burg" communities for this decade, mostly located in the Sunbelt and in California, which exhibited high growth, and an influx of newcomers.

Therefore, in this 10 year period, Aurora added more residents, younger people, a greater portion of people with Hispanic or Latino origin, and experienced a continuing trend toward smaller household size, Like the rest of the country, Aurora households experienced income, employment, and resulting housing cost problems, including a rise in foreclosures and short sales.

All of these factors, along with existing housing stock conditions, development, and financing trends, influenced the demographic/housing mix and help shape Aurora's

[25] American Marketing Services, Site Inspections and Housing Market Analysis: Aurora Illinois, August 11, 2010 prepared for the Aurora Housing Authority

current housing market, and the opportunities it presents for both growth and affordable housing in the future.

Affordable Housing Task Force Members

Gonzalo Arroyo, Director
Aurora Family Focus Center

Kathryn Bettcher
Prairie State Legal Services

Bill Burns, Board Member
Aurora Housing Authority

Henry Champen, Board Member
Aurora Housing Authority

Paul Chedda, Executive Director
Community Housing Advocacy & Development

Karen Christensen, Manager
City of Aurora
Neighborhood Redevelopment Division

Mattie Coble, Board Member
Aurora Housing Authority

Rene Cruz, Board President
Aurora Hispanic Chamber of Commerce

Ryan Dowd, Executive Director
Hesed House

Jean Federman, Executive Director
Aurora Housing Authority

Theodia Gillespie, Executive Director
Quad County Urban League

Rick Guzman, Assistant Chief of Staff
City of Aurora, Mayor's Office

David Holm
Assistant Superintendent of Business and Finance
Aurora School District 204

Alderman Richard Irvin
City of Aurora Alderman-at-Large

Jerry Knudson, President
Konen Insurance

Avis Miller, Board Member
Aurora Housing Authority

Myrna Molina, Board Member
Aurora Housing Authority

Clayton Muhammad
Director of Community Relations
Aurora School District 131

Alderman Bob O'Conner
City of Aurora Alderman-at-Large

Bill Powell
Former City of Aurora Police Chief
Dave Richert, Realtor
Re/Max Town & Country

Judy Runge, Board Member
Aurora Housing Authority

Dr. Jim Rydland, Superintendent
Aurora School District 129

Al Schuler, Board Chairman
Aurora Housing Authority

Fran Shaw
City of Aurora resident

Mae Smith, Chairman
City of Aurora
Human Relations Commission

Pastor Julian Spencer
Main Baptist Church

Diana Torres-Hawken
Main Baptist Church

Scott Voris, Board President
Aurora Regional Chamber of Commerce

Kristen Ziman, Commander
Aurora Police Department
Bureau of Neighborhood Policing

AFFORDABLE HOUSING TASK FORCE

Mayor Tom Weisner recognized there was a need for an analysis of affordable housing in Aurora that should include a community-wide assessment and a planning effort to articulate the City of Aurora's future approach to affordable housing. The Mayor determined that, in order to succeed, this undertaking would require the participation and guidance of many of the City's recognized leaders. On September 2, 2011, the Mayor issued a "call to service" by inviting a number of community leaders and stakeholders to join the Mayor's Blue Ribbon Task Force on Affordable Housing. (See Attachment 1)

The Affordable Housing Task Force includes 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, city and non-profit agencies, citizens, realtors, and housing developers. A list of Task Force members can be found in Attachment 14.

The Mayor enlisted the services of our consulting firm, Community Planning and Development Advisors (CPDA), to conduct an analysis of the current state of affordable housing in Aurora, to make presentations on that analysis to the Task Force and the public at a series of monthly meetings, and to make recommendations of future actions the City may take to efficiently and effectively provide affordable housing within Aurora.

The Task Force met 10 times from October 2011 to June 2012. The agendas and minutes for each of these meetings are available in Attachment 14. At the beginning of each of the Task Force meetings, the Aurora Housing Authority Board Chairman, Al Schuler, convened a meeting of the Aurora Housing Authority Board and adjourned the AHA Board at the conclusion of the Task Force meeting. Each meeting of the Task Force was open to the public and a Public Comment period was provided at the end of each meeting. Following is a brief synopsis of each of the Task Force meetings.

Task Force on Affordable Housing Sessions:

Wednesday, October 12, 2011, 3 – 5 pm
Community Room, Aurora Police Department Headquarters

During his welcoming comments to the Task Force members, the Mayor said, the purpose of the forums is to "gain an understanding of affordable housing, where we are and where we're going as a community,"

Following the welcome by Mayor Weisner, introductions of CPDA partners, Marcia Bergeson and Hickory Hurie, and of the Task Force members, CPDA outlined the approach to be used to conduct their study of affordable housing in Aurora.

AURORA AFFORDABLE HOUSING STUDY Draft Outline

1. Purpose of the study
2. Primary Objectives of the Study
    a. Focus on the housing needs of very-low, low, and moderate-income households;
    b. Determine housing affordability criteria, such as affordable rents and home purchase prices;
    c. Identify current conditions and recent trends in the local housing market;
    d. Describe incidences of cost burden and other housing problems;
    e. Prepare projections of growth-generated demand for additional housing units for 2006-2010; and
    f. Describe the effects of the current housing crisis, government austerity measures and to develop a policy that addresses these issues and realities.
3. Approach
4. Executive summary
5. Definitions
    a. Affordable housing
    b. Housing affordability
    c. Affordability gap
    d. Cost burden
    e. Fair Housing Choice
    f. Other
6. Demographics and Trends
    a. Population profile (includes gender, race, age, education, owner/renter)
    b. Income characteristics
    c. Economic profile (including residents on public assistance)
    d. Housing stock and conditions (include owner/renter)
    e. Regional considerations
7. Housing Demand and Needs Assessment
    a. Development conditions
    b. Non housing factors that influence the housing market
    c. THE CURRENT HOUSING CRISIS AND ITS EFFECT ON AURORA and the western suburbs
    d. FORECLOSURES
    e. Possible available sites
    f. Market analysis
        i. Affordable housing needs
        ii. Barriers to affordable housing
        iii. Existing and projected demand for affordable housing
        iv. Local opposition
8. Best Practices
9. Federal and state requirements
    a. Community Development Block Grant Program
    b. HOME Program

   c. Fair Housing and non-discrimination
   d. IHDA
   e. Other
10. Assets
   a. Location
   b. Employment
   c. Costs
   d. Transportation
   e. Sites
11. CONCLUSIONS AND RECOMMENDATIONS
   a. Questions to answer
      i. What does the data say?
      ii. What do people say?
      iii. What is the revealed need?
      iv. How do we address this need?
12. Appendices

Background information from: "RETHINKING LOCAL AFFORDABLE HOUSING STRATEGIES: LESSONS FROM 70 YEARS OF POLICY AND PRACTICE", Brookings Institution[26]

7 Goals of Affordable Housing

1. Preserve and expand the supply of good-quality housing units.
2. Make existing housing more affordable and more readily available.
3. Promote racial and economic diversity in residential neighborhoods.
4. Help households build wealth.
5. Strengthen families.
6. Link housing with essential supportive services.
7. Promote balanced metropolitan growth.
8. Now need to add an 8th: Addressing the housing crisis.

Six Principles for Local Action

1. Housing strategies should be tailored to local market conditions.
2. Housing markets are regional, so housing policies should be.
3. Income policy IS housing policy.
   a. For example, it is estimated that 80% of the problem is not housing inadequacy or overcrowding, but affordability. Thus, policies that help people increase their incomes will help address housing hardship as well. Initiatives that help low-income families find and keep jobs, build skills, and advance economically should also be incorporated into strategies for making housing more affordable.
4. Regulation can be a powerful housing policy tool.
5. Race matters.

[26] Brookings Institute, December 2003
http://www.brookings.edu/research/reports/2003/12/metropolitanpolicy-katz

6. Implementation matters.

Following this presentation, the task force members were divided into 2 small groups of 10 – 12 persons. CPDA facilitators used a nominal group technique developed by Andre Delbecq to help each group generate a series of responses to a topic question, clarify and consolidate the ideas, and then rank them. The three questions for the groups were:

1. What 2/3 items from the outline are crucial to your understanding of affordable housing in Aurora;
2. What critical issues were not included in the outline; and
3. Are there any sources of data, information, analysis or commentary that should be reviewed for the study?

A complete list of responses from the groups can be found in Attachment 15.

In summary, Group A ranked 1) a market analysis of the demand and need for housing as its highest element in understanding affordable housing, followed by 2) information on what impediments to housing choice exist in Aurora and what to do about it and on federal and state laws dealing with discrimination. Group B ranked data about the existing and projected demand for affordable housing as its highest element in understanding affordable housing, followed by information about the state of the current housing stock.

Wednesday, November 2, 2011, 3 – 5 pm
Waubonsee Community College, Downtown Aurora Campus

Following a recap from CPDA of the October 12, 2011 meeting, including a report back on the small group sessions and a synopsis of future meetings, the Task Force members were again divided into 2 small groups for a discussion and response, using the nominal group technique, to the following three questions:

1. Who in the city is most cost-burdened (spending more than 30% of annual gross income and other factors) on housing?

2. What are residents' key non-housing concerns that affect the availability of affordable housing? (examples, such as fighting poverty, expanding tax base, providing opportunities, avoiding undue burden on any one neighborhood……)

3. Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?

A complete list of responses from the groups can be found in Attachments 15 & 16.

In summary, Group A ranked poor people, those making under $36,000, (which is 50% of the area median income) as those with the highest cost burdens, followed by persons who are homeless or living in doubled up conditions and third, single parent households. Group A felt that racism/classism ranked highest as a key non-housing concern, followed by the quality of education and crime. Finally, Group A said the best indicator of success would be the lack of a waiting list for public housing, second was to improve the community without ejecting poor people and third was a lack of fear or perception of safety within the community.

Group B ranked the following as those groups with highest cost burdens: Low income, working poor and very low income households, next was single parent households, especially female-headed households and third was a tie between elderly and Black/Hispanic persons. Group B felt that the following were the highest ranking non-housing goals to be considered when developing an affordable housing strategy: access to schools, access to transportation, safety of the housing and access to employment opportunities. To question three, Group B ranked the following as the best indicators of a successful housing strategy: high school graduation rates are up, foreclosed homes are rehabbed and sold, the Housing Authority waiting lists are cut 50% because the need for such assistance is reduced, and the City's equalized assessed value increases.

Wednesday, December 7, 2011, 3 – 5 pm
Waubonsee Community College, Downtown Aurora Campus

Following a recap of the November 2, 2011 meeting, including a report back from the small group sessions, CPDA made a presentation on demographic and housing information comparing Illinois cities of Springfield, Rockford, Naperville, Elgin and Aurora with Tacoma, WA, Norfolk, VA, Cedar Rapids, IO and Akron, OH.

Following this presentation, an overview of fair housing and fair housing choice was presented to the Task Force by Anne V. Houghtaling, Executive Director of HOPE Fair Housing Center, Wheaton, Illinois. Due to the large number of questions for Ms. Houghtaling from Task Force members and a shortage of time, she agreed to return to the next meeting of the Task Force to complete her presentation and allow adequate time for answering the questions and concerns of the Task Force.

Wednesday, January 11, 2012, 3 – 5 pm
Community Room, Aurora Police Department Headquarters

After an overview of the agenda and the goals and timelines for the Task Force were discussed by Rick Guzman, Assistant Chief of Staff to the Mayor, CPDA made a presentation on demographic data for the cities of Aurora and Naperville, Illinois. CPDA's presentation provided information on the following demographics of the two cities: population/race/ethnicity; people and families in poverty; housing cost burden; and the affordability of housing based on median household income and an affordable housing price.

Following a short presentation by CPDA on the obligation to affirmative further fair housing and what that means for entities receiving federal funding , Ann Houghtaling, Executive Director of HOPE Fair Housing Center, completed her presentation on Fair Housing.

Subsequent to the Fair Housing presentation, a panel consisting of Ann Houghtaling, Marcia Bergeson, Hickory Hurie and Karen Christensen answered questions from Task Force members.

Thursday, January 26, 2012, 3 – 5 pm
Community Room, Aurora Police Department Headquarters

Following the convening of the Task Force and the AHA Board, Mayor Weisner introduced officials from the Chicago HUD Office who had been invited to participate in a panel presentation to the Task Force: Ray Willis, Director (Region V), Office of Community Planning and Development, Steve Meiss, Director (Region V), Office of Public Housing, and Gordon Patterson, Deputy Director (Region V), Office of Fair Housing and Equal Opportunity.

Karen Christensen, City of Aurora, Manager of Neighborhood Redevelopment Division, provided an overview of the City's housing programs, including the CDBG and HOME programs and an in-depth explanation of Aurora's 2012 Analysis of Impediments final draft.

Following this presentation, members of the HUD panel each made a presentation on his department and the HUD programs involved with the City of Aurora. Gordon Patterson, Office of Fair Housing and Equal Opportunity, discussed fair housing and the implications of fair housing. Steve Meiss, Office of Public Housing, explained the subsidy provided by HUD to Aurora for Public Housing units and how the housing/voucher program works. He also discussed how HUD is looking to utilize new programs to change the way public housing is approached and how these new programs would not require more money, but would rather look at ways to leverage current funds to improve and maintain public housing properties. Ray Willis, Office of Community Planning and Development, discussed the CDBG program and the benefits and drawbacks to that program. He also talked about the importance of the Consolidated Plan and how it has to be a truly comprehensive document used by the City to explain how funds are utilized to benefit residents of Aurora.

Following their presentations, the HUD panel members and Karen Christensen answered questions from the members of the Task Force. See Attachment 13 for a summary of the questions and answers.

The Task Force meeting and the AHA Board meeting were adjourned following the public comment period.

Wednesday, February 15, 2012, 1 – 5 pm
Hampton Inn & Suites – Aurora, Illinois

Following the convening of the Task Force and the AHA Board, the members were each given a group number and the groups broke out into three, 50 minute sessions on affordable housing Best Practice models. For a complete description of these breakout sessions see Chapter 7 of this report.

Session 1: Specialty Housing Models

- Mercy Lakefront Housing: Permanent Supportive Housing
  Midwest Shelter for Homeless Veterans

Session 2: Rehabilitation/Preservation Models

- Chicago Housing Authority: Scattered Site Foreclosure Rehab

- Blue Stem & Dupage Housing Authority: Affordable Housing Preservation

Session 3: New Construction Models

- Applegate & Thorne-Thomsen: Scattered Site New Home Construction

- City of Waukesha, WI & Community Housing Initiative: Mixed-Income New Construction

Task Force members were asked to fill out a survey with 5 questions for each model presented in the Best Practice breakout sessions. For a complete description of the survey responses, see Attachment 16.

The questions asked in the survey and a summary of the responses are listed below.

1. How interested would you be in seeing this type of project/strategy replicated in Aurora?
   (Don't know at this time, not at all interested, somewhat interested, interested, very interested)

   Survey Responses:
   Task Force member responses were fairly evenly distributed in being somewhat interested to very interested in seeing all of the projects replicated in Aurora, but some were not at all interested in the new construction projects.

2. How applicable would this type of housing model be to addressing the housing needs in Aurora?
   (Don't know at this time, not at all applicable, somewhat applicable, applicable, very applicable)

   Survey Responses:

Again, the new construction projects were found to be not at all applicable by some respondents with a few answering they didn't know at this time. The Springfield infill development model, however, rated very highly. The projects for homeless veterans and permanent supportive housing received the highest marks for being very applicable/very applicable.

3. Is this kind of project/strategy well-suited to Aurora's housing and neighborhood goals?
(Don't know at this time, Not at all well-suited, somewhat well-suited, well-suited, very well-suited)

Survey Responses:
The majority of respondents thought the permanent supportive housing and housing for homeless veterans were well-suited to very well-suited to Aurora's goals. The respondents were fairly evenly divided on new construction programs with half thinking they were not at all or somewhat well-suited and half saying they were well-suited to very well-suited.

4. What is the feature or characteristic of this model that is most appealing to you?

Specialty Housing:

Mercy Lakefront Housing: addresses existing demand; good for downtown area; there will always be a need for this type of program;

Midwest Shelter for Homeless Veterans: better than homeless shelters; low impact to neighborhoods; short term help for vets; coordination with existing services

Rehabilitation/Preservation:

Chicago Housing Authority: scattered site, private owned, reduce foreclosure; responds to current situation; non-traditional public housing;

Blue Stem & Dupage HA: rehab more cost effective than new.

New Construction:

Applegate & Thorne-Thomsen: collaboration; based close to church and church's commitment to project; layered financing and local partnership; scattered site, could be part of overall strategy;

City of Waukesha, WI & CHI: great location; reuse of obsolete site; the mixed pricing models; owner-occupied; single family homes concept

5. What would be the most challenging feature of this model?

Specialty Housing:

Mercy Lakefront Housing: funding capital investment; location; dense occupancy; too large, buildings w/60 units or more; this is not suitable for Aurora

Midwest Shelter for Homeless Veterans: would need multiple sites; could be part of overall plan; financing; meeting the need; getting agencies on board; finding providers

Rehabilitation/Preservation:

Chicago Housing Authority: integrating new residents into new neighborhoods; foreclosures may not be conveniently located; information, political will; convincing AHA to think and consider innovative projects;

Blue Stem & Dupage HA: Availability of such property; large property w/dense number of tenants; support services

New Construction:

Applegate & Thorne-Thomsen: acquiring the home and land at what cost; setting up financing model/logistics/finding master developer; finding vacant buildable lots in Aurora; not eligible until 15 years to own; local AHA capacity/interest;

City of Waukesha, WI & CHI: finding suitable property; finding a private investor; too complex for AHA; don't see this as a high priority.

Following the breakout sessions, the task force members were divided into 2 small groups to generate a series of responses to a topic question. The two questions for the groups were:

1. Which two characteristics of these models helped to make them successful?

Group A:
Support services for residents
Collaboration (finance agency/support agency)
All stakeholders worked together
Free college education
Creative financing
Strong lead agency for coordination and administration
Trial and error
Awareness of who is target population

Group B:
Supportive services for residents
Partnerships
Vision
Perseverance
Project development capacity
Ending isolation of residents

Collaboration
Blended management
One size does not fit all; there is more than one path
Community involvement
Ongoing operating support
Synergy
Affordability in the long run

2. Based on these models, what 2 or 3 messages would you advise the city to include in its affordable housing strategy?

Group A:

- Scattered housing
- Looking at all options
- Looking at what is needed for all residents, may be greater than just scattered housing
- Engage people passionate about needs and meeting those needs (investors, developers, Agencies)
- Cooperation
- Crucial to have social services involved in creating affordable housing strategy
- Be realistic about financing – consider how many layers we can use
- Use as catalyst for true economic transformation
- Don't use cookie cutter approach – be creative when looking at existing programs for housing

Group B:

- Start with what we can do – hit home runs
- Create a culture of information sharing
- Scale matters
- Remain open to different solutions
- Create a vision; create a team; start
- Community cooperation
- Long term sustained discussion about community needs and goals
- Know what we have, housing types, gaps, how many
- Determine which is viable for Aurora

On-Line Housing Survey

The City provided an on-line survey, available on the City's website during the month of May 2012, to allow Aurora residents an opportunity to provide feedback on the Best Practice models that were presented at this meeting of the Task Force. (See Attachment 17) The same questions presented to the Task Force members were asked in the on-line survey. There were 38 responses received to the survey. For a complete description of the on-line survey responses, see Attachment 16.

1. How interested would you be in seeing this type of project/strategy replicated in Aurora?
   (Don't know at this time, not at all interested, somewhat interested, interested, very interested)

   Survey Responses: A majority of the respondents to the survey were very interested (22) and extremely interested (20) to have the rehab of existing apartments for mixed-income housing and permanent supportive housing projects replicated in Aurora. About a third of survey respondents were fairly evenly divided between being somewhat interested to extremely interested in the infill housing project (somewhat interested-8, interested-9, very interested-7, extremely interested-8)

2. How interested would you be in seeing the immediate actions or next steps recommendations implemented?

   Survey Responses: A high majority of the respondents were extremely interested (14), very interested (8), and interested (10) in having the City and AHA begin to implement recommended next steps, such as appointing an on-going Housing Policy Group; creating an inventory of existing housing & vacant/developable land located near jobs and transportation; adaptive re-use of vacant schools or buildings to co-locate housing with support services such as early childhood education, childcare & adult education (GED, ESL, etc); & rehab vacant/foreclosed, scattered site homes for affordable rental or homeownership.

Please see Attachment 16, pages 20 and 21 for the written comments provided to the following questions: what feature or characteristic of these models is most appealing to you and what would be the most challenging features of these models?

Wednesday, March 7, 2012, 3 – 5 pm
Waubonsee Community College, Aurora Downtown Campus

A presentation was made to the Task Force by Jean Federman, Executive Director of the Aurora Housing Authority, on the "Jericho Circle Revitalization" proposal. Following an overview of the proposed Jericho Circle plan, members of the development team from CG Affordable Housing Partnership, LLC presented the different components of the proposed plan and the different partners that are part of the overall Partnership, including Galvin & Associates, National Community Renaissance and HOPE through Housing Foundation.

Another presentation was made to the Task Force on mixed-income housing research and other recent affordable housing strategies by Robin Snyderman, Vice President of Community Development, and Metropolitan Planning Council (MPC). Ms. Snyderman discussed generally accepted principles for affordable housing, such as the "Housing Endorsement Criteria" adopted as part of a joint initiative of MPC and the Metropolitan

Mayors Caucus (MMC) Housing Task Force. For further information on this Criteria and the joint initiative, see Chapter 6: Research: Existing Studies of this report.

Following a public comment period, a question and answer period related to the day's presentations was held for the Task Force members. The questions mainly related to the AHA proposed development at the former Jericho Circle site. Several members of the Task Force expressed that their concern with the Jericho Circle proposal was not the housing model per se, but rather their concerns had more do with the local Aurora context. According to the minutes of the meeting (see Attachment 13), the following concerns were raised:

- The physical location of the Jericho Circle site is isolated and far from important amenities, such as jobs, schools, and transportation;

- It was suggested that the isolated "out of site/out of mind" location was probably intentionally selected when the old public housing model was originally built on the site. Such an intentionally isolated location was wrong 40+ years ago and since it is still extremely isolated, it should be considered the wrong location today.

- Jericho Circle was a racially concentrated/isolated development and the new development seems to have the potential or likelihood of re-establishing a racially isolated community since the majority of AHA's waiting list consists of minorities and the site is still physically isolated.

- Concerns were also raised about the $250,000+ per unit price that was estimated at the meeting by the AHA development team for units ranging from 700-1,400 sq. ft. The point was made that significantly larger luxury condos with indoor parking were being built in far better locations for far less money.

- The AHA has sizable waiting lists and the demographics of those in need of affordable housing have changed in the city to where the majority of those in need are Hispanic. A concern was simply expressed that the AHA do all it can to serve a representative cross- section of those in the community who are in need.

- The AHA proposal remains virtually unchanged from a year ago when it was first presented and received near universal rejection from the school districts, police department, city, residents, business community, etc. Why has the AHA not seriously considered other options given the opposition?

- AHA members have participated in the Task Force meetings regularly, but nothing has changed in their proposal. Why have the best practices presented to the Task Force not been considered as alternatives to rebuilding at the Jericho Circle site?

- There seems to be a lot that everyone can agree on, why don't the City and the AHA simply start from scratch with what's agreed upon and work to build a new proposal from that common ground?

- Some members of the AHA Board and development team spoke in defense of the proposal and process. They provided examples of how certain issues or concerns have been addressed by the development partners in previous developments in other states.
    - A concern was expressed by Board members and the development team that everyone on the Task Force receives money from the City of Aurora (note: this notion was disputed by other Task Force members)
    - The process of the Task Force was questioned, specifically with regard to whether it was truly representative of the entire community, and that not enough residents and community members have had the opportunity for input.

Comments related to AHA's proposed re-development plan were passionate and emotional at times and there was no consensus reached between those members of the Task Force on the AHA Board and those representing other organizations.

It is CPDA's recommendation (Recommendation #6) that the City and the AHA should undertake a project together that mutually identifies and plans a housing program that would achieve their mutual goals. 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. The conflict between the City and Aurora Housing Authority (AHA) regarding the Jericho Circle Revitalization project has not been productive in advancing affordable housing. No matter what the reason was for this conflict, it will be in the best interest of the community to resolve these differences and to develop a plan to improve communication and work together to further affordable housing. Both the City and Housing Authority control significant funding and resources and power to support or delay further development.

Wednesday, March 21, 2012 3 – 5 pm
Waubonsee Community College, Aurora Downtown Campus

This session of the Task Force included the following presentations on local housing programs (See Attachment 13):

Hesed House
Permanent Supportive Housing
Ryan Dowd, Executive Director

Presentation provided an overview of Hesed House clients and emphasized the value of supportive housing, not only to the clientele served, but also the community.

CHAD
Scattered Site, Low Income Rental
Paul Chedda, Executive Director

Presentation explained Section 8 Vouchers, different requirements for affordable housing and efforts to keep families in the community they already lived in to help the family maintain stability. Mr. Chedda recommended a holistic approach when examining affordable housing in order to address the number of layers attached to this topic.

Dunham Fund/Joseph Corporation
Rehab and Refill Vacant Housing Renovation/Home-ownership Program
Dennis Wiggins, Joseph Corporation
Rick Guzman, City of Aurora and Emmanuel Housing Co-Founder

Presentation provided an overview of the new partnership between local nonprofits (Emmanuel House, Quad County Urban League, Fox Valley Habitat for Humanity) to purchase, rehab and resell 10 Aurora homes per year to help fill vacant properties in the local market for five years. The program will include training of students to do part of the construction and has received initial funding from the Dunham Ford Corporation.

Metropolitan Mayors Caucus/Metropolitan Planning Council
Housing Endorsement Criteria
Large Group Exercise
Audra Hamernik, A. Hamernick & Associates

Presentation reviewed the MMC Housing Endorsement Criteria and provided examples of housing developments in Illinois that met different components of the Criteria. The Task Force was asked if the general set of criteria could be a good fit for Aurora. Following a brief discussion, there was a general consensus that the Criteria, as explained and outlined in the document from MPC/MMC would be a good fit to guide housing decisions in Aurora.

Task Force members were asked to fill out a survey with 5 questions for each model presented in the Local Programs session. For a complete description of the survey responses, see Attachment 16.

The questions asked in the survey are listed below.

1. How interested would you be in seeing this type of project/strategy replicated in Aurora?
   (Don't know at this time, not at all interested, somewhat interested, interested, very interested)

   Survey Responses
   The majority of Task Force member were very interested in seeing the Permanent Supportive Housing and Rehab/Refill Housing replicated and somewhat interested/ interested in the Scattered Site, Low Income Rental housing program.

2. How applicable would this type of housing model be to addressing the housing needs in Aurora?
   (Don't know at this time, not at all applicable, somewhat applicable, applicable, very applicable)

   Survey Responses
   Again, the Permanent Supportive Housing and Rehab/Refill Housing were found to be very applicable by most respondents and the Scattered Site, Low Income Rental housing program was applicable.

3. Is this kind of project/strategy well-suited to Aurora's housing and neighborhood goals?
   (Don't know at this time, Not at all well-suited, somewhat well-suited, well-suited, very well-suited)

   Survey Responses
   The majority of respondents thought permanent supportive housing and rehab/refill housing was well-suited to very well-suited to Aurora's goals and the Scattered Site, Low Income Rental housing program was somewhat well-suited.

4. What is the feature or characteristic of this model that is most appealing to you?

   Permanent Supportive Housing: reduction of financial impact on community services; cost control of police, fire, hospitals; Specific need/specific solution; it's manageable.

   Scattered Site, Low Income Rental Housing: rehab of foreclosure property; neighborhood stabilization; Infill strategy; scattered site; government subsidy leverages rent prices; possibility of having a CHDO in addition to what AHA does.

   Rehab/Refill Housing: private funding; stabilize neighborhoods; lots of partnerships; great to see students involved; homeownership training

5. What would be the most challenging feature of this model?

   Permanent Supportive Housing: financing; density; finding houses; awareness; what would you say to a family that would be living next to a housing development like this? It sounds a little scary.

   Scattered Site, Low Income Rental Housing: funding; so few homes completed; community support and acknowledgement that need of affordable housing cannot be completely met by AHA.

   Rehab/Refill Housing: continuous funding; organization; funding families with down payment; demand exceeds supply of available properties.

Wednesday, May 2, 2012 3 – 5 pm
Waubonsee Community College, Aurora Downtown Campus

CPDA presented the draft Executive Summary and draft Recommendations from the Affordable Housing Study to the Task Force members. (See Chapter 1: Executive Summary and Chapter 9: Recommendations)

Recommendation # 1:
Adopt a Proactive Housing Policy

Recommendation # 2:
Establish a Permanent Policy Advisory Group for Housing

Recommendation # 3:
Designate a Lead City Staff Person for Housing

Recommendation # 4:
Compile and Maintain a Description of Housing Incentives, Resources, and Housing Policies

Recommendation # 5:
Adopt Affordable Housing Criteria

Recommendation # 6:
Develop an Education Program on Affordable Housing

Recommendation # 7:
Improve Partners Capacity

Recommendation # 8:
Structure Financial Assistance for Housing

Recommendation # 9:
Expand Homeownership Options

Recommendation # 10:
Explore Foreclosures and Adaptive Reuse as a Resource for Affordable Housing

Following the presentations, the Task Force members were divided into 3 small groups for a discussion and response, using the nominal group technique, to the following three questions:

1. What do you like about the recommendations?

Group A: The group ranked "housing coordinator" and "establish policies" as two of the more favorable recommendations.

Group B: The group ranked "partnering" and "educating the community" as two of the more favorable recommendations.

Group C: The group said the recommendations were "Comprehensive in nature, lays out plans and needed actions" as their number one response; "Taking a proactive approach to move ahead" as their second choice and "a team approach having AHA and the City working together" and" to incorporate the MMC criteria and other regional plans" were tied as the third highest by the group.

2. Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective?

Group A: The group felt that two recommendations would be ineffective or problematic. The two are: # 8: loans instead of grants for the very low income will not work and # 10: it will be difficult to make rehab affordable for rental housing.

Group B:

- How will the proposed housing advisory group relate to other groups involved in housing, such as the Plan Commission?
- If the recommendations are not implemented well, any of them could prove to be ineffective.
- If all of the recommendations are not implemented, then the others would be weaker and less effective.
- Appointment of members to the new housing policy group is critical, and perhaps should be accomplished through different group's appointment of their representative.
- Housing policy group should represent all stakeholders, and a range of interests.

Group C: The group felt it was necessary that all recommendations be addressed and implemented in order for there to be effective outcomes. The group spent a long time discussing the importance of the designated staff person and saw this as an integral key to implementing the recommendations. The group also agreed that having housing criteria was essential and, in a later discussion, voiced an opinion that the Task Force should approve the adoption of the Metropolitan Mayor's Caucus Criteria and Recommended Actions as Aurora's housing criteria.

3. What recommendations did you expect, that is not included? (Of those recommendations you expected in the report, which ones are missing?)

Group A: The group ranked the need for specific performance standards and adding flexibility as the highest scores.

Group B: The group thought the report should have included a specific solution to Jericho Circle, and a way to deal with scarce resources equitably for all Aurora

housing groups. *(Note: the City requested that the consultants "not focus on a specific solution to Jericho Circle, but rather examine the larger context of affordable housing and future housing development in Aurora." See the Introduction: Goals, pg. 2 of this report)*

Group C: The group did not rank their responses, but the issue of accountability and sustainability were seen as key components that should be included in the recommendations. They also raised the need for there to be an emphasis on raising the status of LMI persons and improving the lives of persons being assisted with housing and not to just focus on housing without providing supportive services. The suggestion was made that the Task Force adopt the MMC criteria sooner rather than later in the process.

Public Meetings

Three public meetings were scheduled by the City, in conjunction with the Affordable Housing Task Force, to give Aurora residents an opportunity to provide feedback on proposed draft recommendations presented to the Task Force on May 2, 2012. (See Attachment 16)

The forums were held on the following dates:

- Thursday, May 24 at the City's Customer Service Center
- Tuesday, May 29 at the Aurora Public Library West Branch
- Thursday, May 31 at the Fred Rodgers Community Center

At the open-house-style forums, residents had the chance to:

- Review the proposed recommendations and action steps;
- See examples of successful affordable housing models from other cities;
- Ask questions of City of Aurora staff and Affordable Housing Task Force members; and
- Fill out survey forms to indicate their feedback about the proposed recommendations.

There were 4 responses received to the survey. For a complete description of the survey responses, see Attachment 16, pg. 22.

2. How interested would you be in seeing this type of project/strategy replicated in Aurora?
   (Don't know at this time, not at all interested, somewhat interested, interested, very interested)

   Survey Responses: Half of the respondents were very interested in having all projects (infill housing, rehab existing apartments as mixed-income, permanent supportive housing) replicated in Aurora. None of the respondents answered not at all interested or don't know at this time.

3. How interested would you be in seeing the immediate actions or next steps recommendations implemented?

   Survey Responses: The respondents were very interested (2), and interested (2) in having the City and AHA begin to implement recommended next steps, such as appointing an on-going Housing Policy Group; creating an inventory of existing housing & vacant/developable land located near jobs and transportation; adaptive re-use of vacant schools or buildings to co-locate housing with support services such as early childhood education, childcare & adult education (GED, ESL, etc); & rehab vacant/foreclosed, scattered site homes for affordable rental or homeownership.

On-line Surveys and Public Meeting Surveys Summary

Overall 69.8% of survey respondents were Interested – Extremely interested in the Nehemiah Homes model, while 67.9% and 79.2% were interested – extremely interested in the Ogden Manor and Johnston Center models respectfully. Nearly 85% of the 50+ respondents (84.9%) indicated that they were interested – extremely interested in the proposed "Immediate Actions & Next Steps" while 9.4% said they were "Not at all interested" in the proposed next steps.

RESEARCH

As part of this project, we undertook research of current Chicago metropolitan housing plans that have applicability to Aurora. We found a number of excellent studies, plans, reports and other documents. There are many reasons why these are important for this project.

- They represent a vast amount of research, data, and analysis of the housing and community development situation in Aurora and the Chicago Metropolitan Area. The data and information in many of them is the most recent or can easily be updated. Older data and information can be used as a historical basis and for identifying trends. Aurora's policymakers and stakeholders should be familiar with the organizations that have produced these documents and should be familiar with many of the documents themselves.

- Additionally, Aurora policymakers and stakeholders should become active participants with these organizations on an ongoing basis to ensure that Aurora is not only represented but also to ensure that the city receives updated data, demographics and other outcomes of such studies and reports. In some instance, many of the stakeholders including the City are involved.

- In plain language, there's no need to reinvent the wheel. Much of the basic groundwork of an affordable housing study for Aurora already exists in these reports and studies.

- There are common findings, themes and recommendations in many, if not all of these documents. A summary of common themes is attached to this chapter and has been used in the development of our conclusions and recommendations in Chapters 8 and 9.

Among the most relevant and greatest numbers are the reports from the Metropolitan Mayors Caucus (MMC) and its Housing Committee, including a series that has focused specifically on a number of Chicago suburbs. That series is titled "Homes for a Changing Region." One of the first "Homes" reports included a specific study of Aurora. See below for a further description of the studies of the MMC and the studies included in "Homes for a Changing Region."

Also of particular relevancy is the regional comprehensive plan titled "Go To 2040" developed by the Chicago Metropolitan Agency for Planning (CMAP). "Go To 2040" includes an extensive section on land use and housing and is comprehensive in its coverage of regional and local development topics.

Other studies and reports that were reviewed included the City of Aurora 2010-2014 Consolidated Plan, Kane County Continuum of Care Exhibit 1 of the 2011 application for Mckinney-Vento homeless funding, Aurora Housing Authority Five Year Plan), Aurora-Elgin-Kane County Analysis of Impediments and Aurora Housing Authority Analysis of

Impediments. Charts comparing the major recommendations from these documents are included at the end of this chapter.

Other entities have also studied and reported on housing and community development topics for the Chicago metro region. These organizations include:

- Metropolitan Planning Council, http://www.metroplanning.org/index.html
- Chicago Metrópolis 2020 http://chicagometropolis2020.org/index.html

Some of those studies were done in conjunction with the entities noted above.

METROPOLITAN MAYORS CAUCUS – HOUSING STUDIES AND REPORTS

MMC has produced a number of relevant and useful studies and guidebooks which we recommend are reviewed and used by the Aurora Affordable Housing Task Force and other involved stakeholders. Among these are the following:

Table 12: Metropolitan Mayors Caucus Housing Studies and Reports

Homes for a Changing Region	Three phases to date which include demographic reports and analysis as well as studies of specific suburbs including Aurora. See below for more detail on Aurora and comparable suburbs.
New 2011 Housing and Community Development Action Agenda	"…outlined proactive steps toward the full range of quality housing options for the diversity of households that call this region home…reflect changes in the region's housing market and the economy, as well as the Committee's updated commitment to address municipalities' housing needs in conjunction with transportation, economic and workforce development, land use and infrastructure planning."
Housing 1-2-3: A Workbook for Local Officials and Community Leaders	"…guide to housing planning, creation and preservation… ways to bring higher quality housing into areas with a preponderance of lower value homes… aging rental properties…ensuring that new developments meet community needs…identifying private and public sector resources…partnerships…finding resources to support local efforts
Home Grown: Local Housing	

Strategies in Action	"…describes a number of housing "best practices" implemented by local governments around the Chicago metropolitan region… how a program, policy or development came about, how it works, why it has been successful, and how it is financed."
Guidelines for a Model Affordable Housing Plan	Guidelines to comply with Public Act 93-0595, the Affordable Housing Planning and Appeal Act.
How Can Municipalities Confront the Vacant Property Challenge and Toolkit?	"…nine tools that have proven effective… help municipalities develop and implement programs and policies… detailed information about how to put tools into use… also discusses best practices and provides links to additional resources…"
Multifamily Resource Guide	"…a list of public and private sector resources for energy assistance, financing, preservation, tenant relations, and more."

These and other studies and guides produced by the Metropolitan Mayors Caucus can be accessed at the following website:
http://www.mayorscaucus.org/pages/Home/Issues/Housing.html

HOMES FOR A CHANGING REGION

"Homes for a Changing Region" is a multiyear, continuing project led by the Metropolitan Mayors Caucus and Chicago Metropolitan Agency for Planning (CMAP) with support from the Metropolitan Planning Council. It "is identifying specific, local, regional and state strategies to address imbalances in northeastern Illinois' housing stock."

Phase I of Homes for a Changing Region in 2006 "examined the changing demographics of the six-county Chicago region and forecasted how the new population will affect housing demand between 2000 and 2030. The report identified a serious mismatch between the type of housing being planned and the housing that is likely to be needed by the region's growing population."

Phase 2 released in 2007 specifically focused on three suburbs including Aurora. The other two jurisdictions were Libertyville and Oak Forest.

The Phase 2 report that included Aurora concluded with the following recommendations:

- Encourage housing near transit options, especially in the downtown area.
- Establish mixed-use, mixed-income developments through the use of density bonuses and other incentives.
- Continue preserving and enhancing Auroras existing housing stock for affordable and upscale housing needs, and promoting the city's historic housing as one of the tools available to achieve this.
- Partner with local community-based groups and non-profits on housing development work to further enhance and reinforce city efforts to promote decent, safe and sanitary housing.
- Use sustainable development practices to reduce energy costs, thus making housing more environmentally responsible and consumption more affordable to all households.

Planners who worked on the Aurora report encouraged us to review and include in our study sections from a recently completed south suburban project report. This 2011 project was described by the MMC as "a forward-looking housing planning exercise with four communities in south suburban Cook County-Hazel Crest, Lansing, Olympia Fields and Park Forest." The planners who we spoke with cited similarities between Aurora and those south suburban communities.

Among the recommendations from the south suburban report are the following:

- Effectively address the foreclosure issue.
- Encourage transit oriented development of housing units should continue to be encouraged.
- Private sector investors should be provided with governmental incentives to create scattered site rental programs, including rent/buy option programs, if they are willing to buy up and restore, if needed, vacant homes that have gone through foreclosure.
- Federal and state government resources that are available for housing programs should be focused on large scale rehab programs directed at vacant, salvageable, low-cost single-family homes and multi-family properties that have been foreclosed. Sub-regional entities must be expanded or created with the capacity of rehabbing 60-100 of these low-cost homes and apartments per year via a network of private sector rehabbers.
- Larger multi-family properties that have run into financial difficulties and are deteriorating rapidly should be referred to regional organizations which specialize in the restoration of such properties.
- Communities should actively address vacant property issues, including through strong code enforcement efforts.
- Suburban communities should keep collaborating on a wide variety of issues.

A complete list of the recommendations follows in this chapter.

In addition to the studies and reports noted above, the MMC has produced a number of additional new studies. Among these are the following:

- Gurnee, Montgomery and Northlake;
- Blue Island, Plainfield and Woodstock;
- The West Cook County Collaborative of Oak Park, Forest Park, Maywood, Bellwood and Berwyn;
- The Northwest Suburban Housing Collaborative of Arlington Heights, Mount Prospect, Rolling Meadows, Palatine and Buffalo Grove.

The MMC has also completed additional studies including one of the West Cook County Housing Collaborative of Oak Park, Forest Park, Maywood, Bellwood and Berwyn and the Northwest Suburban Housing Collaborative of Arlington Heights, Mount Prospect, Rolling Meadows, Palatine and Buffalo Grove.

A summary of these studies and reports as well as access to them is available on the Metropolitan Mayors Caucus website:
http://www.mayorscaucus.org/pages/Home/Issues/Housing.html

Table 13: Metropolitan Mayors Caucus (MMC) Homes for a Changing Region, Phase 2

Entity Conducting Study	Findings/Recommendations
Metropolitan Mayors Caucus (MMC) Homes for a Changing Region, Phase 2 MMC and Chicago Metropolis 2020 *In year 1 of Phase 2, the MMC studied three cities including Aurora. This chart represents the findings and recommendations for Aurora.* Metropolitan Mayors Caucus: Forum for chief elected officials of the region to cooperatively develop consensus on common public policy issues and multi-jurisdictional challenges. Functions include: Issues addressed include: economic development, school funding and tax reform, workforce readiness, energy reliability and security, air quality, funding for transportation and other infrastructure, housing, and emergency preparedness. Develops consensus positions on a broad range of key issues facing the Chicago region and is a strong advocate for their adoption at the federal, state, and local levels of government. **<u>HOUSING POLICY PLAN</u>** This local housing policy plan provides the City of Aurora with an assessment of current	Establish mixed-use, mixed-income developments through use of density bonuses
	Encourage housing near transit options, especially in the downtown area
	Continue preserving and enhancing Auroras existing housing stock for affordable and upscale housing needs, and promoting the city's historic housing as one of the tools available to achieve this.
	Partner with local community-based groups and non-profits on housing development work to further enhance and reinforce city efforts to promote decent, safe, and sanitary housing
	Use sustainable development practices to reduce energy costs, thus making housing more environmentally responsible and consumption more affordable to all households.
	2011 Housing and Community Development Action Agenda
	1. Planning and Community Education:
	• Promote a mix of housing options, serve the needs of all future residents and enhance the livability of communities. • Encourage and help identify additional resources to enable municipal leaders to plan for the appropriate mix of housing near jobs and transit. • Follow the general principles outlines in the Housing Endorsement Criteria during the planning process. • Local residents, businesses and civic institutions should be invited to participate in the planning process • Partake in a broader community education effort through its participation in region-wide networking activities to promote housing that meets the Mayors Caucus Housing Endorsement Criteria.
	2. Housing Preservation, Community Stabilization and Economic Redevelopment

housing need, future housing targets, and policies designed to achieve those targets. Specifically, Aurora's local housing policy plan includes: • an estimate of Aurora's current housing needs shown by income range for rental and owner occupied housing; • an estimate of Aurora's future housing needs based on government projections and the housing goals of the city; and • land use and financing strategies that will help the city to achieve its desired housing goals.	• Focus resources on housing rehabilitation, code enforcement, building code unification and property management training, including training for owners of properties using Housing Choice Vouchers and other public resources. • Ensure that any funds dedicated to addressing the foreclosure crisis are targeted for maximum impact. • New mixed-income and mixed-use development is most appropriate when tied to transit stops and Job Centers. • Explore and support activities that encourage job growth and economic development near existing housing developments in suburban communities.
	3. Leadership and Inter-jurisdictional Coordination
	• Adhere to the principles outlined in GO TO 2040, the comprehensive regional plan developed by the Chicago Metropolitan Agency for Planning (CMAP) • GO TO 2040 supports investment in existing communities to create opportunities for more compact, walkable, and mixed-use development, with a range of housing options. • Work with their neighboring municipal leaders to collaborate jointly on housing and community development issues.
	4. Housing Endorsement Criteria
	• Promote Economic Development and Sustainability • Encourage an Array of Quality Housing Options Throughout the Region • Support Innovative Community Development and Design • Provide for Mixed Uses Within a Neighborhood • Minimize Cost of Municipal Services • Promote the Use of Public Transit • Support Sensible Growth

Table 14: Metropolitan Mayors Caucus Homes for a Changing Region, Phase 3

Entity Conducting Study	Findings/Recommendations
Metropolitan Mayors Caucus (MMC) Homes for a Changing Region, Phase 3 *In 2011, the MMC completed a study of housing in Chicago's south suburbs. The planners who undertook this study suggested that we include some of the findings and recommendations of that report in our Aurora study citing similarities and applicability.* Metropolitan Mayors Caucus: Forum for chief elected officials of the region to cooperatively develop consensus on common public policy issues and multi-jurisdictional challenges. Functions include: Issues addressed include: economic development, school funding and tax reform, workforce readiness, energy reliability and security, air quality, funding for transportation and other infrastructure, housing, and emergency preparedness. Develops consensus positions on a broad range of key issues facing the Chicago region and is a strong advocate for their adoption at the federal, state, and local	Effectively address the foreclosure issue. Take actions or support ideas such as: • Pressure banks and lending institutions to "cram down" mortgage principle in foreclosure situations and restructure mortgages to keep families in their homes. • Federal government financial incentives should be created to get banks to provide mortgages to would-be home buyers interested in purchasing such homes. • Fund a sub-regional land bank to allow member communities to hold and maintain properties to prevent further deterioration, to assemble them for redevelopment and manage associated liabilities, then to convey the properties to new owners while ensuring their long-term use consistent with community goals, particularly housing affordability.
	Transit oriented development of housing units should continue to be encouraged.
	Private sector investors should be provided with governmental incentives to create scattered site rental programs, including rent/buy option programs, if they are willing to buy up and restore, if needed, vacant homes that have gone through foreclosure.
	Those federal and state government resources that are available for housing programs should be focused on large scale rehab programs directed at vacant, salvageable, low-cost single-family homes and multi-family properties that have been foreclosed. To make large scale rehab programs possible, sub-regional entities must be expanded or created with the capacity of rehabbing 60-100 of these low- cost homes and apartments per year via a network of private sector rehabbers.
	Banks should be pressured by government leaders to provide working capital funding to qualified private sector rehabbers.

levels of government.	Larger multi-family properties that have run into financial difficulties and are deteriorating rapidly should be referred to regional organizations which specialize in the restoration of such properties.
	Communities should actively address vacant property issues, including through strong code enforcement efforts. The Vacant Property Toolkit, developed by Business and Professional People for the Public Interest (BPI) in partnership with the Metropolitan Mayors Caucus and CMAP, can be very helpful in this area, as can experience gained by the City of Chicago with its new Foreclosed Property Maintenance Ordinance.
	Ongoing foreclosure prevention counseling and workshops currently provided should be continued with additional funding.
	Suburban communities should keep collaborating on a wide variety of issues.

CHICAGO METROPOLITAN AGENCY FOR PLANNING (CMAP)

CMAP is the regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. CMAP is involved in numerous housing and development efforts throughout the region. Among the topics that CMAP studies are:

- Land Use
- Environment
- Transportation
- Housing
- Economic Development
- Human and Community Development

Housing related projects include publication of the guide "How Can Municipalities Confront the Vacant Property Challenge?", the Chicago Region Retrofit Ramp-Up Program and a pilot project to develop a strategy for approaching housing work through inter-jurisdictional coordination in conjunction with the Metropolitan Mayors Caucus and other organizations.

The website for the Chicago Metropolitan Agency for Planning is http://www.cmap.illinois.gov/

CMAP "GO TO 2040" REGIONAL COMPREHENSIVE PLAN

CMAP developed the regional comprehensive plan titled "Go To 2040." According to CMAP, "Go To 2040" was developed "To address anticipated population growth of more than 2 million new residents…" and it "establishes coordinated strategies that help the region's 284 communities address transportation, housing, economic development, open space, the environment, and other quality-of-life issues."

"Go To 2040" emphasizes "livability" for local communities. Livability means communities that are healthy, safe, walkable, offers choices for transportation to jobs, services and basic needs, are cost effective and economically competitive. One of the major topics of "Go To 2040" is to "Achieve Greater Livability through Land Use and Housing."

"The GO TO 2040 plan strives to balance the need for local autonomy and regional cooperation. It provides principles that municipalities and counties can apply when they decide how and where development should happen or which infrastructure investments to make in their communities. To support more compact development and redevelopment, the plan targets investment in existing communities, but even development in new areas can and should support livability."

While development should fit the local context, community choices about land use and housing should also emphasize principles that improve livability, such as:

- Support for transit, walking, and bicycling
- A range of housing options
- Environmental protection
- Access to green space
- Design, aesthetics, and local historic character.

"Go To 2040" can be accessed at http://www.cmap.illinois.gov/2040/main

Table 15: CMAP "Go To 2040" Recommendations

Chicago Metropolitan Agency for Planning (CMAP) Go To 2040 Recommendations
"The building blocks of local planning for livable communities are high-quality plans, ordinances and other regulations that are consistent with adopted plans, and trained and educated decision-makers." What is needed are: • Comprehensive Plans that are updated and include housing affordability. • Ordinances that are updated and recognize mixed housing. • Other regulations that recognize the need for balanced housing including affordable housing.
Trained decision makers: "*It is important for these decision-makers to be aware of the regional as well as local consequences of their decisions, and to consider these as they review development proposals."*
Funding and Financial Incentives for planning and implementing including technical assistance.
Intergovernmental collaboration
Link housing, transit and land use: "*Local governments should plan for mixed income transit oriented development, by ensuring that housing near transit includes affordable housing provisions and that affordability is maintained in the long-term."*
IMPLEMENTATION ACTIONS
1. Provide Funding and Financial Incentives. 2. Provide Technical Assistance and Build Local Capacity. 3. Support Intergovernmental Collaboration. 4. Link Transit, Land Use, and Housing.

CITY OF AURORA CONSOLIDATED PLAN 2010 - 2014

To receive funding from the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant and HOME Programs, specifically, the City is required to complete a Consolidated Plan (Con Plan) that covers those programs for five years. Aurora's most recent Con Plan was completed in 2010 for the period 2010

through 2014. The Con Plan includes an analysis of housing conditions and needs, an examination of Barriers to Affordable Housing as well as the development of affordable housing related goals, objectives and priorities.

Con Plan Demographics and Priorities

The Con Plan's demographic analysis found the largest need for affordable housing to be households with a cost burden. According to the Con Plan: "Forty-six percent of owners with mortgages, 28 percent of owners without mortgages, and 53 percent of renters in Aurora city spent 30 percent or more of household income on housing." There was little difference between the demographics analyzed in 2010 with those from the previous Con Plan in 2005.

However, the Con Plan also concluded**:** "Further analysis and planning is increasingly important beginning with the Consolidated Plan's 2010 program year especially when considering the current 2009/2010 economic conditions. The ACS data above generally shows slight changes which might indicate, if not an improvement of the current poverty situation, that these conditions had not gotten significantly worse. However, with rising unemployment and continued layoffs in both the manufacturing and service industries, major changes might be occurring and vigilance is necessary. In addition, it is not yet known what effects stimulus funding and activities have had. All of this must be newly studied and analyzed." (See Recommendation #5)

The major obstacle to addressing underserved needs is the cost of housing. According to the American Community Survey, there were over 4,000 vacant housing units in the City of Aurora in 2008. A housing market analysis study completed by Mercy Housing for HUD Neighborhood Stabilization Program uncovered foreclosure data. Over 1,000 housing units are in some stage of foreclosure in the identified census tracts. The loss of jobs and downturn in the economy has reduced the capability of people to afford even the reduced prices of housing.

In the Con Plan, the City described its highest priorities for housing:

The housing needs assessment and market analysis identified the prevalence of substandard and overcrowded housing as key areas of concern within the City. The city plans to implement programs addressing rehabilitation and energy efficiency within low income homes in an effort to reduce the cost burden of basic living expenses, as well as encourage homeowners to return their homes back to the unit's original status to reduce overcrowding. To promote homeownership, the city is implementing the ASSIST First-Time Homebuyer Program, giving low income residents the opportunity to make an investment on their first home.

Given the data and input, the City has set a high need priority for income levels from 0% - 80% of medium family income, for both renters and owners, and for large-related, small-related, and elderly housing."

A further priority was given to houses in need of repairs " in order to meet building code, lead paint mitigation or greater energy efficiency standards, and owned by income-eligible households whose housing cost burdens are greater than 30%...Households between 40% and 80% of median income that are trying to purchase their own homes…Income eligible renter households with housing cost burdens greater than 30%, living in houses in need of repairs or renovation in order to meet building code, lead paint mitigation or greater energy efficiency standards."

Therefore, a high priority is being placed on households falling within the extremely-low income bracket. These households face a much larger income burden towards basic living needs, with 25% of ELI owners and 36.7% ELI renters paying more than 30% of their income towards housing. Recent rises in the cost of petroleum and food have placed an additional burden on low-income residents as well, limiting the ability to address critical housing and living expenses.

As discussed in the market analysis, existing housing constitutes the greatest opportunity for affordable housing. Rehabilitation strategies are being considered a high priority to meet this need. Given the limitations of an income level at or below 30% of the Median Family Income, extremely low income homeowners and renters are being prioritized for this program because there is a great enough need to limit assistance."

The city's targeted population is "renters and owners in small, large, or other related families meeting income level requirements at or below 80% AMI. Energy efficiency initiatives are restricted to owners at income levels at or below 80% AMI. The ASSIST program is strictly for persons who rent or have otherwise not previously owned a home."

Barriers to Affordable Housing

Also part of the Consolidated Plan is an analysis of the Barriers to Affordable Housing**.** Aurora described five barriers:

- Market conditions that, in the past, placed upward pressure on housing prices, but under current economic conditions have slowed or halted new development and severely restricted the availability of financial assistance especially to low income households.
- Local processes for land planning and zoning
- Building codes
- High demand for housing and high cost of housing
- Community resistance to affordable housing including Fair housing issues.

The City further set strategies to address each of these barriers:

- ***Federal and State Funding***
  Apply for all the resources that are available to the City. Use HOME funds for housing rehabilitation, reconversion and homeownership. Explore the use of HOME funds as leverage for other forms of affordable housing including: rental housing development and participation with the Kane County Continuum of Care in the development of permanent supportive housing for the homeless.

- ***Innovative Private and Public Sector Financing***
  Work with private lenders and with other public and private to develop new ways of financing affordable housing.

- ***Comprehensive Plans and Zoning and Subdivision Ordinances***
  Maintain an ongoing study to determine if local plans and ordinances are inhibiting affordable housing and to recommend actions that the city should take to address these issues.

- ***Improve Building Codes Enforcement***

- ***Community Resistance to Affordable Housing***
  Explore the possibility of evaluating progress in addressing items in the AI and implementing the recommendations made in the report. Update or develop a new Analysis of Impediments over the next five years.

- ***Planning and Coordination***
  Adopting the goals and proposed strategies of the annual State of Illinois Comprehensive Housing Plan**:** "Building the Economic Recovery: Affordable Housing in Illinois."

A more detailed listing of the Con Plan goals is attached to this Chapter.

Public Housing

The Consolidated Plan also requires that the City consult with the local housing authority and include the plans and long-term strategies of the housing authority. In the City's 2010-2014 Con Plan, the plans and strategies of the Aurora Housing Authority were included as follows:

- By the summer of 2010, AHA expects to have a plan in place to demolish the Jericho Circle housing complex and relocate families currently living there. Jericho Circle will be rebuilt as a mixed-income neighborhood, with townhomes and rental units.
- The East Side residential center, Maple Terrace, will be torn down.
- Centennial House will be converted to a seniors-only facility.
- The AHA also plans to sell its 45 scattered-site single-family homes.

These are the same plans and strategies included in the AHA's Five Year plan which is noted below in this chapter.

Homeless

As with housing authorities noted above, the Con Plan also requires consultation with local Continuums of Care regarding plans and strategies for addressing homelessness within the jurisdiction.

The City of Aurora is an active partner with the Kane County Continuum of Care (COC) supporting programs designed to address issues of homelessness in Aurora, Elgin and Kane County. In consultation with the COC, the city, in the 2010-2014 Con Plan, included the following objectives and priorities in regard to homelessness:

- Long-term affordable housing linked with supportive services.
- Supportive services such as health care, literacy, employment training child care, and transportation.
- Programs to assist households at risk of eviction or homelessness.
- Support for the Kane County Continuum of Care as advocate and coordinator of for homeless service organizations.

In addition, the city noted: "We will focus our rental housing programs to meet these needs with 45 units of code compliant, affordable rental housing over the next five years. We will also continue to provide assistance to services that reduce or prevent incidents of homelessness and provide support to at-risk persons."

A more detailed summary of the plans and goals of the COC are included later in this chapter.

Table 16: Aurora Consolidated Plan 2010-2014 Recommendations

AURORA CONSOLIDATED PLAN 2010 – 2014 RECOMMENDATIONS
Apply for all the resources that are available to the City. Use HOME funds for housing rehabilitation, reconversion and homeownership. Explore the use of HOME funds as leverage for other forms of affordable housing including: rental housing development and participation with the Kane County Continuum of Care in the development of permanent supportive housing for the homeless.
Innovative Private and Public Sector Financing
Work with private lenders and with other public and private to develop new ways of financing affordable housing.
Comprehensive Plans and Zoning and Subdivision Ordinances
Maintain an ongoing study to determine if local plans and ordinances are inhibiting affordable housing and to recommend actions that the city should take to address these

issues.

Building Codes

1. Encouraging fast-track or one stop permit processing
2. Promoting the use of time-saving and cost-saving techniques within reasonable health and safety parameters
3. Providing technical assistance, information and other support to local communities.
4. Encouraging affordable housing by using development controls (i.e., the zoning ordinance and subdivision regulations) to pursue this goal.

Community Resistance to Affordable Housing

1. Explore the possibility of evaluating progress in addressing it in the AI and implementing the recommendations made in the report
2. Update or develop a new Analysis of Impediments over the next five years

Planning and Coordination

Adopting the goals and proposed strategies of the annual State of Illinois Comprehensive Housing Plan**:** "Building the Economic Recovery: Affordable Housing in Illinois."

Focus Strategy #1:

Implement a comprehensive approach to foreclosure prevention and mitigation.

Focus Strategy #2:

Sustain appropriate homeownership programs for low- and moderate- income households.

Focus Strategy #3:

Implement special needs housing strategies.

Focus Strategy #4:

Reinvigorate investment in affordable rental housing development through new strategies and improved viability of existing resources.

Focus Strategy #5:

Promote preservation and increased sustainability of long term affordable rental housing through improved operations.

Focus Strategy #6:

Leadership in promoting affordable housing and economic development.

Housing

1. Implement programs addressing rehabilitation and energy efficiency within low income homes in an effort to reduce the cost burden of basic living expenses, as well as encourage homeowners to return their homes back to the unit's original status to reduce overcrowding.
2. High need priority for income levels from 0% - 80% of medium family income, for both renters and owners, and for large-related, small-related, and elderly housing.
3. Homes in need of repairs or renovation in order to meet building code, lead paint mitigation or greater energy efficiency standards, and owned by income-eligible households whose housing cost burdens are greater than 30%.
4. Households between 40% and 80% of median income that are trying to purchase their own homes.
5. Income eligible renter households with housing cost burdens greater than 30%, living in houses in need of repairs or renovation in order to meet building code, lead paint mitigation or greater energy efficiency standards.

Public Housing
1. Demolish, relocate residents and redevelop Jericho Circle as mixed income, townhomes and rental units 2. Demolish Maple Terrace 3. Convert Centennial Housing to seniors only 4. Sell 45 scattered site single family homes
Homeless (with the Kane County Continuum of Care)
Provide prevention and supportive services. The City's homeless priorities will be: 1. Long-term affordable housing linked with supportive services. Supportive services such as health care, literacy, employment training child care, and transportation. 2. Programs to assist households at risk of eviction or homelessness. 3. Support for the Kane County Continuum of Care as advocate and coordinator of for homeless service organizations.

AURORA-ELGIN-KANE COUNTY ANALYSIS OF IMPEDIMENTS

Many HUD programs, including CDBG and HOME, require the grantee to take actions to affirmatively further fair housing and subsequently to document those actions. Through its community development programs, HUD states that its goal is to expand mobility and widen a person's freedom of choice. The Department also requires grantees to document affirmative fair housing actions.
However, HUD defines the obligation to affirmatively further fair housing as requiring a grantee to:

- Conduct an analysis to identify impediments to fair housing choice within the Jurisdiction. This is known as an Analysis of Impediments (AI).
- Take appropriate actions to overcome the effects of any impediments identified through the analysis.
- Maintain records reflecting the analysis and actions taken in this regard.

In this regard, the City of Aurora partnered with the City of Elgin and Kane County, all direct entitlement grantees of the CDBG and HOME programs to have an Analysis of Impediments (AI) developed. The findings of the Aurora, Elgin and Kane County AI are:

- There is a general lack of awareness among community stakeholders of fair housing laws, roles and responsibilities.
- There is a general lack of awareness of existing housing and supportive service resources.
- There may be some existence of rental property discriminatory practices by apartment owners or managers toward low-income minority renters, and in particular those households with disabilities.
- There could be more formalized collaborative efforts regarding fair housing among the three jurisdictions.

- Planning and communication between the local jurisdictions and the housing authorities regarding community housing goals and priorities is in need of improvement and formalization.
- Communities need to continue and/or maintain and improve strategies that link their Consolidated Plans with their local Comprehensive Plans.
- Data related to fair housing compliance, beneficiaries, and knowledge in the private homebuyer and rental markets is outdated. This lack of current "real-time" data inhibits the ability of local jurisdictions to gain an accurate picture of local housing industry practices and make affirmative and credible actions regarding fair housing issues, such as: ensuring the appropriate alignment of beneficiaries of CDBG funding or programs by ethnicity/ disability/ socioeconomic/demographic cohort and need or identifying industries (e.g. real estate, lending, etc.) to target for educational outreach regarding fair housing issues, practices, or programs.

To address these findings, the AI included nine (9) recommended actions. These recommended actions are included in the chart attached to this chapter.

The recommendations include development of a city website on housing, continuing training on fair housing, development of a language accessibility plan, support foreclosure counseling, support collaboration, support the Mayor's Affordable Housing Task Force and others.

AURORA HOUSING AUTHORITY (AHA) ANALYSIS OF IMPEDIMENTS

Like CDBG grantees, HUD-recognized local public housing agencies are also required to document steps being taken to ensure that fair housing requirements are being reviewed and addressed including affirmatively furthering fair housing. As part of this process, the Aurora Housing Authority chose to undertake an Analysis of Impediments in 2010. According to the introduction, the AI "is a review of AHA's regulations, policies, procedures and practices affecting fair housing choice."

We found the presentation and analysis of demographic data in Chapter 2 to be excellent. It was informative and useful. Also notable are the following:

- descriptions and analysis of housing authority inventory including current units, vouchers, waiting lists, accessibility – Chapter 3;
- review of AHA policies including deconcentration – Chapter 4;
- General Fair Housing observations – Chapter 7; and,
- Potential Impediments to Fair Housing Choice – Chapter 8.

Of particular concern is Chapter 6 which is titled "The Context of Local Government: The City's Response to Jericho Circle Redevelopment Plans". In this section, the AHA's AI details the AHA's observations of the process that occurred between it and the City of Aurora concerning plans to redevelop Jericho Circle.

According to the AI, the housing authority's request to obtain certificates of consistency from the City supporting the proposed redevelopment was denied. The AI states that the AHA "did not anticipate encountering difficulty in obtaining the City's certification to HUD that its Annual Plan Consolidated Plan was consistent with the City's Consolidated Plan."[27]

In its observations, the AHA AI claims that "The communications and actions of the City in regard to redevelopment plans for the Jericho Circle site represent impediments to the advancement of fair housing choice for Aurora's protected classes."[28]

These are serious allegations. We are aware that the city has another view of the process that occurred, which are outlined in the Mayor's letter to IHDA opposing the AHA's application for tax credits.[29] (See Attachments 18 & 19) However, the fact that these allegations are included in the AHA AI obligates both parties to address the issues involved and take actions to resolve the differences and improve the process.

AURORA HOUSING AUTHORITY FIVE YEAR AND ANNUAL PLAN

HUD also requires that housing authorities develop and submit a five year annual plan including goals and objectives. We reviewed the Five Year and Annual Plan for the Aurora Housing Authority (AHA) and found the following goals and objectives

- Expand the supply of existing housing by applying for additional Housing Choice Vouchers, reducing Public Housing vacancies and leveraging funds to increase the supply.
- Improve the quality of assisted housing by improving management, improve customer service, renovate or modernize Public Housing units, demolish or dispose of obsolete units, provide replacement vouchers.
- Increase assisted housing choices by providing voucher mobility counseling and outreach to potential landlords.
- Provide an improved living environment.
- Ensure equal opportunity and affirmatively further fair housing.

Specific Ongoing Activities

- Sell three properties and relocate tenants.
- Jericho Circle: 100 units: relocation, demolition and redevelopment.

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[27] Page 58 Aurora Housing Authority Analysis of Impediments
[28] Page 61 Aurora Housing Authority Analysis of Impediments
[29] Mayor Weisner solicited input from Task Force members on whether or not to provide a letter of support requested by AHA for the IHDA tax credit application. 4 of 7 AHA Board members and other Task Force members urged support. 9 Task Force members urged the Mayor not to support the application at this time and/or at least wait until the Task Force report was issued. (See Attachment 19)

- Maple Terrace: 187 units: relocate tenants, demolish, redevelop.
- Convert Centennial House 85) units) and Annex (41 units) into elderly only, relocate non elderly tenants using HCV or into existing projects.
- Convert existing project from PH to Section 8 vouchers. Possibly Southwind, 34 units.

Table 17: Analysis of Impediments Housing Objectives and Strategies

AURORA, ELGIN, KANE COUNTY ANALYSIS OF IMPEDIMENTS	AURORA HOUSING AUTHORITY ANALYSIS OF IMPEDIMENTS
Implement a City website page that provides a clearinghouse of information on access to housing, services, fair housing and the like.	Initiate a fair housing log to record activities taken throughout the year to affirmatively further fair housing.
Continue providing training to apartment owners and managers and ensure that fair housing laws and appropriate practices are disseminated to this community and to ensure for safer and more inclusive rental properties.	Continue to provide fair housing training to all AHA staff on an annual basis.
Develop a Language Accessibility Plan.	Undertake a Section 404 Needs Analysis and Transition Plan.
Continue to support programs or services that provide foreclosure counseling and tenant rights education.	Revise the AHA Admissions and Continued Occupancy Policy to clarify and make consistent the classes protected from discrimination.
Seek to establish strategic relationships with the private and non-profit sectors so that they become the primary face of fair housing education and promotion	Revise the Section 8 Administrative Plan to increase rent payment standards to make reasonable accommodation for people with disabilities.
Affirmatively support the efforts of the Mayor's Blue Ribbon Affordable Housing Task Force, which has been established to convene and facilitate the development of an Affordable Housing Study, which is, for example, developing strategies to address the loss of units at Jericho Circle and the inventory of foreclosed units.	Ensure that adequate access to programs and services is being provided to residents with limited English proficiency.
Evaluate the role of the Human Relations Commission as it relates to	**Pursue the redevelopment of Jericho Circle to expand housing choice for members of the**

promoting fair housing issues.	**protected classes in non-impacted areas of Aurora.**
Survey CDBG and HOME beneficiaries.	**Ensure that the economic opportunities resulting from the Jericho Circle project are extended to public housing residents and other low-and very low income populations.**
Survey the community in future years to assess any change in general knowledge and familiarity of fair housing issues.	Continue Section 8 mobility counseling to applicants and the recruiting of landlords with units outside impacted areas of Aurora.
	Continue implementing the affirmatively marketing policy.
	Conduct outreach to disability advocacy organizations in Aurora on the availability of AHA housing.
	Improve the quality of life for AHA residents by continuing modernization activities and updates at Centennial House, Eastwood Apartments and Southwind Apartments with capital funds.
	Collaborate with the City of Aurora on affordable housing and related support service activities when opportunities do arise…At the very least, AHA will not undertake any action, omission or decision that impedes fair housing choice for Aurora residents.

KANE COUNTY CONTINUUM OF CARE (COC)

We also reviewed the annual application developed by the Kane County Continuum of Care for HUD McKinney Act homeless funding. Homeless funding in the Aurora-Kane County area is coordinated by the Kane County Continuum of Care.

Following HUD's issuance of the annual Notice of Funding Availability (NOFA), local homeless Continuums of Care begin the process of developing their applications for funding for their constituent organizations. In Exhibit 1 of the application COCs must include specific local action steps and measurable achievements for attaining each of the five national HUD objectives, as part of HUD's goal to end chronic homelessness and help move families and individuals into permanent housing.

The national objectives are:

- Create new permanent housing beds for chronically homeless persons.
- Increase the percentage of participants remaining in CoC funded permanent housing projects for at least six months to 77 percent or more.

- Increase the percentage of participants in CoC funded transitional housing that move into permanent housing to 65 percent or more.
- Increase the percentage of participants in all CoC funded projects that are employed at program exit to 20 percent or more.
- Decrease the number of homeless households with children.

The 2011 Kane County application, Exhibit 1, included the following goals.

1. Short term goal (12 months)
    a. Add 3 more permanent beds for the chronically homeless.
2. Long term goal (10 years)
    a. Add 3 additional permanent beds per year plus additional beds from non-HUD funding sources e.g. IHDA.
3. Other
    a. Aurora Housing Authority (AHA) Pilot
    b. Continue AHA pilot giving priority to homeless referred by PADS to AHA.
4. Other
    a. Increase the percentage of participants in COC-funded transitional housing projects that move to permanent housing to 65 percent or more.

COC and Con Plan Common Goals

Additionally, the COC listed the following goals in its Strategic Plan that are also included in the City's Consolidated Plan. According to the Con Plan, Aurora will work with the Kane County CoC to take the following steps:

1. Needs Assessment Data - planning for Outcomes;
2. Prevention of homelessness;
3. Prevent discharge into homelessness;
4. Outreach to bring in unsheltered;
5. Shorten homelessness;
6. Rehousing as quickly as possible;
7. Build support services infrastructure, fill gaps;
8. Increase income; and,
9. Create permanent housing.

2003 Illinois Affordable Housing Planning and Appeal Act (AHPAA)

During our research we also came across the 2003 Illinois Affordable Housing Planning and Appeal Act (AHPAA), an interesting and encouraging piece of legislation designed to encourage municipalities and counties to consider affordable housing in their planning and development. The law requires that all municipalities with less than 10 percent affordable housing – according to the analysis conducted by University of Illinois - Building Research Council - must develop and implement plans to ensure that at least 10 percent of their housing is affordable. Annual reporting is also required. Additionally,

the Act created a state Housing Appeals Board to review local government decisions in regard to affordable housing proposals.

Forty-nine communities were identified as not meeting the threshold. Communities that did meet the threshold of at least 10 percent were considered exempt. Aurora is exempt.

However, the data used for the initial determinations was based on 2000 Census data. With the release of the 2010 Census data, the state will be reanalyzing the affordable housing in Illinois jurisdictions and determining new exempt and nonexempt localities.[30]

READINGS, REFERENCE AND ADVOCACY

Numerous, excellent resources exist to provide information, analysis and advocacy supporting affordable housing including sources specifically related to the Chicago metropolitan area. We reviewed and used many of those resources in the preparation of this study. (Appendix)

Over and above those notes in this Research chapter, stakeholders and those particularly interested in furthering affordable housing in Aurora are encouraged to bookmark links to the Woodstock Institute and the Enterprise Community Partners.

The Woodstock Institute, located in Chicago, is a "nonprofit research and policy organization in the areas of fair lending, wealth creation, and financial systems reform."[31] Woodstock focuses on both Chicago regional and national issues. Among the publications issued by Woodstock are studies, reports, and newsletter and data analysis related to housing issues including foreclosures, lending and banking practices and fair housing.

Enterprise Community Partners is also a nonprofit with a particular emphasis on housing and community development. Enterprise, with both national and Chicago operations, is comprised of a number of nonprofits as well as for-profit subsidiaries. Enterprise provides expertise and advocacy as well as financing and development of

[30] Additional information on the AHPAA can be obtained from the Illinois Housing Development Authority (IHDA), Housing Coordination Services (OHCS), (312) 836-5200 or email Jennifer Chan at jnchan@ihda.org.
[31] 29 E. Madison, Suite 1710, Chicago, Illinois 60602-4566 (312) 368-0310 http://www.woodstockinst.org

affordable housing. Enterprise is intensely involved in advocacy regarding affordable housing tax credits as well as supportive housing. [32]

There are a number of critical advocacy efforts currently underway nationally including efforts to preserve or revise the Low Income Housing Tax Credit. The LIHTC is considered by many to be the principal means by which affordable housing development is supported by government. Information on efforts to support the LIHTC can be found at the sites listed above as well as the following:

- Affordable Rental Housing A.C.T.I.O.N. "A Call to Invest in Our Neighborhoods: A.C.T.I.O.N. Campaign's Legislative Proposals for the 112th Congress" (See Attachment 20)
- Dear Colleague Letters: Congress of the United States, H.R. 3661 (Attachment 21)
  United Stated Senate, S. 1989 (See Attachment 22)
- Opportunity and Location in Federally Subsidized Housing Programs, A New Look at HUD's Site and Neighborhood Standards as Applied to the Low Income Housing Tax Credit, October 2011 (See Attachment 11)
- LIHTC U.S. Treasury Reform Proposal (See Attachment 23)
- General Explanations of the Administration's Fiscal Year 2013 Revenue Proposals, U.S. Department of Treasury: pgs. 58-59
  http://www.treasury.gov/resource-center/tax-policy/Documents/General-Explanations-FY2013.pdf

CONCLUSIONS

As previously noted, there are many common themes in the studies, reports and plans that we reviewed. These themes are listed on the attached chart. We identified common themes under broad categories:

- Housing Development and Preservation
- Resources and Funding
- Planning and Land Use, and,
- Partnerships

Of particular note is that a balanced housing stock is among the most common themes of the regional studies and reports and is also a goal of the Consolidated Plan. This means that the City should strive to have housing available to all income strata, provide

[32] Enterprise American City Building, 10227 Wincopin Circle, Columbia, MD 21044, 800-624-4298; 230 W. Monroe Street, Suite 2605, Chicago, Ill 60606, 312-809-0783; http://www.enterprisecommunity.com/

a mix of new and rehabilitation as well as all tenure types – rental and homeownership. The purpose of this study was to assist the city in determining what actions are needed to provide affordable housing particularly for those least able to provide for or obtain it on their own. All of our recommendations, particularly numbers 1, 2, 3, 4, 5, 7, 8, 9 and 10 address balanced and affordable housing.

Approaching affordable housing as a regional issue is also one of the most prevalent themes in the studies and reports that we reviewed. Localities must take steps to address their needs but cannot do this in isolation and cannot expect others to take the initiative or burden. This issue is addressed primarily in Recommendations 1, 5 and 7.

Improving and developing partnerships is also a common theme frequently mentioned in most studies and report. For Aurora, we recommend that the city actively and aggressively engage in the activities of a number of regional housing and development agencies if it is not doing so currently. This is discussed in Recommendation 3. Along with that, we also recommend that the city take definitive steps to improve and develop the capacity of local nonprofits and housing agencies who work in and with the City. Recommendation 7 specifically addresses this issue.

Inherent in all of the studies and reports that we reviewed is the issue of fair housing including choice and opportunity for minorities and special populations such as the disabled and homeless. Aurora has an excellent network of agencies that provide advice, guidance and assistance, as well as direct provision of services and housing for these populations. The Analysis of Impediments from the city (along with Kane County and Elgin) and the Aurora Housing Authority provide specific recommendations for actions that should be taken. Both AIs should be reviewed and taken into consideration when future actions are planned for affordable housing.

Lastly, addressing the problems of homelessness is also a common theme in all of the reports. The most specific recommendations come from the Kane County COC and City Con Plan. Those common recommendations include the provision of additional beds particularly for the chronically homeless, increased access to and integration of supportive services and steps to be taken to move people from homelessness to permanent housing.

Table 18: Common Themes and Suggested Features

COMMON THEMES and Suggested Features	RELATES TO STUDY RECOMMENDATION #(s)
HOUSING DEVELOPMENT AND PRESERVATION	**Recommendations 1, 2, 3, 4, 5, 7, 8, 9, 10**
• Mix income and mixed use • Array of housing options • Include preservation and rehabilitation • Near transit • Promote homeownership • Support foreclosure prevention and mitigation • Support special needs housing including providing additional beds for the chronically homeless and taking steps to move people from homelessness to permanent housing	
RESOURCES and FUNDING	**Recommendations 1, 2, 3, 4, 5, 7, 8, 9, 10**
• Identify additional sources of funding • Use government and private sources • Innovative use of funding • Financial incentives	
PLANNING and LAND USE	**Recommendations 1, 3, 4, 5**
• Link land use and housing • Update comprehensive plans, ordinances and zoning. Ensure that affordable housing is included in each • Determine if comprehensive plans, zoning or ordinances especially building codes inhibit housing development particularly affordable housing. • Develop One-Stop-Shop for permits, licenses and other approvals to facilitate process and encourage development • Design innovative incentives and controls	
PARTNERSHIPS	**Recommendation 7**
• Encourage intergovernmental cooperation • Utilize existing intergovernmental entities • Develop activities that City and AHA can work together on • Continue AHA pilot for priorities for homeless in cooperation with COC • Adopt State Housing Plan • Include local community based organizations, nonprofits, institutions and businesses • Educate the public, stakeholders and decision makers • Utilize technical assistance and outside expertise	

BEST PRACTICES

Summary of the Best Practice Presentations Made to the Aurora Affordable Housing Task Force on Wednesday, February 15, 2012: (See Attachment 25)

Mercy Lakefront Housing: Johnston Center Residences
Milwaukee, WI

A permanent supportive housing property opened in November 2010 that is home to 91 individuals who were previously homeless and disabled or at high-risk of homelessness. Project combines the adaptive reuse of the old Johnston Medical Center and new construction on an adjacent space. It blends effective strategies and approaches to address some of society's most pressing issues; homelessness, environmental conservation, poverty, and economic development. Project incorporates City, County, State and Federal funding for development.

Midwest Shelter for Homeless Veterans: Army Staff Sgt. Robert Miller Apartments
Wheaton, Illinois

This permanent supportive housing property was developed using DuPage County HOME funds and private financing. This site is in Wheaton, Illinois and is the perfect location due to its location near the Midwest Shelter for Homeless Veterans, transportation and jobs. The rental housing development meets HUD's definition for Single-Room Occupancy (SRO) and provides six SROs within the three apartment units. Tenants will most likely be graduates from MSHV's transitional housing programs.

Chicago Housing Authority

CHA rehabs scattered site housing units that are indistinguishable from market-rate homes in communities throughout Chicago. Under the Plan for Transformation, renovations included new kitchen cabinets, countertops, improved closet space, new bathroom sinks and fixtures, modern lighting, and freshly painted walls.

Blue Stem & DuPage Housing Authority: Ogden Manor Apartments

The DuPage Housing Authority (DHA) Investment Corporation was created in 1987 as a not-for-profit corporation by the DuPage Housing Authority. The Corporation partnered with Bluestem Housing Partners, a not-for-profit housing developer to create DuPage Ogden Manor Enterprise, LLC to purchase and preserve Ogden Manor Apartments as affordable housing. The property has 80 one-bedroom apartments for seniors in a large three story building; and 19 two-bedroom apartments and 9 three-bedroom apartments in multiple free standing townhouse style buildings. The property provides Project Based Rental Assistance to its residents through an existing contract with HUD. Rents are kept low (at 30% of tenants' income) due to this arrangement.

Phoenix Heights Brownfields Redevelopment
Waukesha, WI

The Phoenix Heights subdivision was a 16.6 acre brownfield redevelopment completed in 2002 that produced 69 units of attached and detached single family homes within close proximity to downtown Waukesha. The development is located within walking distance to schools, churches, and retail stores and is located on the main bus line. It is also located within one of the Neighborhood Revitalization Strategy Areas (NRSA) in the City of Waukesha. The funding for this project included private funding, City Tax Incremental Financing, CDBG funds for site improvements, secondary financing for homeowners, HOME funds and State Brownfields Clean-Up funds.

Applegate & Thorne-Thomsen, P.C.: Nehemiah Homes
Springfield, Illinois

This is Phase II of the continuing efforts of Calvary Baptist Church and Windsor Homes. They acquired a mix of vacant lots and homes to be demolished on thirty lots in a concentrated area near the Calvary Baptist Church on the East Side of Springfield. An affiliate of Nehemiah Expansion formed a tax-credit limited partnership with an affiliate of Windsor Homes to build thirty (30) new construction single-family homes to be rented to working families at affordable rents. At the end of fifteen years, the families will have the opportunity to purchase the homes and become homeowners. The Springfield Housing Authority serves as the management company and provided six (6) project-based rental subsidies for the development.

Summary of Best Practices in Support of Recommendations

The following best practices were reported in a Regional Housing Task Force report involving the Twin Cities Metropolitan Region in Minnesota. We found that many of these programs were similar in nature to the Recommendations and Next Steps included in this report. We did not personally contact the entities involved in the management of these programs, but have provided references for attaining additional information.

Minneapolis Public Housing Authority's Section 8 Homeownership Program
Minneapolis, Minnesota

The Minneapolis Public Housing Authority's Section 8 Homeownership Program allowed 50 Section 8 families approved for participation to purchase homes and apply their monthly Section 8 housing assistance towards their monthly mortgage (PITI) payment on their single family home, townhome, or condominium. This was the first program in the county to allow Section 8 assistance to be applied toward mortgage payments. First-time homebuyer counseling and education and continued Section 8 assistance was

provided to all participants through the Section 8 term or for 5 years, whichever comes first.[33]

East Edina Housing Foundation Down-payment Assistance Program
Edina, Minnesota

The East Edina Housing Foundation, a nonprofit funded by Edina's HRA, was formed in 1985 to assist the City and HRA to provide modest cost housing opportunities for persons of low- and moderate-incomes. In 1985, the Foundation began offering down payment assistance in the form of a second mortgage for qualified purchasers of Edinborough and Centennial Lakes condominiums. This program has been very successful, having provided over 300 second mortgages to date. The deferred payment loans have been accruing five percent simple interest. Over the years, enough of the loans have been paid back to put the foundation in a financial position to offer other housing assistance programs, to include down payment assistance, and housing rehabilitation.[34]

Minneapolis Community Development Agency, Housing Authority and Minneapolis Schools
Minneapolis, Minnesota

The Minneapolis Community Development Agency (MCDA) and Minneapolis Public Housing Authority (MPHA) is working with Minneapolis Schools, Lutheran Social Services, the Resource Center, and Family Housing Fund to provide housing to low-income families in the Community School areas where the children are presently bussed. The goal is to increase family participation in their children's education, thus increasing potential for success. This is also an attempt to increase access to market units that have not participated in Section 8 activity, and should expand opportunities in non-impacted areas of the City. Lutheran Social Services is working with landlords in the areas to place families referred by local Principals of the schools. MPHA is providing vouchers to the families. Ongoing support service and case management is being provided by the Resource Center. And the MCDA and Family Housing Fund are providing funds for administration, moving assistance, down payment assistance, and damage deposits to make the program and its participants successful.[35]

Tallahassee-Leon County Comprehensive Plan
Tallahassee, Florida

The Tallahassee-Leon County Comprehensive Plan authorizes the city to provide density bonuses of up to 25% of the limit otherwise established by future land use classification in exchange for the construction of affordable housing. [36]

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[33] "Affordable Housing Making it a Reality" A Report Of The Second Mayors' Regional Housing Task Force, Twin Cities Metropolitan Region, Minnesota October 2002
[34] See 39
[35] See 39
[36] (Tallahassee-Leon County Planning Department, www.talgov.com (Inclusionary Housing Ordinance, 2005.)

Sarasota, Florida Housing Partnership Program

Sarasota, Florida offers predevelopment loans through its Housing Partnership Program. These loans allow nonprofit organizations that intend to develop ownership units for families at or below 80% of area median income (which is defined as low-income, under federal guidelines) to meet the costs of purchasing vacant land, acquiring and demolishing blighted structures to create new housing, or to acquire and renovate existing homes. The loan terms do not require repayment until the projects are complete and units have been sold to qualified low-income households.[37]

Phoenix, Arizona Infill Development Team

The City of Phoenix, Arizona adopted an ordinance designed to encourage infill development using several incentive strategies. The city waives a number of development-related fees, contributes to the cost of off-site improvements, and created an "Infill Development Team" that helps to speed infill projects through the city planning process. Since the program was established, 3,175 new single-family homes have been built; about one-third of these units are affordable to low- and moderate-income families. [38]

St. Petersburg, Florida Land Banks

The City of St. Petersburg, Florida has initiated an infill program through a system of land banks. Under this system, properties are rehabilitated to provide additions to the stock of affordable housing. Not only does this program expand the availability of attainable housing, it also expands the tax base. Rather than have tax liens on a property, these properties generate property tax revenues each year following their rehabilitation and purchase by qualified buyers.[39]

Burlington, Vermont Community Land Trust

The City of Burlington, Vermont was the first municipality in the U.S. to fund a community land trust. The Burlington Community Land Trust is a national model of locally controlled affordable housing. The trust provides a wide range of housing opportunities, with more than 370 shared-appreciation single-family homes and condominiums and 270 rental apartments. Through its land stewardship, the Burlington Community Land Trust ensures that these properties will remain affordable.[40]

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[37] (City of Sarasota, Department of Housing and Community Development, Home Buyer Improvement Programs, City of Sarasota Website: http://www.sarasotagov.com/LivingInSarasota/Contents/Housing/Programs.html, accessed July 13, 2006.)

[38] (Orange County Comprehensive Policy Plan, Housing Element, Orange County, Florida Website: http://www.orangecountyfl.net/NR/rdonlyres/ejjtruyumhzclr34hs5r3wz3cytl6jmavoo3bwgtqxwgh2fpy55hwkbmnewum6mgjtlutzdq3j4d5g5ghlt7o3luxe/HOUSING.doc, accessed July 12, 2006.)

[39] Broward County Human Services Department, Thinking Outside the Traditional Affordable Housing "Box", Affordable Housing Focus Groups Report and Best Practice Research Findings Draft, Broward County Website: **No longer available**

[40] Burlington Community Land Trust, BCLT Website: http://www.bclt.net/aboutbclt.shtml, accessed July 25, 2006.

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

The City of Aurora should adopt affordable housing criteria, taking into consideration housing recommendations from Aurora's 5-Year Consolidated Plan, the Aurora Housing Authority 5-Year Plan, the Continuum of Care 10-Year Plan, and the Metropolitan Mayors Caucus 2011 Housing and Community Development Action Agenda: Housing Endorsement Criteria.

Considering its comprehensive and consolidated plans and housing objectives, the City should articulate a set of criteria to use in accessing its support for housing proposals to other funding sources, where City sign-off or approval is needed as part of the process. Such criteria could be used by the Mayor and other representatives to alert potential partners to the City's preferences, and identify the types of developments or locations where City support would be difficult to obtain.

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.

In our opinion, based on our reviews of recent plans created specifically for Aurora and plans created for the Region, the housing recommendations contained in those plans are as relevant, as current and as valid as when they were originally developed. Following is a synopsis of these recommendations:

Aurora 2010-2014 5-Year Consolidated Plan
Housing Priorities:

1) Purchase, rehabilitate and resell foreclosed properties in targeted neighborhoods especially the NRSA. The NRSA is located in the East Central part of Aurora and includes the city's downtown.

2) Households with a cost burden of more than 30% have the largest need for affordable housing.

   According to Aurora's 2010-2014 Consolidated Plan: *"Forty-six percent of owners with mortgages, 28 percent of owners without mortgages, and 53 percent of renters in Aurora city spent 30 percent or more of household income on housing"*.

3) Rehabilitation of owner occupied existing housing, especially for households at 0-80% of medium family income and those whose cost burdens are greater than 30%. The housing needs assessment and market analysis of the Consolidated Plan identified the prevalence of substandard and overcrowded housing as key areas of concern within the City.

4) Assistance for households between 40% and 80% of median income that are trying to purchase their own homes homeowners.

5) Assistance for income eligible renter households with housing cost burdens greater than 30%, living in houses in need of repairs or renovation in order to meet building code, lead paint mitigation or greater energy efficiency standards.

Homeless Priorities:

1) Continue participation in and support for the Kane County Continuum of Care.

2) Support long-term permanent housing linked with supportive services including health care, literacy, employment training, child care and transportation

3) Develop, in conjunction with other entities, programs to assist households at risk of eviction or homelessness.

Public Housing Priorities:

The City and the Aurora Housing Authority need to work together as partners to address the affordable housing issue in Aurora. In this respect, the City needs to determine its role and responsibility in supporting or reprioritizing the goals of the AHA as provided in the AHA Five Year Plan for HUD.

The AHA 5-Year goals are:

1) Expand the supply of existing housing by applying for additional HCV (Housing Choice Vouchers), reducing PH vacancies and leveraging funds to increase the supply.

2) Improve the quality of assisted housing by improving management, improve customer service, renovate or modernize PH units, demolish or dispose of obsolete units, provide replacement vouchers.
3) Increase assisted housing choices by providing voucher mobility counseling and outreach to potential landlords.
4) Provide an improved living environment.
5) Ensure equal opportunity and affirmatively further fair housing.

From the AHA 5-Year Plan, following are specific ongoing activities of the AHA:

1) Sell three properties and relocate tenants.
2) Jericho Circle: 100 units, relocation, demolition and redevelopment.
3) Maple Terrace: 187 units, relocate tenants, demolish, and redevelop.
4) Convert Centennial House (85 units) and Annex (41 units) into elderly only, relocate non elderly tenants using HCV or into existing projects.
5) Convert existing project from PH to Section 8 vouchers, possibly Southwind, 34 units.

Metropolitan Mayor's Caucus

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.

2012 CROSSWALK FOR RECOMMENDATIONS				
Recommendation		A	B	C
		May-June-July	By October	By Jan. 1, 2013
1	Proactive Housing Policy	Adopt a mission statement asserting City proactive role in housing		
2	Housing Policy Advisory Group	Mayor: Appoint/Convene Housing Policy Group	Hold Quarterly Meeting of Housing Policy Group	Hold Quarterly Meeting of Housing Policy Group
3	Lead City Staff for Housing Policy Coordination	Mayor: Designate Lead City Staff Person for Housing Policy Coordination	Provide Staff Support for Housing Policy Group	Develop Annual Report on Status of Housing Activities
4	Description of Incentive, Resources and Programs	Develop Inventory of Existing Housing and Vacant Parcels	Define and Identify "Opportunity Areas" Within those opportunity areas, identify sites suitable for development or adaptive re-use, such as vacant land, underutilized commercial buildings or schools.	
5	Adopt Affordable Housing Endorsement Criteria		Select and Propose Endorsement Criteria for Affordable Housing	Adopt Endorsement Criteria for Affordable Housing
6	Develop Education Program on Affordable Housing			Package vision, endorsement criteria, inventory and success stories into education program
7	Improve Partners Capacity	Contact HUD to request technical assistance funds (HOME & CDBG)	Pursue training opportunities for possible CHDOs and other non-profits	Schedule training sessions for possible CHDOs and other non-profits
8	Structure Financial Assistance for Housing		Review City terms of assistance to promote partner capacity while building long term portfolio of City loans	
9 & 10	Expand homeownership/ Explore Foreclosure and Adaptive Reuse	Facilitate discussions with non-profits, developers, and major employers to explore ownership options, mutual interests		
		Facilitate discussions among developers and non-profits re: adaptive reuse of vacant commercial and school buildings and in-fill developments utilizing excess of scattered-site single-family and multi-family housing resulting from the high rate of foreclosures in the City.		
10	Explore foreclosure and adaptive reuse	Inventory properties in foreclosure for opportunities to use for affordable housing	Meet with Housing Authority to explore use of foreclosed properties or adaptive re-use	

IMMEDIATE ACTIONS & NEXT STEPS:

The following are specific short-term steps the City is encouraged to undertake to help implement the primary recommendations of this report and take advantage of emerging opportunities or respond to pressing housing needs of its population. The immediate actions have been developed as a result of our research, interviews, Task Force sessions, and consultations during the course of our study.

While the Mayor and the Council move forward to address the formation of a Housing Policy Group, the designation of a lead staff person, the formation of a mission statement, the compilation of an inventory, and a request to HUD for technical assistance, (Steps A through D), the Mayor and the Council should retain the continuing services of the Affordable Housing Task Force, either in its entirety or by forming a smaller working group from Task Force members, to review and act upon Steps E through F.

A. The Mayor should nominate, for the Councils approval, a representative group of individuals to the Housing Policy Group to continue the work of the Mayor's Affordable Housing Task Force (Recommendation 2). The Mayor and the Council should charge the group with a mission statement asserting the City's proactive role in housing (Recommendation 1).

B. The Mayor should also designate the lead City staff person for housing policy coordination (Recommendation 3).

C. City staff should begin to assemble an inventory of existing housing, and of vacant or underdeveloped parcels, as well as begin to analyze their suitability for (re)development for housing (part of Recommendation 4). (See Attachment 6)

   City staff should undertake an "opportunity mapping" project to define and identify "opportunity areas" within Aurora. Within those "opportunity areas", the City could identify sites (vacant land or buildings) for potential medium-larger scale development of mixed-income housing using a mixed-financing and/or mixed-use model, including the use of a voucher supported partnership with the Aurora Housing Authority and/or other affordable housing providers.

D. City staff should discuss with the Federal Department of Housing and Urban Development a request for technical assistance to help build more capacity among City housing development partners (part of Recommendation #7).

The following action steps should proceed with City staff facilitation of the discussions of the issues, perhaps using a smaller portion of the existing Task Force to serve as a sounding board for proposals arising from these four (4) distinct topical discussions.

E. City staff should meet with the Aurora Housing Authority staff to outline a case for the Housing Authority collaborating with the Metropolitan Planning Council (MPC) and Illinois Housing Development Authority (IHDA). The AHA could participate in the Chicago Regional Housing Choice Initiative to help families move to areas of opportunity through the use of Housing Choice Vouchers or selected homes in designated mixed-income communities. (See Attachment 27)

F. City staff should also facilitate discussions among developers (including non-profits) and major employers to explore a range of mutual interests related to housing, including the development of workforce housing and/or Employer Assisted Housing (part of Recommendation 9). (See Attachment 24)

   While the form of such housing, in the short-term, is likely to be owner housing, other forms such as those involving a land trust, co-housing, or a cooperative should be explored, for the long-term, to offer some potential for moderate income workers.

   In addition, sites identified through the City's inventory of existing housing and vacant commercial buildings may offer an opportunity for creative re-use of such property or renovation of foreclosed properties attractive to an employer's workforce. The City should explore accessing such resources as the Illinois Building Blocks program to help finance some of the workforce housing projects. To the extent possible, the City may wish to partner with local non-profits to replicate the 3 primary components of the Building Blocks program. (Recommendation 10) (See Attachment 26)

G. City Staff should also facilitate discussions among developers (including non-profits) and religious organizations regarding the adaptive re-use of vacant commercial and school buildings located near jobs and transit for conversion to affordable condos, affordable rental and/or project-based-voucher subsidized units or mixed used developments.

   If these redevelopments involved mixed use, then the City should explore opportunities for the co-location of support services and/or offices within these developments. Of specific interest may be the conversion of a vacant school building, such as the former site of Aurora Christian School on Galena or the

former Lincoln Elementary School on Lake St., where housing could be located on upper-level floors with services such as early childhood education and/or Adult Basic Education, G.E.D., E.S.L., computer classes, etc. being located on lower floors; and City owned property such as the potentially multi-acre site between Lake and River just north of Prairie. As noted above, these sites, along with potentially dozens of other sites identified in the Vacant Parcels in Aurora chart in Attachment 6, may also be of interest to employers for workforce housing or development of other housing types (Recommendation 10).

H. City staff should also work with developers (including non-profits), lenders, and others to explore the use of foreclosed properties for scattered site housing. The re-use and renovation of these properties may make them well-suited for programs involving alternative modes of homeownership, including rent-to-own, or community land trust forms or sponsorship by a religious organization (such as the Nehemiah project in Springfield, Illinois).

If the City moves quickly on these actions steps, the City will be able to initiate its proactive mission and these moves will help address some of the challenges of affordable housing in the city of Aurora.

REFERENCES

American Community Survey
U.S. Census Bureau http://www.census.gov/acs/

Chicago Metropolitan Agency for Planning (CMAP)
Willis Tower, 233 South Wacker Drive, Suite 800, Chicago, Il 60606, 312-454-0400
http://www.cmap.illinois.gov
"2040 Regional Comprehensive Plan." http://www.cmap.illinois.gov/2040/main

Metropolitan Mayors Caucus (MMC)
233 S. Wacker Drive, Suite 800, Chicago, IL 60606, 312-201-4505
http://www.mayorscaucus.org
"Homes for a Changing Region"
http://www.mayorscaucus.org/pages/Home/Issues/Housing.html
"Housing Action Agenda and Affordable Housing Criteria"
http://www.mayorscaucus.org/fileBroker/HCD%20Action%20Agenda%202011%20FINAL.pdf

Metropolitan Planning Council (MPC)
140 South Dearborn Street, Suite 1400, Chicago, IL 60603, 312-922-5616
http://www.metroplanning.org/index.html

The Woodstock Institute
29 E. Madison, Suite 1710, Chicago, IL 60602-4566, 312-368-0310
http://www.woodstockinst.org/

Enterprise Community Partners
American City Building, 10227 Wincopin Circle, Columbia, MD 21044, 800-624-4298 or
230 W. Monroe Street, Suite 2605, Chicago, Il 60606, 312-809-0783
http://www.enterprisecommunity.com/

Illinois Housing Development Authority
401 N. Michigan Avenue, Suite 700, Chicago, Il 60611, 312-836-5200
http://www.ihda.org
Office of Housing Coordination Services http://www.ihda.org/government/OHCS.htm
Affordable Housing Planning and Appeal Act (310 ILCS 67)
http://www.ihda.org/government/docs/OHCS/2011_Affordability_Charts.PDF

Illinois Housing Search

A cooperative website sponsored by the Illinois Housing and Development Authority, Illinois Department of Human Services (DHS), Illinois Department on Aging, Illinois Department of Healthcare and Family Services
http://www.ilhousingsearch.org/index.html
Toll-Free: 877-428-8844; Toll-Free Fax: 866-265-7811; TTD/TTY 7-1-1

U.S. Department of Housing and Urban Development

451 7th Street S.W., Washington, DC 20410 http://www.hud.gov

HUD Chicago Regional Office
Ralph Metcalfe Federal Building, 77 West Jackson Boulevard, Chicago, IL 60604, 312-353-5680

Information available at the HUD website, such as the following:

Avoiding foreclosure:
http://portal.hud.gov/hudportal/HUD?src=/topics/avoiding_foreclosure

Fair Housing:
http://portal.hud.gov/hudportal/HUD?src=/program_office/fair_housing_equal_opp

Homebuying
http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home

Housing Discrimination
http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home

Rental Assistance
http://portal.hud.gov/hudportal/HUD?src=/topics/rental_assistance

Research and Data
http://ww.huduser.org/portal

Research and Data: Low Income Affordable Housing Tax Credit database:
http://lihtc.huduser.org/

HUD-Approved Housing Counseling Agencies
http://www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm

ACKNOWLEDGEMENTS

Community Planning and Development Advisors (CPDA) would like to acknowledge and thank the City of Aurora for requesting and supporting the development of this Affordable Housing Study. Many concerned and involved organizations and individuals from the public and private sectors participated and supported this study as well. Some, although not all, of those entities and individuals who shared their knowledge, experience and hopefulness are noted below. CPDA would like to acknowledge and thank all of them.

City of Aurora, Illinois

Mayor Thomas J. Weisner
The Common Council
Members of the Mayor's Affordable Housing Task Force
Rick Guzman, Assistant Chief of Staff
Alexandra Voigt, Administrative Assistant
William Wiet, Chief Development Officer
Karen Christensen, Manager, Neighborhood Redevelopment Division
Stephane Phifer, AICP, Director Planning and Zoning Division
Edward Sieben, Zoning Administrator, Planning and Zoning Division
Tracey M. Vacek, Planner, Planning and Zoning Division

Aurora Housing Authority

Jean Federman, Executive Director
Al Schuler, Board Chairman
Patrice McGinn, McGinn & Associates, LLC

Metropolitan Mayors Caucus

Allison Mild, Director of Housing Initiatives
Nancy Firfer, Project Manager
King Harris, Senior Executive, Chicago Metropolis 2020

U.S. Department of Housing and Urban Development, Chicago Regional Office

Ray Willis, Director, Office of Community Planning and Development (CPD)
Kimberly T. Danna-Mulick, Program Manager, Office of Community Planning and Development (CPD)
Steven Meiss, Director, Office of Public and Indian Housing (PIH)
Gordon Patterson, Deputy Director, Office of Fair Housing and Equal Opportunity

Hope Fair Housing Center

Anne V. Houghtaling, Executive Director

Additional Facilitation

Audra Hamernik, A. Hamernick & Associates

Facilities Provided for Task Force Meetings

Aurora Police Department
Hampton Inn and Suites, Aurora
Waubonsee Community College

September 2, 2011

Re: Mayor's Task Force on Affordable Housing

Dear

As you know, there has been considerable public discussion of the Aurora Housing Authority's plan to rebuild at the Jericho Circle site.

Some of the discussion has centered on the merits of the proposed project itself, but an even greater concern has been the lack of community dialogue prior to the Jericho decision being made by AHA.

Also apparent in the post-decision public discussion is the lack of clear understanding surrounding concepts and terms such as "public housing", "fair housing" and "affordable housing", which may mean one thing to the average citizen, but something quite different under HUD regulations or Fair Housing law.

In any event, the Jericho controversy has made it clear to me, as your mayor, that this community would be well-served by a community-wide assessment and planning effort to articulate Aurora's future approach to affordable housing in our community.

To succeed, this initiative will undoubtedly require the participation and guidance of many of our city's recognized leaders. Therefore, I respectfully request that you be part of the proposed "Mayor's Blue Ribbon Task Force on Affordable Housing in Aurora." Your participation is important to the future of our diverse and dynamic city and I would be very honored to have your involvement.

I anticipate that this ad hoc group will meet no less than once a month for the next eight to ten months, beginning in late September or early October. All of our meetings will be open to the public.

I hope that you will respond affirmatively to this "call to service", as your insight and experience are critical to our planning efforts. I will follow up, soon, by phone.

Sincerely,

Thomas Weisner
Mayor

Attachment 2

IHDA Activity in the City of Aurora

Board Approved as of May 1st, 2012

Report Date: 05/15/2012

	PROGRAM ID	DEVELOPMENT NAME	ADDRESS	PHONE NUMBER	IHDA BOARD / PIS DATE	INCOME RESTRICTED UNITS	TOTAL UNITS
MULTIFAMILY							
	HTF 0648, TC 0966-96	NORTH ISLAND APTS.	2 N. STOLP AVE.	630 859-0877	7/19/1996	56	56
	HTFB 43, TC 0898-95	FOX POINTE APTS.	2074 FOX POINTE CIR.	630 820-2700	5/1/1995	248	248
	ML 038	CONSTITUTION HOUSE	401 CONSTITUTION DR.	630 896-2100	8/17/1973	231	231
*	ML 220	FOX VALLEY VILLAGES II	2700 VILLAGE GREEN DR.	630 851-6464	12/17/1987	40	200
	TC 0872-95	SENIOR LIVING CENTER	480 GARFIELD AVE.	847 363-4953	11/18/1997	36	36
	TC 1116-98	SILVER OAKS AT WATERFORD	1819 SILVER OAKS CIRCLE	630 585-6040	4/17/1998	96	96
	TC 1180-99	COULTER COURT RESIDENCES	104 E. DOWNER	630 966-0602	4/16/1999	38	38
	HTF 1201, RS 258 , TC 1197-99	ALDEN HORIZON SENIOR LIVING COMMUNITY	2000 RANDI DRIVE	630 499-1890	8/20/1999	98	98
	HTF 1635, RS 276, TC 1421-02	FOX SHORE APARTMENTS	410 N. RIVER ROAD	630 892-7090	5/17/2002	94	94
	TC 1432-02, (TC 0030-87)	FOREST RIDGE APTS fka WOODLAND APTS	1213-15 SECOND AVE.	630 898-0023	7/19/2002	90	90
	FAF 047, RS 285, TEB 345-03,	MARYWOOD APARTMENT HOMES	560 LINDA COURT #101	630 844-0885	2/21/2003	260	260
						1,287	**1,447**
HOMEOWNERSHIP (HOME & HOUSING TRUST FUND)							
*	H 017	NHS OF AURORA SFOOR	MULTIPLE ADDRESSES	309 347-7791	1/15/1993	10	10
*	HTF 0134	JOSEPH CORP.	MULTIPLE ADDRESSES		6/1/1992	14	14
						24	**24**
	TOTAL: 13					**1,311**	**1,471**

* *No longer in IHDA's portfolio.*

HOMEOWNERSHIP (MORTGAGE CREDIT CERTIFICATES & MORTGAGE REVENUE BONDS)

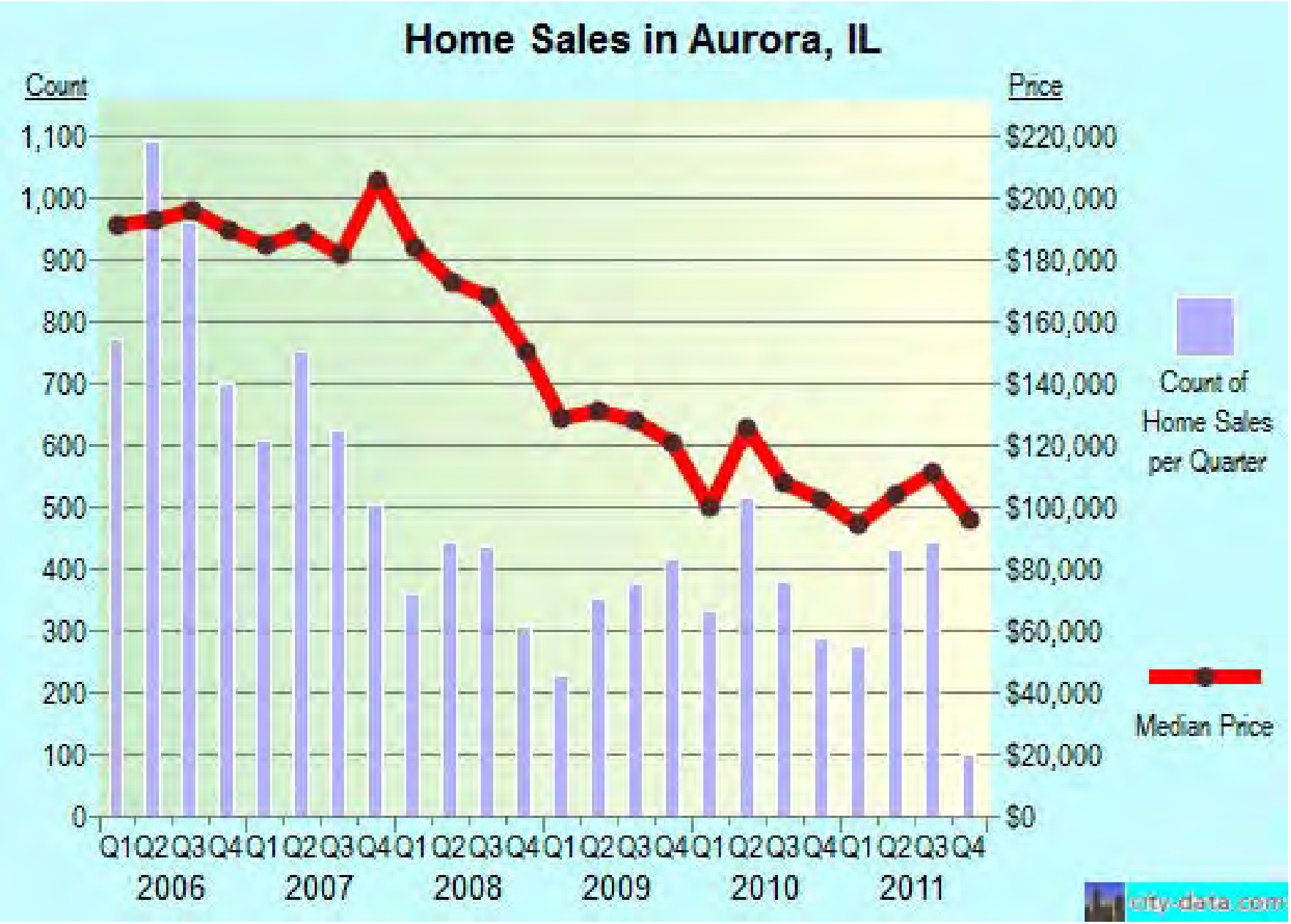
	NUMBER OF LOANS
Mortgage Credit Certificates	106
Mortgage Revenue Bonds	203
	309

IHDA STATE AND FEDERAL PROGRAMS - Key for Program ID

State Programs
FAF – Sec 8 Financing Adjustment Factor
H - HOME Investment Partnerships Program
HPP – Housing Partnership Program
HTF – Housing Trust Fund
HTFB – Housing Trust Fund Bond
LTOS - Long Term Operating Support
RHS - Rental Housing Support
SHTC – State Housing Tax Credits

Federal Program
AMB - AMBAC (Private Mortgage Insurance)
AO – Administration Only
BIBP - Build Illinios Bond Program
CDBG - Community Development Block Group
CDT – Tax Exempt Bond Conduit
CL – Construction Loan only
DTC - Disaster Tax Credits
ERP - Equity Replacement Program
MARP - Multifamily Asset Reinvestment Program
MCC - Mortgage Credit Certificates
ML – Mortgage Loan
MM – Mark to Market
MRB - Mortgage Revenue Bonds
NIBP - New Issue Bond Program
NSP - Neighborhood Stabilization Program
RS – Risk Share Program
TC – Tax Credits
TE, TEB – Tax Exempt Bond (4% Credits)

* *No longer in IHDA's portfolio.*


Home Sales in Aurora, IL
Count
Price
1,100
1,000
900
800
700
600
500
400
300
200
100
0
$220,000
$200,000
$180,000
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$0
Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4
2006
2007
2008
2009
2010
2011
Count of Home Sales per Quarter
Median Price
city-data.com

The Beacon News
A Chicago-Sun Times Publication

Rents keep rising as demand outstrips supply

BY Jenette Sturges
jsturges@stmedianetwork.com
Last Modified: Nov 4, 2011 06:08PM

Hunting for an apartment? Be prepared for a long search and high rent.

New market studies show that the two-year trend of rent increases around Chicago and the suburbs will continue through this fall and could escalate into next year.

And though real estate agents agree that it's difficult to pin down exactly how much the average Fox Valley apartment or rental home has increased — rents vary from neighborhood to neighborhood — they all agree that renting is getting pricier as more renters enter the market.

"My perception has been since the economy hasn't gotten much better and mortgage financing is harder, it's created a large pool of tenants. There's just as many tenants as homes, or even more," said Sean Morrissey, an agent with Keller Williams in St. Charles. "There has been probably as much as a 5 percent increase in rental prices over the past year."

Rentals remain caught in the backdraft of for-sale housing. Industry watchers said foreclosures, falling home values and tighter standards for mortgage loans have forced prospective homebuyers to rent instead, causing vacancies to decline.

"I see a lot of cases of young couples in townhomes who, after foreclosure, moved back in with their parents to recoup their savings and their credit. It's rare that you get an application where the credit is strong," said Denny Malmgren, agent with Re/Max Town and Country in Aurora.

Of course, young couples can't live with Mom and Dad forever; but when they venture out to rent again, they face fierce competition.

Few new apartments are being built in the region except for downtown Chicago. Many suburbs frown on rental buildings and use their zoning powers to ensure that multi-family buildings are condominiums.

"There are more renters in the market than we are finding homes, and for buyers it's hard to qualify for mortgages," said Erin Hill, agent at Coldwell Banker Honig-Bell of Aurora. "There are a lot of people who have lost their homes or gone through short sales who have to rent for a couple years before they can qualify for a mortgage again. That has increased demand, which has really inflated rental housing."

Throughout the Chicago area, rents should rise 2.9 percent this year after an increase of 2.2 percent in 2010, said a report by the real estate brokerage firm Marcus & Millichap that is current through the second quarter.

Separate mid-year reports from Appraisal Research Counselors paint a similar picture. The firm said suburban apartments charge on average 5.2 percent more than a year ago and that the pattern should continue.

“Five, six, seven years ago, prospective tenants would negotiate rents,” said Malmgren, who said he’s been handling rentals for 40 years. “Now there’s less chance for that. The rents are going up.”

And while the time it takes from listing to move-in varies on factors such as how move-in ready it is, the average is down to 30 days or fewer.

So-called luxury rentals are starting to emerge in the suburbs in the form of large single-family homes in good school districts, where the owners have been forced out, often because of a job loss.

“I’d say the big increase is in the luxury home market, I mean, rentals of $2,500 a month or more,” said Morrissey. “Those also tend to be more flexible in terms because you don’t have the large rental market.”

He said such homes are often three bedrooms or more, suitable for families rather than singles.

The frenzied market for rentals may create headaches for potential tenants, but it has been good news for real estate agents.

“In fact, it’s the primary source of my business, supplemented by the occasional buyer and short sale,” said Morrissey. “While so many agents have gotten into foreclosures and short sales, there’s a lot of competition our there. I’ve sort of streamlined things to make it more efficient to handle rentals and property management.”

A rent-vs.-buy analysis of major cities by the online listings provider Trulia, using data from July, showed that in Chicago, it made slightly more financial sense to own a home than to rent one. Most other major cities showed up in the study with stronger “buy now” numbers.

But Fox Valley agents still advise that if you can buy, you should.

“In my opinion, anytime you’re renting when you do not have to, you’re losing money,” said Hill. “Now is still an excellent time to buy because there are amazing deals out there for purchasers. We’re at an all-time low in housing prices, which means that you can buy so much more home for your money than three or four years ago.”

Of course, if that’s not an option, there are a couple things renters can do to increase the odds of snagging their temporary dream home.

“It’s going to come down to income and credit scores,” said Morrissey. “Usually, what I look for is monthly rent that’s 30 to 40 percent of monthly income, and a credit score above 600. If you don’t have either of those, try to have two months of rent saved up for a security deposit. Most homeowners always agree to that.”

The Chicago Sun-Times contributed to this story.

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Rising rents make housing less affordable

By Julie Schmit and Barbara Hansen, USA TODAY Updated 9/22/2011 11:28 AM

More renters found housing unaffordable last year as incomes declined, and more are likely to be squeezed this year, given rising rents.

The share of renters paying 30% or more of their household income on housing costs — the government threshold to determine if housing is unaffordable — rose to 53% last year from 51.5% in 2009 and about 50% in 2008, according to 2010 Census data released today.
While median rents remained stable last year at $855 a month, median national household incomes, adjusted for inflation, fell 2.2% — putting the squeeze on renter budgets.

The share of renter households spending half or more of their income on housing rose to 27.4% last year from 26.4% in 2009, while the share of homeowners with mortgages in the same situation rose to 15.1% from 14.7%, the data show.

"Americans continue to struggle to pay for housing, especially renters," says Daniel McCue, research manager at Harvard University's Joint Center for Housing Studies.
Last year, 38% of homeowners with a mortgage paid 30% or more for housing. That was up only slightly from 37.6% in 2009, Census data show.
Yet, the fact that percentage rose at all shows that many homeowners haven't been able to refinance mortgages, despite near record low interest rates, McCue says. Refinancing generally lowers monthly mortgage payments.

The Census Bureau's definition of housing costs includes mortgage payments, insurance, taxes and utilities. Renters will face higher costs this year, says Stan Humphries, economist for real estate website Zillow. Nationwide, rents are expected to rise about 4% this year, Humphries says, and will also rise in 2012. Strong demand is driving rents up as homeowners lose homes to foreclosure and become renters. Skittish consumers are also delaying home purchases, given concerns about the economy.

The renter household market was fairly stable from 1990 to 2006, McCue says. But since 2006, when housing prices peaked, the number of renter households in the U.S. has grown each year. Last year, the share of occupied housing units that were rented increased to 34.6% from 34.1%, the Census data show. While renters are likely to see rising prices this year, home buyers are benefiting from the best affordability conditions in a generation, says the National Association of Realtors.

Nationwide, home prices are down about 30% from their 2006 peak. Favorable affordability conditions and rising rents are driving some home purchases, says Lawrence Yun, NAR chief economist. The association reported Wednesday that existing home sales in August rose 7.7% from July but sales are still extremely weak, says Patrick Newport, IHS Global Insight economist.

Nationwide, the homeownership rate dipped last year to 65.4% from 65.9% the year before. The rate has been declining since 2006 when it was at 67.3%, this Census survey shows. At some point, lower home prices and higher rents will attract more home buyers, Humphries says. "They will realize they can buy a home for less than it costs to rent," he says. Already, investors are snapping up homes and converting them into rentals. In August, investors accounted for 22% of existing home sale activity, the NAR says. Cash buyers, who are most often investors, accounted for 29% of sales.

VACANT PARCELS IN AURORA

R4A R5 R5A MF Parcels > 2.5 Acres

ZONING	ACRES	ZONING	ACRES
R5(S)	6.774	R4A(S)	0.468
R5(S)	5.967	R4A(S)	0.126
R5(S)	3.418	R4A(S)	0.131
R5	4.063	R4A(S)	0.067
R5(S)	3.717	R4A(S)	2.250
R5(S)	2.963	R4A(S)	0.122
R5(S)	9.573	R4A(S)	0.003
R5	2.499	R4A(S)	0.062
R5	7.403	R4A(S)	0.005
R5	1.299	R4A(S)	0.060
R5(S)	0.037	R4A(S)	0.196
R5(S)	0.037	R4A(S)	0.220
R5(S)	0.037	R4A(S)	1.542
R5(S)	0.037	R4A(S)	0.186
R5(S)	0.037	R4A(S)	0.205
R5(S)	0.037	R4A(S)	0.193
R5(S)	0.037	R4A(S)	0.205
R5(S)	0.037	R4A(S)	0.194
R5(S)	0.054	R4A(S)	0.204
R5(S)	0.037	R4A(S)	0.197
R5(S)	0.037	R4A(S)	0.208
R5(S)	0.054	R4A(S)	0.211
R5(S)	3.200	R4A(S)	4.712
R5(S)	0.037	R4A(S)	2.615
R5(S)	0.037	R4A(S)	6.301
R5(S)	0.037	R4A(S)	40.141
R5(S)	0.037	R4A(S)	9.778
R5(S)	0.054	R4A(S)	0.351
R5(S)	0.037	R4A(S)	0.197
R5(S)	0.037	R4A(S)	2.354
R5(S)	0.037	R4A(S)	0.157
R5(S)	0.054	R4A(S)	0.267
R5(S)	0.054	R4A(S)	0.518
R5(S)	0.036	R4A(S)	0.467
R5(S)	0.037	R4A(S)	0.298
R5(S)	0.037	R4A(S)	0.118
R5(S)	0.037	R4A(S)	5.765
R5(S)	0.037	R4A(S)	0.196
R5(S)	0.037	R4A(S)	2.060
R5(S)	0.037	R4A(S)	0.639
R5(S)	0.054	R4A(S)	0.453
R5(S)	0.037	R4A(S)	0.394
R5(S)	0.054	R4A(S)	0.254
R5(S)	0.036	R4A(S)	0.511
R5(S)	0.037	R4A(S)	0.452
R5(S)	0.037	R4A(S)	0.514
R5(S)	0.036	R4A(S)	0.547
R5(S)	0.054	R4A(S)	0.256
R5(S)	0.037	R4A(S)	0.636
R5(S)	0.037	R4A(S)	0.123
R5(S)	0.037	R4A(S)	0.075
R5(S)	0.037	R4A(S)	3.604
R5(S)	0.037	R4A(S)	2.356
R5(S)	0.037	R4A(S)	2.503
R5(S)	0.037	R4A(S)	0.199
R5(S)	0.036	R4A(S)	0.269
R5(S)	0.037		
R5(S)	0.054		
R5(S)	0.037	R5(S)	0.054
R5(S)	0.037	R5(S)	0.037
R5(S)	0.037	R5(S)	0.037
R5(S)	0.037	R5(S)	5.318

Planned Development Divisions (PDD) > 2 acres

ZONING	ACRES	ZONING	ACRES
PDD	5.998	PDD	4.066
PDD	17.586	PDD	54.541
PDD	7.024	PDD	3.927
PDD	36.720	PDD	33.652
PDD	5.726	PDD	6.651
PDD	6.279	PDD	2.521
PDD	7.093	PDD	2.724
PDD	8.091	PDD	3.838
PDD	5.592	PDD	4.662
PDD	9.485	PDD	0.416
PDD	7.995	PDD	1.774
PDD	9.732	PDD	10.645
PDD	5.149	PDD	0.167
PDD	11.067	PDD	0.160
PDD	7.441	PDD	0.152
PDD	54.541	PDD	0.610
PDD	39.324	PDD	0.568
PDD	10.504	PDD	0.568
PDD	5.749	PDD	0.809
PDD	7.312	PDD	0.493
PDD	14.737	PDD	7.149
PDD	33.652	PDD	0.442
PDD	6.651	PDD	0.443
PDD	8.709	PDD	0.448
PDD	6.015	PDD	0.453
PDD	5.131	PDD	19.034
PDD	10.645	PDD	133.733
PDD	7.149	PDD	6.171
PDD	19.034	PDD	5.203
PDD	7.179	PDD	7.918
PDD	77.314	PDD	5.987
PDD	80.569	PDD	8.853
PDD	43.137	PDD	5.388
PDD	9.658	PDD	20.667
PDD	60.379		
PDD	40.119		
PDD	38.572		

Other Parcels 5 Acres or larger

ZONING	ACRES	ZONING	ACRES
R1(S)	15.978	R2(S)	18.845
R1(S)	7.292	B2(S)	12.227
R1(S)	35.730	R5A(S)	6.882
R1(S)	32.170	M1	5.610
R1(S)	10.147	R1	5.519
R1(S)	5.559	R5(S)	9.573
R1(S)	12.412	R1	5.590
B2(S)	13.233	R1	10.701
ORI(S)	7.989	R1	36.093
ORI(S)	5.839	M1	7.964
ORI(S)	30.983	E(S)	7.167
ORI(S)	5.859	E(S)	9.993
ORI(S)	8.712	E(S)	6.811
ORI(S)	28.268	E(S)	6.413
ORI(S)	12.672	E(S)	5.060
ORI(S)	6.528	M1(S)	11.789
ORI	12.965	E(S)	18.981
ORI	9.072	R4A(S)	6.301
ORI	5.813	ORI	5.959
M1(S)	12.754	M1	5.108
ORI(S)	9.935	E(S)	83.877
BB(S)	15.757	M1	11.717
BB(S)	37.516	ORI(S)	15.686
BB(S)	16.137	R5	7.403
R1	6.856	R1(S)	6.112
ORI(S)	10.410	R1(S)	14.763
R1	16.673	E(S)	12.536
M2	20.166	B3(S)	14.266
ORI	49.528	E(S)	30.906
ORI	16.932	E(S)	28.766
ORI	13.952	M1(S)	5.360
ORI(S)	8.763	E(S)	52.054
ORI	8.739	R1	14.590
ORI(S)	8.606	E(S)	6.606
ORI(S)	5.253	R1	9.758
ORI(S)	8.483	R1	9.749
BB(S)	12.849	R1	7.508
ORI	30.037	B2(S)	29.495
ORI	16.551	R1(S)	8.421
B2	5.563	B2(S)	11.358
ORI	9.293	R4A(S)	40.141
B2(S)	21.610	R4A(S)	9.778
E(S)	32.953	R4A(S)	5.765
E(S)	29.666	B2(S)	5.289
BB(S)	11.967	R2	5.204
R1	5.265	R1	11.972
ORI	7.837	R1(S)	60.246
R1	5.190	B2(S)	7.980
B2	7.021	R1(S)	10.125
O(S)	5.816	ORI	16.667
R1	5.184	R1(S)	11.637
R1	7.057	B2(S)	5.697
ORI	8.088	R5(S)	5.318
O(S)	6.797		
R1	5.097		
P(S)	17.233		
R1	5.016		
R1	5.081		
R1(S)	7.535		
R2(S)	15.986		
R1(S)	5.450		

Attachment 7

UNITED STATES OF AMERICA

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

VOLUNTARY COMPLIANCE AGREEMENT

BETWEEN

THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AND

HOUSING AUTHORITY OF THE CITY OF LAS VEGAS

HOUSING AUTHORITY OF THE CITY OF LAS VEGAS

VOLUNTARY COMPLIANCE AGREEMENT

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HOUSING AUTHORITY OF THE CITY OF LAS VEGAS

VOLUNTARY COMPLIANCE AGREEMENT

LIST OF APPENDICES

Appendix	Description
A	**HACLV List of Properties**
B	**Notice PIH 2003-31 (HA)**
C	**Draft Reasonable Accommodation Policy**
D	**Draft Effective Communication Policy**
E	**Draft Emergency Procedures**
F	**Uniform Federal Accessibility Standards (UFAS) and ADA Standards for Accessible Design (ADA Standards)**

The Reasonable Accommodation Policy, Effective Communication Policy and Emergency Procedures, attached as Appendix C, D and E to this Agreement, are draft Policies. HACLV will submit the final Reasonable Accommodation, Effective Communication and Emergency Procedures to HUD for review and approval. Following HUD approval, the final policies will be incorporated into the HACLV Admissions and Continued Occupancy Policy (ACOP).

UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

VOLUNTARY COMPLIANCE AGREEMENT

BETWEEN

THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AND

HOUSING AUTHORITY OF THE CITY OF LAS VEGAS

I. INTRODUCTION

The Housing Authority of the City of Las Vegas (HACLV or the Authority) owns, operates, or controls a public housing program consisting of housing and non-housing programs that includes, but is not limited to, common entrances, management offices, laundry rooms, common areas, corridors, hallways, elevators, community programs and day care facilities. *See* HACLV's List of Properties, attached as **Appendix A**. HACLV receives various Federal funds to operate, maintain, and make capital improvements to these projects. The U.S. Department of Housing and Urban Development (HUD or the Department) has funded the HACLV's projects, in part, through the provision of operating subsidies, capital funding (including the Comprehensive Grant Program (CGP), the Comprehensive Improvement Assistance Program (CIAP), Capital Fund Program, Public Housing Drug Elimination Program (PHDEP), and the HOPE VI revitalization grants).

The HACLV is subject to Federal civil rights laws and regulations. *See* Section 504 of the Rehabilitation Act of 1973 (Section 504)[1]; Title II of the Americans with Disabilities Act of 1990 (ADA)[2]; the Fair Housing Act of 1968, as amended (Fair Housing Act)[3]; the Architectural Barriers Act of 1968[4], Title VI of the Civil Rights Act of 1964 (Title VI)[5], Section 109 of Title I of the Housing and Community Development Act of 1974 (Section 109)[6], and the respective implementing regulations for each Act. *See also* HUD's implementing regulations at 24 C.F.R. §§ 960.103 and 982.53, as well as the relevant contractual provisions of the HACLV's Annual Contributions Contract (ACC) with HUD.

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[1] 29 U.S.C. § 794; 24 C.F.R. Part 8
[2] 42 U.S.C. §§ 12101 et seq.
[3] 42 U.S.C. §§ 3601-20; 24 C.F.R. Part 100
[4] 42 U.S.C. §§ 4151-4157
[5] 42 U.S.C. §§ 2001d et seq.; 24 C.F.R. Part 1
[6] 42 U.S.C. §§ 5301 et seq.; 24 C.F.R. §§ 570.601 and 570.602

During the week of January 26-31, 2004, the Department conducted a compliance review under the authorities of Title VI, Section 504 and Title II of the ADA. The Department reviewed HACLV's programs, services and activities. The Department's review included a review of HACLV's application and admissions process; tenant selection and assignment; maintenance services; the designated accessible housing units, including common areas; and, housing and non-housing programs and activities. In addition, the Department conducted an accessibility review of the HACLV's Executive Office located at 340 North 11th Street; and, HACLV's Housing Programs Office located at 420 North 10th Street, Las Vegas, Nevada. The Department's review also included the examination of resident waiting lists, resident applications, maintenance requests, security services and reasonable accommodation requests. In addition, the Department reviewed HACLV's current policies and procedures, including HACLV's Admissions and Continued Occupancy Policy (ACOP 2003), the Reasonable Accommodation, Transfer and Occupancy Policies. Finally, the Department conducted interviews with HACLV residents and staff.

HUD's review revealed deficiencies related to maintenance and security services, record keeping, the physical accessibility of the common areas and individual housing units, as well as deficiencies in HACLV's current policies and procedures. On April 21, 2004, the Department issued its preliminary Letter of Findings of Non-Compliance (LOF) with Title VI, Section 504 and Title II of the ADA.

The HACLV agrees to enter into this Voluntary Compliance Agreement ("Agreement" or "VCA") in order to address the issues raised in the Department's preliminary LOF; and, in order to comply with its responsibilities under Title VI, Section 504, Title II of the ADA, the Fair Housing Act, the Architectural Barriers Act, and their respective implementing regulations.

II. DEFINITIONS

Accessible – When used with respect to the design, construction, or alteration of housing and non-housing programs, "accessible" means that the program or portion of the program when designed, constructed, altered or adapted, can be approached, entered, and used by individuals with disabilities, including individuals with mobility disabilities and individuals who use wheelchairs. A program that is designed, constructed, altered or adapted to be in compliance with the Uniform Federal Accessibility Standards (UFAS), *See* 24 C.F.R. §§ 8.3, 8.32, Appendix A to 24 C.F.R. § 40, and, where applicable, the Americans with Disabilities Act Standards for Accessible Design (ADA Standards), Appendix A to 28 C.F.R. § 36, meets the minimum standards for compliance and is accessible. In addition, covered multifamily dwellings built for first occupancy after March 13, 1991, shall also be designed and construction to comply with the Fair Housing Act, *See* 24 C.F.R. § 100.205. *See also* **Appendix F** for the UFAS and ADA Accessibility Standards.

Accessible Route – A continuous, unobstructed UFAS-compliant path as prescribed in 24 C.F.R. §§ 8.3 and 8.32; 28 C.F.R. § 35.151; and, UFAS § 4.3. (*See* definition of "Dwelling Unit" and "Non-Housing Programs".)

Adaptable – The ability of certain elements of an otherwise accessible dwelling unit such as kitchen counters, sinks and grab bars, to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with disabilities or to accommodate the needs of persons with different types or degrees of disability. *See* 24 C.F.R. § 8.3.

Administrative Offices – The HACLV's Executive Office located at 340 N. 11th Street and HACLV's Housing Programs Office located at 420 N. 10th Street, Las Vegas, Nevada.

Alterations – Any change in a facility or its permanent fixtures or equipment, including remodeling, renovation, rehabilitation, reconstruction, changes or rearrangement in structural parts and extraordinary repairs. *See* 24 C.F.R. § 8.3.

Assistance Animal – An animal that is needed as a reasonable accommodation for persons with disabilities. An assistance animal is not considered a pet and thus, is not subject to HACLV's Pet Policies. Assistance animals are animals that work, provide assistance, or perform tasks for the benefit of a person with a disability; or animals that provide emotional support that alleviate one or more identified symptoms or effects of a person's disability.

Auxiliary Aids – Services that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance. The type of auxiliary aid or service necessary to ensure effective communication will vary in accordance with the length and complexity of the communication involved. *See* 24 C.F.R. § 8.3.

Census Block Group - A cluster of census blocks having the same first digit of their four digit identifying numbers within a census tract. For example, census block group 3 (BG3) within a census tract includes all blocks numbered from 3000 to 3999. Block groups generally contain between 600 and 3,000 people, with an optimum size of 1,500 people.

Development – The whole of one or more HACLV-owned residential structures and appurtenant structures, equipment, roads, walks and parking lots that are covered by a single contract for Federal financial assistance or application for assistance; or are treated as a whole for processing purposes, whether or not located on a common site.

Dwelling Unit – A single unit of residence that provides a kitchen or food preparation area, in addition to rooms and spaces for living, bathing, and sleeping.

Effective Date - The effective date of this Agreement is the date of the last signature in Section IX.

Emergency Transfers – Transfers required as a result of hazardous unit conditions; for victims of hate crimes and/or other criminal threats to the resident family; for residents with a medical or disability-related need for an accessible unit, a unit with accessible features and/or who require a transfer as a reasonable accommodation.

Impacted Area - An area of minority concentration where:

i. The percentage of persons of a particular racial (American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or other Pacific Islander and White) or ethnic minority (Hispanic or Latino; Not Hispanic or Latino) in a Census Block Group, is at least twenty (20) percentage points higher than that racial or ethnic minority's percentage in the City of Las Vegas as a whole; or,

ii. The total percentage of all minority persons in a census block group is at least twenty (20) percentage points higher than the total percentage of minorities in the City of Las Vegas as a whole; or,

iii. The census block group's total percentage of racial and ethnic minorities exceeds fifty percent (50%).

Limited English Proficient (LEP) - Individuals who are Limited English Proficient (LEP) are persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English.

HACLV – The officers, directors, agents (including contractors), private management agents/companies, employees and successors or assigns of the Housing Authority of the City of Las Vegas.

Non-Housing Programs - All or any HACLV-owned portions of buildings, structures, sites, complexes, equipment, rolling stock or other conveyances, roads, walks, passageways, parking lots, or other real or personal property including the site where the building, property, or structure is located. A Non-Housing Program includes, but is not limited to, common areas, entrances, elevators, the HACLV on-site offices (excluding HACLV's Executive Office located at 340 N. 11th Street and HACLV's Housing Programs Office located at 420 N. 10th Street, Las Vegas, Nevada, which are defined separately as "Administrative Offices"), community centers (including restrooms), day care facilities (including restrooms), corridors, hallways, meeting rooms, recreation rooms, senior citizen centers (including restrooms), social service offices, mail delivery, laundry rooms/facilities and trash disposal. Furthermore, Non-Housing Programs include any aid, benefit or service provided by the HACLV, policies, administrative procedures, services, and non-tangible matters whose operation contribute to the application for housing, full enjoyment of housing, and full participation in HACLV's housing programs. To the extent that entrances, elevators, and common areas provide accessible routes and connect dwelling units and Non-Housing Programs, they fall within the provisions of this Agreement.

Non-Impacted Area - All census block groups that do not meet the definition of "Census Block Groups" located in impacted areas, as defined above.

Person With a Disability – For purposes of this Agreement, a person with a disability is any person who has a physical or mental impairment that substantially limits one or more major life activities such as caring for oneself, manual tasks, walking, seeing, hearing, speaking, breathing or learning; has a record of such impairment; or, is regarded as having such an impairment. *See* 24 C.F.R. § 8.3.

Reasonable Accommodation – A reasonable accommodation is a change, modification, alteration, or adaptation in a policy, procedure, practice, program, facility or unit that provides a person with a disability the opportunity to participate in, or benefit from, a program (housing or non-housing), service or activity.

Scattered Site Unit – Scattered site units in HACLV's Homeownership and Public Housing Rental Program as reflected in Appendix A to this Agreement.

Structural Impracticability – Changes having little likelihood of being accomplished without removing or altering a load-bearing structural member and/or incurring an increased cost of fifty percent (50%) or more of the value of the element of the building or facility involved. *See* UFAS § 3.5.

Total Housing Units – The total number of public housing units published in HUD's Public and Indian Housing Information Center (PIC) as of June 2004 and as reflected in Appendix A.

UFAS – Effective July 11, 1988, the design, construction, or alteration of buildings in conformance with §§ 3-8 of the Uniform Federal Accessibility Standards (UFAS) shall be deemed to comply with the requirements of 24 C.F.R. §§ 8.21, 8.22, 8.23 and 8.25.

UFAS-Accessible Unit – A dwelling unit that is designed, constructed, altered or adapted to comply with UFAS and is located on an Accessible Route, as defined in this Agreement. The unit can be approached, entered and used by individuals with disabilities, including individuals with mobility impairments and individuals who use wheelchairs, and located on an Accessible Route, as defined in this Agreement. In addition to the UFAS requirement at § 4.34(15)(c), all sleeping areas must be on an accessible route; and, when more than one bathroom is provided in a housing unit, additional bathrooms must be accessible, unless structural alterations are impractical or would create an undue financial and administrative burden. [*See* Notice PIH 2003-31 (HA), issued November 26, 2003, attached as **Appendix B**.] The accompanying Non-Housing Programs must also be accessible unless the HACLV can demonstrate that the structural alterations needed to make the Non-Housing Programs accessible are structurally impracticable; or, would create an undue financial and administrative burden.

III. GENERAL PROVISIONS

A. This Voluntary Compliance Agreement applies to all Federally funded projects, related facilities, and programs or activities that the HACLV, its agents, successors, and assigns or beneficiaries own, control, operate or sponsor. This Agreement also applies to HACLV's public housing units in HOPE VI revitalization projects and their scattered site units.

B. The effective date of this Agreement is the date of the last signature in Section IX. This Agreement shall be binding on all of the officers, trustees, directors, agents, employees, and successors or assigns of the HACLV and HUD. This Agreement shall remain in effect until the HACLV has satisfactorily completed the provisions set forth in this Agreement; or, no later than December 31, 2007, whichever is earlier.

C. HACLV's Annual and Five Year Plans must be consistent with the requirements of this Agreement. HACLV shall amend those Plans as necessary in order to assure the adoption of the requirements of this Agreement, including policies with respect to tenant selection and assignment, the delivery of maintenance and security services, and planning and completion (including reservation of sufficient funding) of modifications to units, administrative offices and non-housing programs to provide accessibility for persons with disabilities.

D. The Department may amend Section IV. G. (1)(a) of this Agreement if the Department determines pursuant to 24 C.F.R. §§ 8.22 (c) and 8.23 (b)(2) that the need of income eligible persons with disabilities in the City of Las Vegas for UFAS Accessible Units exceeds five percent (5%).

E. This Agreement will serve as HACLV's Transition Plan with respect to and in compliance with the provisions of programs for persons with disabilities. *See* 24 C.F.R. §§ 8.21 (c)(4); 8.24 (d) and 8.25 (c).

F. This Agreement does not increase or diminish the ability of any person or class of persons to exercise their rights under Section 109, Title VI, Section 504, the ADA, and/or the Fair Housing Act. This Agreement does not create any private right of action for any person or class of persons not a party to this Agreement.

G. This Agreement does not affect the ability of HUD or HACLV to take action under appropriate statutory or regulatory authorities unrelated to issues covered by this VCA.

H. Upon the effective date of this Agreement, this VCA is a public document. A copy of this Agreement shall be made available to any person for his/her review, in accordance with the law. The HACLV shall provide a copy of this Agreement to any person upon request. The HACLV shall also provide, within thirty (30) days of the effective date of this Agreement, a copy to each Manager and each duly elected Resident's Council or resident organization.

I. The HACLV shall provide a copy of reporting data it generates to comply with this Agreement to any person, upon request, in accordance with HACLV's Freedom of Information Act and Privacy Act procedures. In no event will public disclosure include personally identifiable information regarding applicants or residents.

J. Notwithstanding any notice or consultation requirements of this Agreement, HACLV shall comply with the notice and consultation requirements of HUD's Public Housing Agency Plan ("PHA Plan") regulation at 24 C.F.R. part 903.

K. Except as set forth in Section VIII of this Agreement, to the extent that any prior HUD guidance (written or oral) in the form of waivers, administrative decisions, letters, opinions, or similar guidance regarding HACLV's obligations, responsibilities, or technical requirements under Section 109, Section 504, the ADA, the Architectural Barriers Act, UFAS, the Fair Housing Act and/or Title VI conflicts with this Agreement, this Agreement is the controlling document from the effective date of this Agreement.

L. This Agreement does not supersede, or in any manner change the rights, obligations, and responsibilities of the parties under any and all court orders, or settlements of other controversies involving compliance with civil rights statutes.

M. This Agreement does not affect any requirements for HACLV to comply with all requirements of Title VI, Section 504, the ADA and/or the Fair Housing Act not addressed in this Agreement.

N. The HACLV shall hire or appoint appropriate personnel to oversee compliance with the provisions of this Agreement.

O. This Agreement and the requirements herein are controlling in the event that a court orders the HACLV to provide a lesser number of units accessible to individuals with disabilities than the requirements stated in this Agreement, and HUD is not a party to the litigation.

IV. SPECIFIC PROVISIONS

A. <u>VOLUNTARY COMPLIANCE AGREEMENT ADMINISTRATOR</u>

1. Within ninety (90) days of the effective date of this Agreement, HACLV shall hire or appoint a Voluntary Compliance Agreement Administrator (VCA Administrator). In the interim, within thirty (30) days of the effective date of this Agreement, the HACLV will appoint an Acting VCA Administrator. The VCA Administrator will report directly to the Executive Director of the HACLV. The VCA Administrator will be responsible for coordinating all compliance activities under this Agreement and shall serve for the duration of the VCA.

a. The VCA Administrator will be responsible for the following: (a) implementation of the provisions of this Agreement; (b) submission of all reports, plans and records as required by this Agreement; and, (c) coordination of the activities of the HACLV personnel who will assist the VCA Administrator in implementing this Agreement. The HACLV shall commit sufficient resources so that the VCA Administrator can successfully accomplish these objectives.

b. In the event that the VCA Administrator resigns or is otherwise terminated prior to the expiration of this Agreement, the HACLV shall immediately designate an Acting VCA Administrator within fourteen (14) days of the resignation or termination of the VCA Administrator. Upon designation, HACLV shall provide HUD with the name of the individual selected to serve as the acting VCA Administrator.

c. Within sixty (60) days of the termination or resignation of the VCA Administrator, HACLV shall select a new VCA Administrator. Upon designation, the HACLV shall provide HUD with written notice of the new VCA Administrator.

B. REMEDIES FOR RECORD-KEEPING VIOLATIONS:

1. HACLV will take the following actions to correct the specific record-keeping violations as set forth in the Department's April 21, 2004 preliminary Letter of Findings:

a. **Scattered Site Inventory and Occupancy Report**

Within sixty (60) days of the effective date of this Agreement, HACLV will submit a draft comprehensive Scattered Site Inventory and Occupancy Report for HUD's review and approval. HUD will provide its approval, or comments, within thirty (30) days of receipt. The **Scattered Site Inventory and Occupancy Report** will be completed for each unit in HACLV's Scattered Site Inventory as of the effective date of this Agreement. HACLV will update this Report and submit the Report on a quarterly basis. The first Quarterly Report will be due on April 30, 2005; thereafter, Quarterly Reports will be due on July 31, 2005 and October 31, 2005, etc.

The **Scattered Site Inventory and Occupancy Report** will be in a format that includes all scattered site units included in HACLV's total inventory as of the effective date of this Agreement. The Report will include scattered site units that have been sold or otherwise dispossessed. The **Scattered Site Inventory and Occupancy Report** shall include the following:

(i) unit address;
(ii) census block group;
(iii) number of bedrooms;
(iv) name(s); previous address(es); race; ethnicity; dates of occupancy of each occupant of the scattered site unit from the date of original purchase or acquisition;
(v) name(s); race; ethnicity of Family Self Sufficiency (FSS) participants;
(vi) reason(s) the occupant(s) relocated to another unit, if known;
(vii) if the occupant(s) moved to another HACLV development, the relocation date and address of the occupant's new unit;
(viii) disability status of each occupant (including minors);
(ix) date the unit was offered for sale;

(x) sale date of the scattered site unit;
(xi) sale price;
(xii) race and ethnicity of purchaser;
(xiii) applicant/resident status of purchaser (applicant/resident of public housing or Housing Choice Voucher Program);
(xiv) City of Las Vegas residency status of occupant(s) and purchaser(s); and
(xv) dated copies of test results for mold, radon and/or lead tests.

b. <u>Offers, Acceptance, Transfer, Evictions, Refusals and Rejections</u>

(i) HACLV shall comply with the offer, acceptance, transfer, eviction, refusals and rejection procedures set forth in HACLV's ACOP, as amended by this Agreement;

(ii) Within sixty (60) days of the effective date of this Agreement, the HACLV shall develop and submit, for HUD review and approval, a proposed quarterly reporting format on the following:

(1) unit offers;
(2) unit acceptances;
(3) unit refusals;
(4) applicant rejections;
(5) transfers; and,
(6) evictions.

(iii) These quarterly reports will include, by race, ethnicity, familial status and disability, the following:

(1) date of applicant rejection;
(2) date of application;
(3) application preference(s);
(4) date of unit offer;
(5) date of unit acceptance;
(6) date of unit refusal;
(7) date of transfer;
(8) date of eviction; and,
(9) reason for move, if known.

(iv) HACLV shall update these reports regularly and submit the reports on a quarterly basis;

(v) FHEO will provide its approval, or comments, to the proposed reporting format within thirty (30) days of receipt. The first quarterly report will be due on April 30, 2005; thereafter, quarterly reports will be due on July 31, 2005; October 31, 2005, etc.

c. **<u>Affirmative Fair Housing Marketing Efforts</u>**

(i) Within sixty (60) days of the effective date of this Agreement, HACLV will submit an **Affirmative Fair Housing Marketing Plan** that outlines the actions that HACLV will take to market the scattered site units;

(ii) HUD will provide its approval, or comments, within thirty (30) days of receipt;

(iii) HACLV will submit to HUD, on a quarterly basis, an **Affirmative Fair Housing Marketing Plan Report** that documents its outreach and advertising efforts that HACLV has undertaken to market and sell its scattered site units. HACLV will update this Report monthly. HACLV will submit the Report on a quarterly basis. The first Report will be due on April 30, 2005; thereafter, reports will be due on July 31, 2005; October 31, 2005, etc.;

(iv) The **Affirmative Fair Housing Marketing Plan Report** shall include:

(a) marketing methods used to reach the population(s) that are least likely to apply for HACLV housing and/or services;

(b) copies of advertising and media used, to include the use of minority-owned media (e.g. newspapers, radio and television stations);

(c) frequency of each marketing activity, to include marketing activity to the population who is Limited English proficient;

(d) distribution of advertising;

(e) documentation to support all outreach activities; and,

(f) methodology used to assess the effectiveness of the marketing and outreach strategy.

C. PROVISION OF SERVICES TO INDIVIDUALS WHO ARE LIMITED ENGLISH PROFICIENT

1. Within one hundred twenty (120) days of the effective date of this Agreement, HACLV will develop and submit to HUD, for its review and approval, a **Limited English Proficiency Plan (LEP Plan)** to ensure meaningful access to HACLV's **Homeownership Program** by individuals who are Limited English Proficient.

2. Within two hundred ten (210) days of the effective date of this Agreement, HACLV will develop and submit to HUD, for its review and approval, a **Limited English Proficiency Plan (LEP Plan)** to ensure meaningful access to HACLV's **Section 8/Housing Choice Voucher and Low-Income Public Housing Programs** by individuals who are Limited English Proficient.

3. The **LEP Plans** for the **Homeownership Program** and **Section 8/Housing Choice Voucher and Low-Income Public Housing Programs** shall include:

(a) Identification of the number and percentage of program-eligible LEP persons in the City of Las Vegas who may be served by the HACLV and who may require language assistance;

(b) Identification of language assistance measures such as:

(i) Types of language services available;

(ii) How HACLV staff will obtain language assistance services for initial admissions screening and occupancy; maintenance services; annual re-certifications and HACLV's grievance process;

(iii) How HACLV will respond to telephone calls from individuals who are LEP;

(iv) How HACLV will respond to written communication from individuals who are LEP;

(v) How HACLV will respond to individuals who are LEP for in-person contact, including meetings with HACLV staff;

(vi) How HACLV will provide oral interpretation to individuals who are LEP, including the source of interpreters and their qualifications.

(c) Process and implementation timetable for staff training on HACLV's LEP Policies and Procedures;

(d) HACLV's procedures for providing notice to individuals regarding the availability of services for individuals who are LEP.

2. HACLV shall coordinate its activities for the LEP Plans with its education and outreach activities identified in the Affirmative Fair Housing Marketing Plan, Paragraph IV. B. 1 (c), above.

3. HUD will provide its approval, or comments, within forty-five (45) days of receipt of these LEP Plans. HACLV will implement the approved Plan within thirty (30) days of HUD's approval. Once approved, HACLV will submit a comprehensive **LEP Implementation Report** on a quarterly basis that quantifies all requests for LEP services and also identifies all actions taken to implement the LEP Plans. The first LEP Implementation Report will be due on April 31, 2005; thereafter, quarterly reports will be due on July 31, 2005; October 31, 2005, etc.

D. DELIVERY OF SERVICES

1. In its April 21, 2004 Letter of Findings, the Department determined that HACLV provided maintenance and security services to residents of some family developments that are different and inferior to the maintenance and security services provided to developments in some elderly/disabled and designated senior developments in violation of 24 C.F.R. § 1.4 (b)(1)(ii). The disparities in the delivery of services paralleled the deficiencies related to the physical condition and maintenance cited by the Office of Public and Indian Housing in its February 6, 2004 Comprehensive Review of the HACLV. Therefore, HACLV's adoption of and strict adherence to a Corrective Action Plan created by the Office of Public and Indian Housing to remedy the deficiencies that were identified in that review, will address the findings related to Delivery of Services.

2. The Corrective Action Plan developed by the Office of Public and Indian Housing, in coordination with the Office of Fair Housing and Equal Opportunity, will be consistent with Public Housing program requirements for expenditure of funds for work items included in the Housing Authority's Annual and Five Year PHA Plans. Expenditure of the funds for deficiencies in mixed and family sites will be consistent

with the Fair Housing and other relevant civil rights laws and regulations with regard to non-discrimination on the basis of race, color, national origin, and disability.

3. The annual assessment of the Housing Authority's financial, physical, management, and resident satisfaction as captured in the Public Housing Assessment System (PHAS) evaluation will be used by the Office of Public and Indian Housing and the Office of Fair Housing and Equal Opportunity as a mechanism to monitor the improvement of the physical condition of the properties; safety and security of the sites; and, resident satisfaction with the services provided throughout the HACLV developments.

E. REPLACEMENT OF HOUSING LOCATED IN NON-IMPACTED AREAS

1. HUD determined in its April 21, 2004 Letter of Findings that HACLV's sale of the scattered site units in non-impacted areas dismantles the desegregation strategy implemented as a result of the 1994 VCA and the HACLV has not taken actions to replace these desegregative housing opportunities as required by 24 C.F.R §§ 1.4 (b)(6)(i) and (ii). If during the term of this Agreement the HACLV plans to either develop or acquire replacement-housing stock, HACLV must create and submit to HUD the **Replacement Housing Plan** described below for review and approval. Nothing in this paragraph constitutes a defense in the event that HACLV's housing becomes re-segregated and would not preclude the Department from taking any and all appropriate remedies under Title VI or any other applicable civil rights statute.

2. If a **Replacement Housing Plan** is required pursuant to Paragraph IV. (E)(1) above, the Replacement Housing Plan shall include:

   (i) The address, census tract and information on the location in a non-impacted or impacted area of the new or acquired housing unit;
   (ii) A monthly timetable for the acquisition or construction of housing units;
   (iii) A description of the desegregative selection criteria for applicants or residents who will occupy the housing;
   (iv) A description of the race/ethnicity data that will be maintained for applicants and residents for housing; and,
   (v) A summary, by address, of the rent range for each housing unit.

3. HUD will provide the HACLV with its approval, or comments, within ninety (90) days of receipt of the Replacement Housing Plan;

4. HACLV will implement the Replacement Housing Plan within ninety (90) days of HUD's approval;

5. HACLV shall submit semi-annual Progress Reports that document its progress in meeting the approved goals and timetables for the Replacement Housing Plan.

F. SECTION 504/ADA COORDINATOR

1. HUD's Section 504 regulation at 24 C.F.R. § 8.53(a) requires "a recipient that employs fifteen or more persons shall designate at least one person to coordinate its efforts to comply with this part". *See also* 28 C.F.R. § 35.107 (ADA Coordinator requirement). Within thirty (30) days of the effective date of this Agreement, the HACLV will appoint an Acting Section 504/ADA Coordinator. Upon appointment of this

individual, HACLV shall provide HUD with the person's name and a copy of the Section 504/ADA Coordinator position description.

2. Within ninety (90) days of the effective date of this Agreement, the HACLV shall secure the services of a qualified individual to serve as HACLV's Section 504/ADA Coordinator. The individual fulfilling these responsibilities must have prior relevant experience to demonstrate expertise in and knowledge of Section 504, the Fair Housing Act, the ADA, the Architectural Barriers Act, and their respective implementing regulations, including the relevant accessibility standards. Upon selection, HACLV shall provide HUD with the name of the individual selected to serve as the Section 504/ADA Coordinator and a copy of the Coordinator's resume and/or curriculum vitae.

3. In the event that the Section 504/ADA Coordinator resigns or is otherwise replaced prior to the expiration of this Agreement, the HACLV shall designate an Acting Section 504/ADA Coordinator within fourteen (14) days of the resignation or replacement of the Section 504/ADA Coordinator. Upon designation, HACLV shall provide HUD with the name of the individual selected to serve as the Acting Section 504/ADA Coordinator.

4. Within sixty (60) days of the resignation or replacement of the Section 504/ADA Coordinator, HACLV shall secure the services of a new, qualified Section 504/ADA Coordinator. The HACLV shall provide written notice of the selection of the new Section 504/ADA Coordinator and provide the Department with a copy of the Coordinator's resume and/or curriculum vitae.

G. HOUSING PROGRAMS

1. Provision of UFAS-Accessible Units

a. The HACLV shall construct or convert a **minimum of five percent (5%), or 104 of its (2,074) Total Housing Units**, as delineated at **Appendix A**, UFAS-Accessible subject to the requirements of the **UFAS-Accessible Unit Plan**, referenced in Paragraph IV. G (2).

b. The construction or conversion of these units shall commence no later than ninety (90) days following HUD's approval of the **UFAS-Accessible Unit Plan**, described in Paragraph IV G (2), below.

(i) Nothing in this Agreement diminishes HACLV's obligation to comply with 24 C.F.R. §§ 8.4(b)(1)(i) and (ii), which prohibits recipients from providing housing to qualified individuals with disabilities that is not equal to that afforded others; or providing housing to qualified individuals with disabilities that is not as effective in affording the individual with an equal opportunity to achieve the same result, to gain the same benefit, or to reach the same level of achievement as that provided to others. In addition to the UFAS requirement at § 4.34(15)(c), all sleeping areas must be on an accessible route; and, when more than one bathroom is provided in a housing unit, additional bathrooms must be accessible, unless structural alterations are impractical or would create an undue administrative and financial burden beyond the control of the HACLV. *See* Notice PIH 2003-31 (HA), issued November 26, 2003, attached as **Appendix B**.

c. The HACLV must demonstrate the completion of the construction or conversion of 104 Total Housing Units, as described in Paragraph IV. H (1), above, no later than December 31, 2007. Unless otherwise agreed by HUD pursuant to HUD's approval of HACLV's **UFAS-Accessible Unit Plan**, described in Paragraph IV. G (2), below, HACLV will demonstrate the completion of thirty-five (35) units by December 31, 2005; an additional thirty-five (35) units by December 31, 2006; and, thirty-four (34) units by December 31, 2007

2. **UFAS-Accessible Unit Plan**

a. Within one hundred fifty (150) days of the effective date of this Agreement, the HACLV will submit, for HUD's review and approval, its **UFAS-Accessible Unit Plan** for all developments identified in **Appendix A**. HUD will provide the HACLV with its approval, or comments, within forty-five (45) days of receipt of both the HACLV's proposed **UFAS-Accessible Unit Plan** and **Non-Housing Program Accessibility Plan**, referenced in Paragraph IV. (H)(1).

(i) The **UFAS-Accessible Unit Plan** will be in a format that includes: (1) Total number of UFAS-Accessible Units per year; (2) development name and location; (3) bedroom size distribution within each development; (4) demographic data – including household type (based on Form HUD-50058) and type of disability – within development; and, (5) accessibility of all Non-Housing Programs at each development, including accessible routes and elevators.

(ii) The **UFAS-Accessible Unit Plan** shall include a site map for each development which includes the following: (a) development address; (b) total number of units to be modified or constructed as UFAS-accessible; (c) bedroom size of UFAS-accessible units; (d) current occupancy status of the unit; (e) relocation plan for occupied units; (f) designated accessible common areas at each development, including, but not limited to, accessible routes, parking, offices, community centers, meeting spaces, recreation centers, playgrounds, laundry facilities, mailboxes and trash collection sites; and, (g) the common areas that are currently inaccessible.

(iii) The number of UFAS-Accessible Units in any particular development may not exceed twenty-five percent (25%) of the total units in that development. The **UFAS-Accessible Unit Plan** will include interim timeframes and benchmarks for meeting annual rates; vacancy rates at each development; and, crime rates in and around each development. The Plan will address all developments covered under this Agreement, as referenced in **Appendix A**.

(iv) If the **UFAS-Accessible Unit Plan** does not include provisions to provide accessible units in a given development, or if implementation of the Plan would not result in at least five percent (5%) of the units being UFAS-Accessible in a given development, then HACLV will provide a detailed explanation, for HUD's review and approval, which includes information regarding structural infeasibility and/or undue financial and administrative burden.

3. **Certification of UFAS-Accessible Units**

a. Within ninety (90) days of the effective date of this Agreement, HACLV will submit, for HUD review and approval, the qualifications and experience of an independent

third-party architectural and/or engineering firm. HUD will provide its approval, or comments, within thirty (30) days of HACLV's submission of its proposed architectural/engineering firm;

b. Within ninety (90) days of HACLV's completion of each of the UFAS Accessible Units referenced above, HACLV will provide written certification through the HUD-approved independent third-party architectural and/or engineering firm, that the UFAS-Accessible Units, including accessibility to the Non-Housing Programs, comply with the requirements of UFAS, PIH Notice 2003-31(HA), and, where applicable, the ADA Standards and Fair Housing Act. HACLV will submit this documentation to HUD as part of its Quarterly Report. HUD reserves the right to conduct periodic on-site reviews of the completed accessible units to ensure compliance.

4. **Status Reports for UFAS-Accessible Units**

a. The HACLV will provide Quarterly Reports to HUD on the number of UFAS-Accessible Units for which funds have been reserved, physical work has been undertaken, physical work has been completed, and independent verification of UFAS compliance by development and bedroom size. The Quarterly Report will include unit counts for the given reporting period and cumulatively from the effective date of this Agreement.

b. The HACLV will also provide a narrative to describe any delays in meeting the interim timeframes and benchmarks identified in the HUD approved UFAS Accessible Unit Plan, referenced in Paragraph IV. (G)(2).

c. The HACLV shall submit quarterly UFAS-Accessible Unit Plan Reports in a format compatible with Microsoft Word XP Professional**.** The first quarterly UFAS-Accessible Unit Plan Report will be due on April 30, 2005; thereafter, quarterly reports will be due on July 31,2005; October 31, 2005, etc.) Subsequent reports are due at quarterly intervals for the duration of this Agreement.

H. NON-HOUSING PROGRAMS

1. **Non-Housing Program Accessibility Plan:**

a. Within one hundred twenty (120) days of the effective date of this Agreement, HACLV will submit, for HUD's review and approval, its **Non-Housing Program Accessibility Plan**. HUD will provide its approval, or comments, within forty-five (45) days of receipt of both the **Non-Housing Program Accessibility Plan** and the **UFAS-Accessible Unit Plan**, referenced in Paragraph IV. (G)(2), above.

b. The HACLV's **Non-Housing Program Accessibility Plan** will ensure that HACLV's Non-Housing Programs are accessible to persons with disabilities. *See* 24 C.F.R. § 8.21. Non-Housing Programs include, but are not limited to, all common areas, accessible routes, management and regional offices (including restrooms), laundry rooms, mail delivery, trash disposal, meeting rooms, recreation rooms, community centers (including restrooms); and, day care facilities (including restrooms). *See* 24 C.F.R. § 8.21. This Plan must include accessible transportation if transportation is or must be provided to take individuals with disabilities (including their accompanying

family members and friends without disabilities) to HACLV-sponsored services, programs or activities.

c. The Non-Housing Program Accessibility Plan must include: (1) specific elements to be made accessible at each development; (2) interim timeframes and benchmarks for meeting annual rates; (3) an annual timetable that coincides with the UFAS-Accessible Unit Plan not to exceed four (4) years for completing the work; and, (4) identification of the source of the funding to accomplish each task. If accessibility to Non-Housing Programs cannot be achieved in a particular development due to structural infeasibility and/or an undue financial and administrative burden, the HACLV will provide, for HUD's review and approval, detailed information regarding structural infeasibility and/or an undue financial and administrative burden.

2. **Administrative Office Accessibility Plan:**

a. Within ninety (90) days of the effective date of this Agreement, the HACLV will submit, for HUD's review and approval, its **Administrative Office Accessibility Plan** to make the HACLV's Executive Office located at 340 North-11th Street and HACLV's Housing Programs Office, located at 420 North-10th Street, Las Vegas, Nevada accessible to individuals with disabilities. HUD will provide its approval, or comments, within forty-five (45) days of receipt of the Administrative Office Accessibility Plan.

b. The HACLV's Administrative Office Accessibility Plan will ensure that HACLV's Executive and Housing Programs Office Offices are fully accessible to individuals with disabilities and comply with the relevant ADA Accessibility Standards.

c. The Administrative Offices Accessibility Plan will include plans to ensure interim access for persons with disabilities to HACLV's Housing Programs Office, currently located at 420 North-10th Street, to an alternate, accessible location, pending completion of the HACLV's new Housing Programs Office.

d. The Plan will include accessible routes into and throughout HACLV's programs, services and/or activities located at the Administrative Office, designated accessible parking and transportation stops, including accessible signage.

e. The Plan must include accessible transportation if transportation is or must be provided to take individuals with disabilities (including their accompanying family members and friends without disabilities) to HACLV-sponsored programs, services or activities.

f. The Administrative Office Accessibility Plans must include:

(i) specific elements to be made accessible;
(ii) a timetable not to exceed eighteen (18) months for completing the work;
(iii) interim timeframes and benchmarks for meeting the eighteen (18) month deadline;
(iv) identification of the source of funding to accomplish each task.

g. If accessibility cannot be achieved at a particular office due to structural infeasibility and/or an undue financial and administrative burden, the HACLV will provide, for

HUD's review and approval, detailed information regarding structural infeasibility and/or undue financial and administrative burden.

h. Within sixty (60) days of all completed modifications and/or newly constructed administrative offices, the HACLV will provide certification, through the HUD-approved independent third-party architectural and/or engineering firm, that HACLV's administrative offices comply with the accessibility requirements of the ADA Accessibility Standards.

i. HUD reserves the right to conduct periodic on-site inspections of HACLV's Administrative Offices to ensure that the modifications are in compliance with the UFAS and, where applicable, ADA Accessibility Standards. In addition, HUD reserves the right to ensure that the HACLV's programs, services and activities located in the Administrative Offices are accessible to individuals with disabilities in compliance with Section 504 and, where applicable, the ADA.

I. POLICIES AND PROCEDURES

1. Admissions and Continued Occupancy Policy (ACOP)

a. Within one hundred twenty (120) days of the effective date of this Agreement, the HACLV shall submit to HUD, for its review and approval, an amended Admissions and Continued Occupancy Policy (ACOP) incorporating the following policies and procedures:

(1) Transfer Policy (Paragraphs IV. I. 2);
(2) Reasonable Accommodation Policy (Paragraph IV. I. 3);
(3) Effective Communication Policy (Paragraph IV. I. 4);
(4) Lease Revision (Paragraph IV. I. 5);
(5) Pet Policy (Paragraph IV. I. 6); and,
(6) Emergency Procedures (Paragraph IV. I. 7).

b. These policies shall become effective immediately upon HACLV's adoption of the HUD-approved ACOP;

c. HUD will provide its approval, or comments, to the amended ACOP within forty-five (45) days of receipt;

d. Within sixty (60) days of HUD's approval of the amended ACOP, the HACLV will adopt the amended ACOP.

2. Transfer Policy

a. HACLV's revised ACOP shall include the following revisions to its **Transfer Policy** to ensure continued racial and ethnic desegregation throughout HACLV's properties:

i. With respect to Emergency Transfers:

(a) HACLV will ensure that transfers of residents in scattered site units who require emergency transfers due to the existence of hazardous unit conditions; the need for medical or disability-related unit features; and/or as a result of hate crimes or other criminal threats to the resident family, will be undertaken in the following order:

(1) permanently transferred to another scattered site unit; or,

(2) if another scattered site unit is unavailable, permanently transferred to another unit in a non-impacted area, as defined in this Agreement; or,

(3) if the emergency condition is expected to be resolved within fourteen (14) days or less, temporarily transferred to a furnished dwelling (including a hotel or motel) and returned to the original unit following the successful abatement of the emergency; or,

(4) if the emergency condition will require greater than fourteen (14) days to abate, temporarily transferred to a public housing unit in an impacted area, as defined in this Agreement, and returned to the original unit when the emergency condition is abated.

ii. All Emergency Transfers, as defined in this Agreement, shall have priority over waiting list admissions.

iii. With respect to transfers involving UFAS-accessible units:

(a) transfers will be exclusively coordinated through HACLV's Executive Office;

(b) when an accessible unit becomes available, the unit will first be offered to a current occupant with disabilities in the same development who requires the accessibility features of the vacant, accessible unit and occupying a unit not having those features;

(c) if there is no current occupant in the same development who requires the accessibility features of the vacant, accessible unit, then it will be offered to a resident with disabilities residing in another development who requires the accessibility features of the vacant, accessible unit and is occupying a unit not having those features;

(d) if there is no current occupant who requires the accessibility features of the vacant, accessible unit, then it will be offered to an eligible, qualified applicant on the waiting list with disabilities that requires the accessibility features of the vacant, accessible unit;

(e) if there is not an eligible, qualified resident or applicant with disabilities who wishes to reside in the available, accessible unit, then it will be offered to an applicant on the waiting list who does not need the accessible features of the unit. However, HACLV will require the applicant to execute a lease that requires the resident to relocate to a vacant, non-accessible unit within thirty (30) days of notice by the HACLV, unless impracticable due to circumstances beyond the HACLV's control, that there is an eligible applicant or existing resident with disabilities who requires the accessibility features of the unit. *See* 24 C.F.R. § 8.27.

iv. Upon adoption of the amended ACOP with the **Transfer Policy** revisions described above, the HACLV will commence distribution of its **Transfer Policy** to each applicant at the time of lease signing and to each resident during the annual re-certification.

3. <u>Reasonable Accommodation Policy</u>

HACLV's revised ACOP shall include the **Reasonable Accommodation Policy**, attached as **Appendix C.** Upon adoption of the amended ACOP, the implementation of this Reasonable Accommodation Policy will commence, and the HACLV's Section 504/ADA Coordinator will centralize the HACLV's reasonable accommodations process throughout its programs, services and activities as described below.

a. HACLV will maintain documentation of each reasonable accommodation request. The HACLV's documentation will include: (i) date and time of the request or inquiry; (ii) nature of the request or inquiry; (iii) action taken on the accommodation request(s) or inquiry; (iv) if the request was rejected or changes made in the requested accommodation(s); and, (v) documentation reflecting the disposition of the requests.

b. If a site manager receives a reasonable accommodation request, the site manager will also maintain a reasonable accommodation log, by date and time, reflecting the date the request was received and the date and time the site manager referred the request to HACLV's Section 504/ADA Coordinator.

c. No later than seven (7) days after a site manager has received a request for reasonable accommodation(s), the site manager shall forward the reasonable accommodation request(s) to the HACLV's Section 504/ADA Coordinator for review, processing and disposition.

d. Within thirty (30) days of HUD's approval of the amended ACOP, as referenced in Paragraph IV. I. 1., above, the HACLV will provide HUD, for its review and approval, a draft reasonable accommodation letter describing the policy to be distributed to all its residents. HUD will approve or modify the letter within thirty (30) days of receipt.

e. Within thirty (30) days of completion of the staff training referenced in Paragraph IV. K., below, HACLV will send the approved letter by U.S. mail, first class postage pre-paid, to all heads of households. The reasonable accommodation letter shall:

(i) Advise residents of their right to request reasonable accommodations, including accessible features, at the HACLV's expense consistent with the

HACLV's Reasonable Accommodation Policy, and request information on their need for accessible features or fully accessible units.

(ii) The letter will include a list of different types of reasonable accommodations. [For example, reasonable accommodation(s) may include, but are not limited to, an accessible unit for individuals who use wheelchairs; grab bars in the bathroom; accessible door hardware; a roll-in shower; lowered counters in the kitchen; a ramp to the unit; accessible parking space; documentation from the HACLV in an alternate format such as Braille, large print and/or audiocassette; effective communication for individuals with hearing disabilities such as a qualified sign language interpreter for public meetings, etc.] The HACLV shall offer these tenants the option of remaining in their current unit while the HACLV makes accessibility modifications; or, waiting to transfer, upon availability, to another unit that is accessible and meets the unit size requirement of the respective tenant.

(iii) Advise residents that if they previously made reasonable accommodations, including accessible features, at their personal expense, that they are entitled to the reimbursement of the funds expended, and that lease provisions prohibiting modifications to their unit do not apply to previously made reasonable accommodations. In addition, the reasonable accommodation letter will request information, including supporting documentation, regarding accessibility features that the resident made with their personal funds.

(iv) Provide a mechanism for answering resident questions relating to the reasonable accommodation letter and the HACLV's Reasonable Accommodation Policy.

(v) Provide residents with the name, address and telephone number of the HACLV's Section 504/ADA Coordinator. The letter will also request that residents call a dedicated number for the Section 504/ADA Coordinator's Office to discuss their reasonable accommodation requests/inquiries.

f. The HACLV shall submit Quarterly Reports to HUD, which provide a narrative description of each reasonable accommodation request and/or inquiry. The Quarterly Report will include: (i) date and time of the request or inquiry; (ii) nature of the request or inquiry; (iii) action taken on the accommodation request(s) or inquiry; (iv) if the request was rejected or changes made in the requested accommodation(s); and, (v) documentation reflecting the disposition of the requests. The narrative will also reflect any preference(s) indicated by a resident for remaining in the current unit during modification(s); or, transfer to an alternate, accessible unit.

g. HACLV will submit the Report on a quarterly basis. The first quarterly report will be due on April 30, 2005; thereafter, quarterly reports will be due on July 31, 2005, October 31, 2005, etc.

4. <u>Effective Communication Policy</u>

a. HACLV's revised ACOP shall include the **Effective Communication Policy**, attached as **Appendix D**. The Effective Communication Policy sets forth the steps

that the HACLV will take to ensure effective communication with applicants, residents, employees and members of the public. The Effective Communication Policy will ensure that interested persons, including persons with hearing, visual or cognitive disabilities, can obtain information concerning the existence and location of accessible services, activities, and facilities. The Effective Communication Policy will also ensure that the HACLV shall furnish appropriate auxiliary aids and services, where necessary, to afford an individual with disabilities an equal opportunity to participate in the HACLV's programs, services and activities. In determining what auxiliary aids are necessary, the HACLV shall give primary consideration to the requests of the individual with disabilities unless doing so would result in a fundamental alteration of the HACLV's programs or activities, or an undue financial and administrative burden. *See* 24 C.F.R. § 8.6.

b. Within forty five (45) days of HUD's approval of the amended ACOP, the HACLV will provide HUD, for its review and approval, a draft Effective Communication Letter. The draft letter will provide residents with a description of HACLV's Effective Communication Policy and procedures. HUD will approve or modify the letter within thirty (30) days of receipt.

c. Within thirty (30) days following completion of the staff training referenced in Paragraph IV.K. below, HACLV will send the approved Effective Communication Letter by U.S. Postal Service, first class pre-paid, to all heads of household or the resident's designee.

d. HACLV will provide the Effective Communication Letter in an alternate format, upon request.

5. <u>Lease Revision</u>

a. Upon the adoption of the amended ACOP, in the leasing or lease renewal of every UFAS-Accessible Unit, HACLV shall execute a lease that requires a resident without a disability to relocate to a vacant, non-accessible unit within thirty (30) days of notice by the HACLV that there is an existing resident or eligible applicant with a disability who requires the accessibility features of the unit.

b. Upon adoption of the Lease Revision, the HACLV will provide HUD with quarterly reports that reflect the HACLV's use of the lease revision to transfer residents without disabilities out of accessible units to provide housing for persons with disabilities who require the accessibility features of the unit.

6. <u>Pet Policy</u>

a. HACLV's revised ACOP shall include an amendment of the HACLV's Pet Policy to include an express exclusion for "Assistance Animals". The amended Pet Policy will clarify that an "Assistance Animal" is an animal that is needed as a reasonable accommodation for persons with disabilities and is not subject to HACLV's Pet Policy.

b. Upon adoption of the amended ACOP, the HACLV will include the Pet Policy as a part of the lease by reference. The HACLV will provide the Pet Policy to each applicant at the time of lease signing; or, to each resident during the annual re-certification.

c. Upon adoption of the amended ACOP, the HACLV will post the amended Pet Policy at all developments and the HACLV's Administrative Offices.

7. Emergency Procedures

HACLV's revised ACOP shall include the **Emergency Procedures**, attached as **Appendix E**. The Emergency Procedures include provisions to address the needs of individuals with disabilities.

J. EMPLOYEE NOTIFICATION

1. Within one hundred twenty (120) days of the effective date of this Agreement, the Administrator shall submit to HUD, for its review and approval, a letter that will be distributed to all current HACLV employees, including contract employees. The letter will address: (1) the HACLV's responsibilities to comply with civil rights laws and regulations set forth in this Agreement; (2) HACLV's responsibilities to comply with Title VI, including the provision of services to individuals who are Limited English Proficient; (3) the HACLV's responsibility to comply with Section 504 and Title II of the ADA, including the responsibility to provide reasonable accommodations to persons with disabilities; and, (4) provide a comprehensive explanation of reasonable accommodations.

2. HUD will provide its approval, or comments, to the letter within thirty (30) days of receipt.

3. Within thirty (30) days of HUD's approval, the HACLV will distribute the approved to all HACLV employees and contract employees. The HACLV shall maintain a signed and dated receipt for each HACLV employee and contract employee that verifies that the individual received this letter. The HACLV shall retain copies of the signed and dated receipts in the individual's personnel file for the duration of this Agreement.

4. Each new HACLV employee, including contract employees, will receive a copy of this letter within ten (10) days of their entry date and will also provide a signed and dated receipt that will be retained in the individual's personnel file for the duration of this Agreement.

K. EMPLOYEE EDUCATION

1. **General**. HACLV shall train its current and new employees with respect to the HACLV's duties, responsibilities, and procedures under this Agreement, Title VI, Section 504, the ADA, the Fair Housing Act, the Architectural Barriers Act, and their respective implementing regulations and the accessibility standards applicable to each regulation.

   (a) Within ninety (90) days of the effective date of this Agreement, the HACLV shall develop an educational program with a written curriculum, objectives, and training schedule for HUD's review and approval.

   (b) HACLV shall develop the educational programs, written curriculum, and training materials and conduct training sessions with the assistance of, or in

consultation with, persons with expertise in training and addressing the needs of individuals with disabilities.

(c) Within thirty (30) days of receipt, HUD will provide its approval, or comments, to the HACLV's proposed educational plan for current employees.

(d) The VCA Administrator shall maintain attendance logs for each training session conducted for the duration of this Agreement.

2. **Current Employees**:

(a) The educational program will be provided to all employees, including, but not limited to, principal and administrative staff, housing managers, housing assistants, application/occupancy specialists, other admissions personnel, maintenance supervisors and staff, hearing officers, and other contract employees involved with resident services, residents or members of the public. The training will provide notice of the HACLV's duties, responsibilities, and procedures under this Agreement, Title VI, Section 504, the ADA, the Fair Housing Act, the Architectural Barriers Act, and their respective implementing regulations and the accessibility standards applicable to each regulation.

(b) Within ninety (90) days of receipt of HUD's approval of the educational program, HACLV shall complete all training for all current HACLV employees and contract employees.

(c) HACLV will invite the HACLV's Board of Commissioners and the Residents' Council to participate in the training.

3. **New Employees**:

(a) In conjunction with HACLV's mandatory new employee orientation, the HACLV shall provide the HUD-approved educational program to all new HACLV employees and contract employees, including, but not limited to, principal and administrative staff, housing managers, housing assistants, application/occupancy specialists, other admissions personnel, maintenance supervisors and staff, hearing officers, and other employees or contract employees who have contact with applicants, residents or members of the public.

(b) The training will inform the new employees of the HACLV's duties, responsibilities, and procedures under this Agreement, Title VI, Section 504, the ADA, the Fair Housing Act, the Architectural Barriers Act, and their respective implementing regulations as well as the accessibility requirements required by each regulation.

4. **Reporting.** The HACLV shall submit Quarterly Reports to HUD that include a summary of progress toward developing the training programs and the dates the training sessions were conducted. For each date, the HACLV will indicate the number of persons trained and the general subject matter of the training.

L. PUBLICATION AND NOTICE

1. Within fifteen (15) days following the completion of the HACLV staff training referenced in Section IV (K) above, the HACLV shall disseminate to each head of household a notice that provides a description of this Agreement and a brief explanation of the Reasonable Accommodation and Effective Communication Policies.

2. For the period of this Agreement, the HACLV shall provide a refresher notice to each head of household, or his/her designee, at the time of annual re-certification. The HACLV will provide each applicant with a copy of the most current notice. HACLV will provide the applicant, resident, or his/her designee, with a copy of the notice in an alternate format, upon request. *See* 24 C.F.R. § 8.6.

V. REPORTING AND COMPLIANCE REQUIREMENTS

A. For the purpose of this Agreement, if the reporting day falls on a weekend or a Federal holiday, the report will be due the first business day after the weekend or holiday.

B. For the purpose of this Agreement, reporting materials and materials requiring HUD review or approval must be mailed to the following: (1) Mr. Charles E. Hauptman, Director, Office of Fair Housing and Equal Opportunity; and, (2) Director, Office of Public and Indian Housing, U.S. Department of Housing and Urban Development, Region IX, 600 Harrison Street, 3rd Floor, San Francisco, California 94107.

C. **Upon the effective date of this Agreement and for the duration of this Agreement,** HACLV shall:

- maintain copies of all claims, investigative records, and requests for reasonable accommodations and its review materials and documents related to those requests, and grievance process materials. Upon request, HACLV also will make these records available for inspection to appropriate Department employees.

D. **Within thirty (30) days of the effective date of this Agreement**, HACLV shall:

- provide each Manager and each duly elected Resident's Council or resident organization with a copy of the fully executed **Agreement**, as referenced in Paragraph III. (H);

- provide HUD with the name of the **acting VCA Administrator**, as referenced in Paragraph IV. (A)(1);

- provide HUD with the name of the **acting Section 504/ADA Coordinator**, as referenced in Paragraph IV (F)(1);

- provide HUD with the **position description for the Section 504/ADA Coordinator**, as referenced in Paragraph IV. (F)(1);

E. **<u>Within sixty (60) days of the effective date of this Agreement</u>,** HACLV shall:

- submit a **Scattered Site Inventory and Occupancy Report**, as referenced in Paragraph IV. B. (1)(a). **HUD** will provide its approval, or comments, **within thirty (30) days of receipt;**

- submit a draft report format for the **Offers, Acceptance, Refusals, Transfers, Eviction and Rejection Report,** as referenced in Paragraph IV. B. (1)(b)(ii). **HUD** will provide its approval, or comments, **within thirty (30) days of receipt**;

- submit an **Affirmative Fair Housing Marketing Plan**, as referenced in Paragraph IV (B)(1)(c)(i). **HUD** will provide its approval, or comments, **within thirty (30) days of receipt;**

F. **<u>Within ninety (90) days of the effective date of this Agreement</u>,** HACLV shall:

- hire or appoint a **Voluntary Compliance Agreement Administrator**, as referenced in Paragraph IV. (A)(1);

- secure the services of a **Section 504/ADA Coordinator,** as referenced in Paragraph IV. (F)(2);

- submit the qualifications and experience of an **independent third-party architectural and/or engineering firm**, as referenced in Paragraph IV (G)(3). **HUD** will provide its approval or comments **within thirty (30) days of receipt;**

- develop and submit a draft **Administrative Office Accessibility Plan**, as referenced Paragraph IV (H)(2**). HUD** will provide its approval or comments **within forty-five (45) days of receipt;**

- develop an **Educational Program for Current and New Employees**, as referenced in Paragraphs IV. (K)(1) and (2**). HUD** shall provide its approval or comments **within thirty (30) days of receipt. Within ninety (90) days of HUD's approval,** HACLV shall complete training for all current employees and contractors.

G. <u>Within one hundred twenty days (120) days of the effective date of this Agreement</u>, HACLV shall:

- submit a draft **Limited English Proficiency Plan for the Homeownership Program**, as referenced in Paragraph IV (C)(1); **HUD** will provide with its approval, or comments **within forty-five (45) days of receipt**. **HACLV will implement the Limited English Proficiency Plan within thirty (30) days of HUD's approval;**

- submit an **amended Admissions and Continued Occupancy Policy (ACOP)**, as referenced in Paragraph IV. (I)(1). **HUD** will provide its approval or comments to the amended ACOP **within forty-five (45) days of receipt.** The Amended ACOP will incorporate the following:

    1. **Transfer Policy**, as referenced in Paragraph IV. (I)(2);

2. **Reasonable Accommodation Policy**, attached as **Appendix C,** and referenced in Paragraph IV (I)(3);
3. **Effective Communication Policy**, attached as **Appendix D,** as referenced in Paragraph IV. (I)(4);
4. **Lease Revision** as referenced in Paragraph IV. (I)(5);
5. **Pet Policy**, as referenced in Paragraph IV. (I)(6); and
6. **Emergency Procedures**, attached as **Appendix E,** as referenced in Paragraph IV. (I)(7).

- develop and submit a **Non-Housing Program Accessibility Plan**, as referenced in Paragraph IV. (H)(1)(a); **HUD** will provide its approval, or comments, **within forty-five (45) days of receipt of both** the **Non-Housing Program Accessibility Plan** and **UFAS-Accessibility Unit Plan**, as referenced in Paragraph IV (G)(2)(a);

- submit a **draft letter** that will be distributed to all current HACLV employees, including contract employees, as referenced in Paragraph IV. (J)(1); **HUD** will provide its approval or comments **within thirty (30) days of receipt. Within thirty (30) days of HUD's approval,** HACLV will distribute the letter to all HACLV employees and contract employees, as referenced in Paragraph IV. (J)(3).

H. Within one-hundred fifty (150) days of the effective date of this Agreement, HACLV shall**:**

- develop and submit a **UFAS-Accessible Unit Plan** to construct or convert a minimum of 5%, or 104 UFAS-Accessible Housing Units, as referenced Paragraph IV (G)(2)(a). **HUD** will provide its approval or comments **within forty-five (45) days of receipt of both** the **UFAS-Accessible Unit Plan** and **Non-Housing Program Accessibility Plan**, as referenced in Paragraph IV. (H)(1);

I. Within two hundred ten (210) days of the effective date of this Agreement, HACLV shall:

- submit a draft **Limited English Proficiency Plan for the Section 8/Housing Choice Voucher Program**, as referenced in Paragraph IV (C)(2); **HUD** will provide its approval, or comments **within forty-five (45) days of receipt**. **HACLV will implement** the **Limited English Proficiency Plan within thirty (30) days of HUD's approval**;

J. Within thirty (30) days after HUD approval of the ACOP, the HACLV shall:

- submit a **draft Reasonable Accommodation Letter**, as referenced in Paragraph IV (I)(3)(d); **HUD** will provide its approval or comments **within thirty (30) days of receipt**;

K. Within forty-five (45) days after HUD approval of the amended ACOP, HACLV shall:

- submit a **draft Effective Communication Letter**, as referenced in Paragraph IV (I)(4)(b); **HUD** will provide its approval or comments on this Letter **within thirty (30) days of receipt.**

L. Within sixty (60) days of HUD's approval of the amended ACOP, as referenced in Paragraph IV. (I)(2), HACLV shall:

- adopt the amended ACOP, as referenced in Paragraph IV (I)(1)(c).

M. **Within ninety (90) days following HUD's approval of the UFAS-Accessible Unit Plan**, HACLV shall:

- commence the procurement process for the construction or conversion of the UFAS-Accessible Units, as referenced in Paragraph IV. (G)(1)(b).

N. **Within fifteen (15) days of the completion of staff training, referenced in Paragraph IV (K)(1),** HACLV shall

- disseminate to each head of head of household a notice that provides a description of this Agreement and a brief explanation of the Reasonable Accommodation and Effective Communication Policies, as referenced in Paragraph IV (L)(1).

O. **Within thirty (30) days of completion of the staff training referenced in Paragraph IV (K),** the HACLV shall:

- send the approved **Reasonable Accommodation Letter** to all heads of household, as referenced in Paragraph IV. (I)(3)(e);
- send the approved **Effective Communication Letter** to all heads of household, as referenced in Paragraph IV. (I)(4)(c)

P. **Within thirty (30) days of HUD's approval of the Limited English Proficiency Plan (LEP Plan), as referenced in Paragraph IV (C),** the HACLV shall:

- implement the approved LEP Plan.

Q. **Within sixty (60) days following completed modifications at HACLV's Administrative Offices,** as referenced in Paragraph IV. (H)(2)**,** HACLV shall:

- provide written certification through a qualified, independent third-party architectural and/or engineering firm, approved by HUD, that the Administrative Office(s) comply with the requirements of UFAS, and, where applicable, the ADA Standards. *See* Paragraph IV. (H)(2)(g).

R. **Within ninety (90) days following HACLV's completion of the UFAS-Accessible Units,** as referenced in Paragraph IV. (G)(1) and (2), above, HACLV shall:

- provide written certification through a qualified, independent third-party architectural and/or engineering firm, approved by HUD, that the UFAS-Accessible Units, including accessibility to Non-Housing Programs, comply with the requirements of UFAS, PIH Notice 2003-31 (HA), and, where applicable, the ADA Standards. *See* Paragraph IV. (G)(3)(b);

S. **Within three (3) years of the effective date of this Agreement, or no later than December 31, 2007,** HACLV shall:

- demonstrate the completion of the construction or conversion of **104 Total Housing Units,** as described in Paragraph IV. (G)(1). The annual production of UFAS-Accessible Units will occur at the following rate:

- 35 units by **December 31, 2005;**
- 35 units by **December 31, 2006;** and,
- 34 units by **December 31, 2007;**

T. **At time of lease-up or re-certification of every UFAS-Accessible unit**, HACLV shall:

- execute a Lease that requires a family without a resident with a disability to relocate to a vacant, non-accessible unit within thirty (30) days of notice by the HACLV that there is a current resident or an eligible applicant with a disability who requires the features of that unit, as referenced in Paragraph IV. (I)(5).

U. **For the duration of the Agreement,** HACLV shall:

- provide all new HACLV employees, including contract employees, **during the mandatory new employee orientation,** with a copy of the letter referenced in Paragraph IV. (J)(3);

- **During the mandatory new employee orientation,** HACLV shall provide the educational program, as referenced in Paragraph IV (K), to all new employees and contract employees;

- maintain **Attendance Logs** for each training session conducted for the duration of this Agreement, as referenced in Paragraph IV. (K)(1)(d);

- provide a refresher notice, as referenced in Paragraph IV. (L)(2), to each head of household or his/her designee at the time of annual re-certification that describes this Agreement and a brief explanation of the Reasonable Accommodation Policy, as referenced in Paragraph IV. (L)(2).

V. **Quarterly Reports:**

- The HACLV will submit quarterly reports as stipulated below during the first year of this Agreement. The Department will review the HACLV's progress in effectuating the provisions of this VCA. If the Department determines that HACLV's actions are consistent with provisions of the VCA, subsequent reports will be submitted semi-annually;

- The HACLV will continue to submit quarterly reports of the UFAS-Accessible Unit Plan Reports for the duration of the Agreement;

- Each Quarterly Report will cover the time period of the quarter ending on the last day of the month before the end of the quarter. [For example, if the Quarterly Report is due on April 30, 2005, the Quarterly Report will cover the period from January 1, 2005-March 30, 2005];

- **Beginning April 30, 2005, and at quarterly intervals for the duration of the Agreement (i.e., July 2005; October 2005, January 2006, etc.), HACLV shall:**

  - ❖ submit a quarterly report **UFAS-Accessible Unit Plan Reports,** as referenced in Paragraph IV. (G)(4)(c);

- **<u>Beginning April 30, 2005, and at quarterly intervals for the first year after the effective date of this duration of the Agreement (i.e., July 2005; October 2005; January 2006, etc.), HACLV shall:</u>**

  - ❖ submit a quarterly **Scattered Site Inventory and Occupancy Report**, as referenced in Paragraph IV. (B)(1)(a);

  - ❖ submit a quarterly **Offer, Acceptance, Refusal, Applicant rejection, Transfers, and Eviction Report,** as referenced in Paragraph IV. (B)(1)(b)(ii);

  - ❖ submit a quarterly **Affirmative Fair Housing Marketing Plan Report**, as referenced in Paragraph IV. (B)(1)(c); -

  - ❖ submit a quarterly **Limited English Proficiency Implementation Report,** as referenced in Paragraph IV. (C)(5);

  - ❖ submit a **narrative description of each reasonable accommodation request** and/or inquiry, as referenced in Paragraph IV. (I)(3)(f) & (g);

  - ❖ provide HUD with its quarterly reports that summarize the progress toward developing the **educational program** and the dates the trainings were conducted, as referenced in Paragraph IV. (K)(4);

  - ❖ provide HUD with quarterly reports that reflect the HACLV's use of the Lease Revision to transfer residents without disabilities out of accessible units to provide housing for persons with disabilities who require the accessibility features of the unit, as referenced in Paragraph IV. I. (5)(a).

W. **<u>Semi-Annual Reports:</u>**

- **Beginning April 30, 2006**, if the Department determines that the quarterly reports submitted by HACLV during the first year of this Agreement are consistent with provisions of the VCA, subsequent reports will be submitted semi-annually. The HACLV will continue to submit <u>quarterly reports</u> of the UFAS-Accessible Unit Plan Reports for the duration of the Agreement

  - ❖ Each Semi-Annual Report will cover the time period of the 6-month period ending on the last day of the month before the end of the 6-month reporting period. [For example, if the Semi-Annual Report is due on July 31, 2006, the Semi-Annual reporting period will cover the period from January 1, 2006-June 30, 2006;.]

- **<u>Beginning July 31, 2006, and at semi-annual intervals for the duration of the Agreement, HACLV shall:</u>**

  - ❖ submit a semi-annual **Scattered Site Inventory and Occupancy Report**, as referenced in Paragraph IV. (B)(1)(a); -

  - ❖ submit a semi-annual **Offer, Acceptance, Refusal, Applicant rejection, Transfers, and Eviction Report,** as referenced in Paragraph IV. (B)(1)(b)(ii);

  - ❖ submit a semi-annual **Affirmative Fair Housing Marketing Plan Report**, as referenced in Paragraph IV. (B)(1)(c); -

- ❖ submit a semi-annual **Limited English Proficiency Implementation Report,** as referenced in Paragraph IV. (C)(5);

- ❖ submit a Progress Report that documents its progress in meeting the approved goals and timetables for the **Replacement Housing Plan,** as referenced in Paragraph IV. (E) [The Progress Report is due only if the HACLV plans to either develop or acquire replacement housing stock during the term of this Agreement.];

- ❖ submit a narrative description of each R**easonable Accommodation Request** and/or inquiry, as referenced in Paragraph IV. (I)(3)(f) & (g);

- ❖ provide HUD with semi-annual reports that summarize the progress toward developing the **Educational Program** and the dates the trainings were conducted, as referenced in Paragraph IV. (K)(4);

- ❖ provide HUD with quarterly reports that reflect the HACLV's use of the Lease Revision to transfer residents without disabilities out of accessible units to provide housing for persons with disabilities who require the accessibility features of the unit, as referenced in Paragraph IV. I. (5)(a).

X. If during the term of this Agreement HACLV plans to either develop or acquire replacement housing stock, HACLV must create and submit to HUD, a **Replacement Housing Plan,** as referenced in Paragraph IV. E. **HUD** will provide its approval, or comments, within ninety (90) days of receipt. **HACLV** will implement the Replacement Housing Plan within ninety (90) days of HUD's approval of the Replacement Housing Plan.

Y. **During the first year after the effective date of this Agreement**, HUD shall conduct quarterly meetings with HACLV to review HACLV's progress in complying with the requirements of the VCA. Thereafter, HUD and HACLV shall conduct annual meetings to review the progress of the VCA.

VI. RECORDKEEPING REQUIREMENTS

A. During the term of this Agreement, HACLV shall maintain records, including those required under HUD program regulations, which disclose all individuals who apply for public housing assistance and the manner in which each application is resolved.

B. During the term of this Agreement, HACLV shall maintain all HACLV resident files, including applications for residency, disability status, rental agreements or leases, notices and letters to residents, requests for reasonable accommodations, and notices of termination, along with any and all material relating to HACLV's implementation of the Section 504 and ADA requirements of this Agreement.

C. During the term of this Agreement, HACLV shall maintain files containing documentation of its efforts to meet the following obligations of this Agreement:

(1) Scattered Site Inventory and Occupancy Report;
(2) Offer, Acceptance, Refusal, Applicant Rejection, Transfers, and Eviction**;**
(3) Affirmative Fair Housing Marketing Plan;

(4) Limited English Proficiency Plan;
(5) UFAS-Accessible Unit Plan;
(6) Non-Housing Program Accessibility Plan;
(7) Administrative Offices Accessibility Plan;
(8) Transfer Policy;
(9) Reasonable Accommodation Policy;
(10) Effective Communication Policy;
(11) Employee Notification; and,
(12) Employee Education.

D. During the term of this Agreement, HACLV shall maintain copies of all claims, investigative records, and requests for reasonable accommodations and its review materials and documents related to those requests, including grievance process materials.

E. Beginning one (1) year after the effective date of this Agreement, HACLV shall provide an annual report on the disposition of the above claims, requests and grievances. Upon request, HACLV also will make these records available for inspection to appropriate Department employees.

VII. IMPLEMENTATION, MONITORING, AND ENFORCEMENT

A. HUD will monitor HACLV's implementation of this Agreement. During the first year after the effective date of this Agreement, HUD and HACLV will meet quarterly to discuss the HACLV's progress towards meeting the requirements of this Agreement. Thereafter, at its discretion, HUD may convene meetings with HACLV's Executive Director, Voluntary Compliance Agreement Administrator, Section 504/ADA Coordinator and/or other appropriate HACLV personnel, with notice to the Executive Director, to discuss progress with implementing the terms of this Agreement, propose modifications, or conduct other business with respect to this Agreement.

B. In the event that HACLV fails to comply in a timely fashion with any requirement of this Agreement without obtaining advance written agreement from HUD, the Department may enforce the terms of this Agreement by any contractual, statutory or regulatory remedy available to HUD.

C. Failure by HUD to enforce this entire Agreement or any provision in the Agreement with regard to any deadline or any other provision herein shall not be construed as a waiver of its right to do so with regard to other deadlines and provisions of this Agreement. Furthermore, HUD's failure to enforce this entire Agreement or any provision thereof shall not be construed as a waiver of any obligation of HACLV under this Agreement.

VIII. EFFECT OF NON-COMPLIANCE WITH THIS AGREEMENT

A. The parties intend to resolve their disputes with respect to non-compliance with this Agreement in a timely and efficient manner. Upon a finding of non-compliance, HUD will provide HACLV with a written statement specifying the facts of the alleged non-compliance and a reasonable opportunity to resolve or cure the alleged non-compliance; or, in the alternative, an opportunity to negotiate in good faith HUD's findings of non-compliance. However, if the Department determines that HACLV has not satisfactorily resolved the findings of non-compliance, the Department may take any of the following actions for non-compliance, unless specifically noted otherwise in this Agreement.

1. Any act(s) or omission(s) by an HACLV employee who violates the terms of this Agreement may serve as grounds for HUD's imposing debarment, as set forth in 24 C.F.R. § 24.300; suspension, as set forth in 24 C.F.R. § 24.400; or limited denial of participation, as set forth in 24 C.F.R. § 24.705 for that employee.

2. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for HUD's declaring a breach of the annual contributions contract (ACC) with respect to some or all of HACLV's functions.

3. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for HUD's withholding some or all of HACLV's Capital Fund Program funding. 24 C.F.R. § 968.335.

4. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for the Department to deny HACLV high performer status. 24 C.F.R. § 901.115(e).

5. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for the United States to seek specific performance of any or all of the provisions of this Agreement in federal court.

6. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for the Department to conduct a compliance review under Section 504, the ADA, or other appropriate statutory or regulatory authority.

7. Any act(s) or omission(s) that violates the terms of this Agreement may serve as grounds for the United States to pursue an action in federal court for failure to comply with civil rights authorities.

B. The acts set forth in this Section VIII are not mutually exclusive, and the Department has the right to pursue any or all of these remedies or any other remedies available under law.

IX. SIGNATURES

Housing Authority of the City of Las Vegas:

_____
Parviz Ghadiri
Executive Director

_____
Date

For the U.S. Department of Housing and Urban Development:

_____
Jon Gant
Deputy Assistant Secretary for
Enforcement and Programs
Office of Fair Housing and
Equal Opportunity

_____
Date

_____
William Russell
Deputy Assistant Secretary for
Office of Public Housing and
Voucher Programs

_____
Date

_____
Charles E. Hauptman
Director, Office of Fair Housing &
Equal Opportunity

_____
Date

National Housing Institute
Issue #127, January/February 2003

Opportunity Areas

The forces working against Section 8 are so complex and interconnected that focusing on market rents and luring landlords may sound a bit simplistic. If housing authorities really want to deconcentrate poverty, some argue, perhaps it is time they try something radically different. Like investing in buses or light rail systems.

You might come to this conclusion if you talk with Richard Doran. Doran runs a nonprofit in suburban Baltimore County whose counselors go apartment hunting with voucher-holders throughout the metro area. The counselors try to open them to the idea of looking in so-called "opportunity areas," while trying to persuade landlords in those areas to take Section 8 tenants. As Baltimore defines it, an opportunity area is one that has a poverty level below 20 percent, is less than one-quarter minority, and has fewer than 5 percent of its households in subsidized housing. In the end, of course, it is the voucher- holder's choice where to move. Yet some 350 families who have gone through the counseling – 65 percent – have moved to opportunity areas.

There are lots of available apartments in opportunity areas all over the Baltimore region, Doran says. The problem, for people who can't afford to own cars, is that there's no public transit to get there. "A lot of great opportunity areas are not on a public bus line," Doran says. "There's a lot of housing available out there that makes absolutely no sense for our families to live in."

It may be a stretch for municipal housing authorities to fund mass transit. But increasingly, they are turning to the sort of counseling that Doran's group does. The goal is to create Section 8 demand outside the inner city. Some voucher-holders, it seems, end up in impoverished neighborhoods not because they want to be there but because they never dreamed they could go anywhere else. "It's amazing," Doran says. "There were people in Baltimore who had never been beyond North Avenue" – one of the city's racial and economic dividing lines. "They didn't know what other parts of the city or the suburbs looked like, that there are nice neighborhoods with good rental units."

Information technology may also have a role to play in closing the gap between Section 8 supply and demand. In Minnesota's Twin Cities, HousingLink is a computerized housing referral service. The database includes listings of available Section 8 apartments in a seven-county area. This makes it easier for housing agencies to match voucher- holders, most of whom are from Minneapolis or St. Paul, with landlords, who tend to be in the suburbs. The regional approach is important, says HousingLink president Colleen O'Brien. "In the Twin Cities area, we have 13 different housing authorities managing Section 8. It had gotten so fragmented that they had a hard time finding any apartments outside their own jurisdictions."

Meanwhile, in Patterson Park, the Section 8 influx is slowing down. But not for very encouraging reasons. Some of the Section 8 investors, it seems, had also engaged in mortgage fraud. Several have gone bankrupt and had their properties foreclosed on. “Some of the Section 8 tenants are having to move out,” says Rutkowski. “I feel badly for them because it is a hardship. Where are they going to go?”

Rutkowski hopes to add some of the newly foreclosed properties to his portfolio. In just six years of working to turn Patterson Park around, his grassroots group has fixed up 285 homes in the neighborhood and filled them with stable homeowners and renters. The strategy is paying off, if a recent *Baltimore Sun* headline is to be believed: “Improvement: Patterson Park Is Drawing the Attention of Young Couples, Families and Developers.”

Most important, Rutkowski’s complaints have made the housing authority aware of what’s at stake with Section 8 and the very real prospect of sloppy voucher programs destroying fragile but viable neighborhoods. “This problem isn’t about poor people,” Rutkowski says. “It’s not about whether or not we help the poor. It’s not about poor people’s behavior, and it’s certainly not about race. It’s really about management. If the housing authority manages the program well and the people who manage the properties do it properly, a ton of our problems disappear.”

This article originally appeared in Governing Magazine*, May 2002. http://governing.com. Reprinted with permission.*

New Tool Displays Opportunity Areas for Low-Income Households

Housing Choice Voucher holders looking to relocate should check out this new opportunity map from PolicyMaps (http://www.policymap.com). You click on an area of the map to determine the level of opportunity available to low-income residents. It's free, so bring the link with you when you go to speak with your case worker about porting to a new location.

The Housing Opportunity Index sprang from a 2011 research paper that attempts to quantify low-income housing opportunities by examining data from the 2010 census. The research couples lifestyle variables , such as work availability, commute time and voucher-holder density with population and housing statistics to determine which areas offer the most opportunity to low-income assisted housing dwellers.

"The index will be designed for use by Public Housing Authorities (PHAs) to help voucher-holders identify neighborhoods (defined as Census Tracts) that have relatively low poverty rates, an available stock of at-or-below Fair Market Rent housing, economic opportunities for HCV holders, and a relatively low density of subsidized households," according to *Housing Choice Voucher Marketing Opportunity Index: Analysis of Data at the Tract and Block Group Level* from HUD's Office of Policy Development and Research (http://bit.ly/HTys3F).

Here's how you get to the opportunity map. After logging onto the site, click "go to Policy Map" in the upper right corner of the page. A map of the United States appears. Choose "Federal Guidelines" from the menu list that runs across the upper portion of the map page. Now that the Opportunity Index data has loaded, you can select your area of the country by placing the cursor there and clicking.

Each time you click the area, a pop-up displays specific mapped areas to zoom-in on. Once you've narrowed down your mapped area, you can use the "+/-"function in the upper left of the map to move in closer or fade out further. The darker the shaded area on the map, the more opportunity the area contains. Areas of the map that are white contain no opportunities for low-income assisted-housing recipients.

High Opportunity Means Low Poverty, Plenty of Housing, Lots of Work, Few Vouchers

What makes a high-opportunity area? The report led to the recognition of these characteristics of a high-opportunity neighborhood:

- Poverty below 10% of the population.
- Poverty that is stable or falling over time.

- Assisted housing is less than 5% of tract, and less than 15% of block.
- Housing Choice Vouchers households consume 4% or less of housing stock.
- Minority concentration at 20% or less.
- Adult unemployment at less than 5%.
- Work commute under 30 minutes for 75% of population.
- High school drop-out rate less than 15%.

Back in March 2011, less than 4% of the 56,000 housing tracts in the study would have qualified as a high-quality neighborhood. On the map, these areas would show as deep purple. But only 260,000 units fitting the high-opportunity description are available in the country, while the housing-choice voucher population is around 2.2 million families.

Just trying to find communities with less than 10% of the population living in poverty is difficult. "If the HCV program were to be restricted such that participating households could rent units only in neighborhoods with poverty below 10 percent, only 5.2 million rental units would be available with rents below the applicable Fair Market Rents," the report points out. Based on average usage, the report predicts that only 300,000 units would be available in all the low-poverty areas of the country combined.

The best neighborhoods with the most opportunity consist of less than 10% poverty; less than 20% of families headed by a single woman; less than 15% are high-school dropouts; and area unemployment was less than 5%. If you locate any of these neighborhoods, you should jump on the opportunity. Only one in twenty Census tracks contain such opportunity filled neighborhoods.

This entry was posted in Housing Agencies and tagged affordable housing, GoSection8, housing choice voucher, PolicyMaps, voucher portability by admin. Bookmark the permalink.

Opportunity and Location in Federally Subsidized Housing Programs

A New Look at HUD's Site & Neighborhood Standards As Applied to the Low Income Housing Tax Credit

Philip Tegeler
Henry Korman
Jason Reece
Megan Haberle

October, 2011

PRRAC
Poverty & Race Research Action Council
The Ohio State University
Kirwan Institute
Many Differences One Destiny
The Opportunity Agenda

Introduction

This paper is intended to present a civil rights perspective on the federal policy discussion currently underway seeking to harmonize various subsidized housing development rules across the three agencies that sponsor low income housing (HUD, the Treasury Department, and the Department of Agriculture). This "compliance harmonization" initiative has so far avoided taking on the difficult question of site selection rules in our largest low income housing development program, the Low Income Housing Tax Credit (LIHTC), administered by the IRS and the Treasury Department. In the discussion that follows we will suggest alternative approaches to civil rights site selection in the LIHTC program that are consistent with the statutory guidance for the program, and that also can integrate successfully with other important goals such as sustainability and transit access.

1. The current HUD standards

HUD's "site and neighborhood standards" set out the agency's basic approach to compliance with the Fair Housing Act's integration mandate – a prohibition on siting additional low income housing in a racially concentrated neighborhood. Civil rights and fair housing advocates have criticized these rules for being too weak, with waivers and exceptions that swallow the rule, while some housing industry representatives complain that the rules are too rigid. Is it possible to design a flexible rule that is more effective in promoting low income housing development in high opportunity areas (and avoiding neighborhoods that are already highly concentrated)? Are there aspects of the LIHTC program that suggest a variation on the approach used by HUD?

Regulations governing the development of public housing are an example of HUD's basic approach, in those areas where siting is regulated[1]:

> 24 CFR § 941.202: Site and neighborhood standards.
>
> Proposed sites for public housing projects to be newly constructed or rehabilitated must be approved by the field office as meeting the following standards:
>
> * * * * * * *
>
> (c)(1)The site for new construction projects must not be located in:
>
> (i) An area of minority concentration unless (A) sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration, or (B) the project is necessary to meet overriding housing needs which cannot otherwise feasibly be met in that housing market area. An "overriding need" may not serve as the basis for determining that a site is

[1] It is important to note that, as discussed in the next section below, site and neighborhood standards are not universal in HUD programs – and some program areas are unregulated.

> acceptable if the only reason the need cannot otherwise feasibly be met is that discrimination on the basis of race, color, religion, creed, sex, or national origin renders sites outside areas of minority concentration unavailable; or
>
> (ii) A racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
>
> * * * * * * *
>
> (d) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

These site selection rules, amended most recently in 1996,[2] also include thoughtful guidance on avoiding negative environmental factors:

> (e) The site must be free from adverse environmental conditions, natural or manmade, such as instability, flooding, septic tank back-ups, sewage hazards or mudslides; harmful air pollution, smoke or dust; excessive noise vibration, vehicular traffic, rodent or vermin infestation; or fire hazards. The neighborhood must not be one which is seriously detrimental to family life or in which substandard dwellings or other undesirable elements predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.

Most importantly, from an opportunity-based perspective, the rule requires a site to provide access to services and amenities (including education) that are "at least equivalent" to communities without subsidized housing:

> (g) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services, and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of similar unassisted standard housing.
>
> (h) Travel time and cost via public transportation or private automobile, from the neighborhood to places of employment providing a range of jobs for low-income workers, must not be excessive….

There are also provisions that govern the special case of public housing demolition and replacement, and which permit building of at least 50% of public housing units back on site.[3] A full copy of the HUD Site and Neighborhood Standards for public housing are set out in the Appendix to this report (along with siting rules for project-based Section 8 housing, and acquisition).

The limits of the current site & neighborhood standards

From a civil rights perspective, the current site and neighborhood standards are a positive *statement* of the agency's affirmative fair housing duty, that have the *potential* to be applied effectively by HUD in specific cases. But the standards have become

[2] 61 FR 38017, July 22, 1996
[3] 24 CFR § 941.202 (c)(2)

increasingly difficult to enforce: a growing number of waivers and exceptions to the general prohibition on siting in areas of minority concentration are easy for HUD officials to invoke, and it is increasingly difficult to enforce HUD regulatory standards in court.[4]

Site and neighborhood standards are not uniform across HUD programs in crucial areas, (such as acquisition of existing housing, discussed below) and there are no standards at all in important programs such as HUD's multifamily preservation activities. Likewise, the structure of the CDBG program funnel housing activities toward low-income and distressed areas without meaningful oversight.[5] Similarly, while Project-Based Voucher (PBV) rules include standards for acquisition of existing housing, the regulations lack any reference to conditions of segregation.[6]

HUD permits its 32 "Moving to Work" jurisdictions to avoid the site and neighborhood requirements altogether,[7] HUD also replaces existing regulatory standards with criteria that preserve existing patterns of segregation and concentration of poverty in crucial programs that provide substantial financial resources for the development of assisted housing, such as the Choice Neighborhoods and HOPE VI programs.[8] Another issue for fair housing advocates is the difficulty in applying the standards in neighborhoods that are facing clear gentrification pressure – where additional low income units need to be sited to protect existing families in the neighborhood from displacement.

From a fair housing perspective, then, the HUD siting standards need to be stronger and more routinely enforced, rather than further watered down, and in designing a civil rights siting standard for the LIHTC program, the Treasury Department should consider a set of rules and incentives that will better achieve the goal of affirmatively furthering fair housing.

Our suggestion for redesigning site and neighborhood standards in the LIHTC program builds on the underlying assumption of the HUD standards, that *balanced development across a region* should be a policy goal, but recognizes that this kind of distribution is not furthered by a case-by-case siting standard. An alternative allocation model that distributes tax credits equitably across a metropolitan area, using an opportunity-based profile of the region, will have the best chance to achieve civil rights goals and maximize

[4] For example, site and neighborhood standards have the potential to be wholly or partially waived in the HOPE VI, Choice Neighborhoods, and Moving to Work (MTW) programs.
[5] The operation of the CDBG program frequently conflicts with some of the program's other key statutory objectives, which include "the reduction of the isolation of income groups within communities and geographical areas"; the "promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income, and the "revitalization of deteriorating or deteriorated neighborhoods." 42 USC sec. 5301(c)(6).
[6] A complicating factor is that a large component of LIHTC development involves acquisition of existing property using bond financing and 4% tax credits, and also may involve PBVs.
[7] See "Guidance on non-discrimination an equal opportunity requirements for PHAs," PIH Notice, PIH-2011-31 (6/13/11), at pp. 12-13. http://portal.hud.gov/hudportal/documents/huddoc?id=pih2011-31.pdf. We do not yet have a listing of which PHAs have sought such waivers.
[8] *See, e.g., FY 2010 Choice Neighborhoods Notice of Funding Availability*, page 23 (June 6, 2011) and *FY 2010 HOPE VI Notice of Funding Availability*, page 28 (August 25, 2010).

housing choice in the LIHTC program. In the next section, we will review the available metrics for mapping opportunity, before turning to a proposed allocation model.

2. The benefits of opportunity metrics

An important goal of the Fair Housing Act's AFFH mandate is equal access to opportunity in education, employment, public and private services, and other attributes of upward economic mobility that have traditionally been less equally available in communities of color. This insight is reflected in the 1968 Kerner Commission report, the legislative history of the Fair Housing Act, and in scores of school and housing desegregation lawsuits that proceed from the understanding that separate communities are inherently unequal (or will inexorably become unequal again over time, even as they receive generous equalization subsidies in the short term).

The current use of "opportunity mapping" moves directly to this position without necessarily using race as the single metric. It offers several advantages, in that it is *conscious of race,* but removes the most controversial issue from the policy debate by avoiding the stigmatization of neighborhoods, and permits more real time neighborhood assessment than the decennial census. Most importantly, it provides increased flexibility to allow housing investments in "high" or "emerging" opportunity areas that may not yet be racially integrated, and potentially can be used to avoid placing more low income families in transitional neighborhoods that are on a downward economic spiral but appear (currently) racially integrated.

Existing regional opportunity grids

Opportunity mapping was pioneered by Professor john powell in the late 1990s, working first out of the Institute on Race & Poverty at the University of Minnesota and later at the Kirwan Institute at Ohio State University, where the Institute's opportunity communities program further refined and expanded the analysis, and has conducted mapping analysis in more than two dozen states and dozens of metropolitan areas..[9] The opportunity mapping approach has been further modified and developed by a variety of groups,

[9] Opportunity maps have been utilized in policy advocacy, litigation, applied research, community organizing, coalition building and to inform service delivery. Recent organizations partnering with the Institute to create opportunity maps include: Maryland ACLU, NAACP Legal Defense Fund, Poverty & Race & Research Action Council, The Miami Workers Center, The Greater New Orleans Fair Housing Center, Green Doors (formerly the Austin Coalition for the Homeless), The Presidents' Council of Cleveland, The Michigan Roundtable for Diversity & Inclusion, ISAIAH (MN Gamaliel affiliate), The Connecticut Fair Housing Center, Massachusetts Law Reform Institute, Washington County Oregon Department of Community Development, Gulf Coast Regional Planning Commission, The Columbus Community Development Collaborative and the Northwest Justice Project. For more information and background on opportunity mapping please see: Maya Roy and Jason Reece. Poverty's Place Revisited: Mapping for Justice & Democratizing Data to Combat Poverty. Clearinghouse Review Journal of Poverty Law and Policy. July/August 2010 and Jason Reece and Eric Schultheis. *Poverty's Place: The Use of Geographic Information Systems in Poverty Advocacy.* Clearinghouse Review Journal of Poverty Law and Policy. 430-447. January-February 2009.

including the Opportunity Agenda,[10] the Institute on Race & Poverty,[11] DiversityData.org,[12] the Furman Center,[13] and a number of private companies. Some of these versions of opportunity mapping have placed greater emphasis on specific aspects of opportunity, such as health outcomes, educational performance, and transportation access.

Opportunity mapping provides an analytical framework to measure opportunity comprehensively and determine who has access to opportunity rich areas. In general, opportunity mapping is an effective strategy for making a range of information visually accessible, facilitating comparisons within and among regions. Such maps can provide policymakers with a clearer understanding of spatial inequalities, by illustrating patterns in racial and socioeconomic distribution as well as social and financial resources. Mapping opportunity requires selecting variables that are indicative of high and low opportunity. For example, high opportunity indicators include the availability of sustainable employment, high performing schools, a safe environment, access to high quality health care, adequate transportation, quality childcare and safe neighborhoods. These multiple indicators of opportunity are assessed in a comprehensive manner at the same geographic scale, thus enabling the production of a comprehensive "opportunity map" for the region and/or state.

Because these dimensions of opportunity are often interrelated, this method of mapping can be used to evaluate neighborhoods' relative strength in providing residents with access to fuller, healthier, more productive lives; or conversely, their likelihood of perpetuating the effects of segregation and poverty.

To map opportunity in a region, we use variables that are indicative of high and low opportunity. High-opportunity indicators include the availability of sustainable employment, high-performing schools, a safe environment, and safe neighborhoods. A central requirement of indicator selection is a clear connection between the indicator and opportunity. What is opportunity? For this analysis, opportunity is defined as environmental conditions or resources that are conducive to healthier, vibrant communities and are more likely to be conducive to helping residents in a community succeed. Indicators could either be impediments to opportunity (which are analyzed as negative neighborhood factors, e.g., high neighborhood poverty) or conduits to opportunity (which are analyzed as positive factors, e.g., an abundance of jobs). These multiple indicators of opportunity are assessed at the same geographic scale, thus enabling the production of a comprehensive opportunity map for the region.

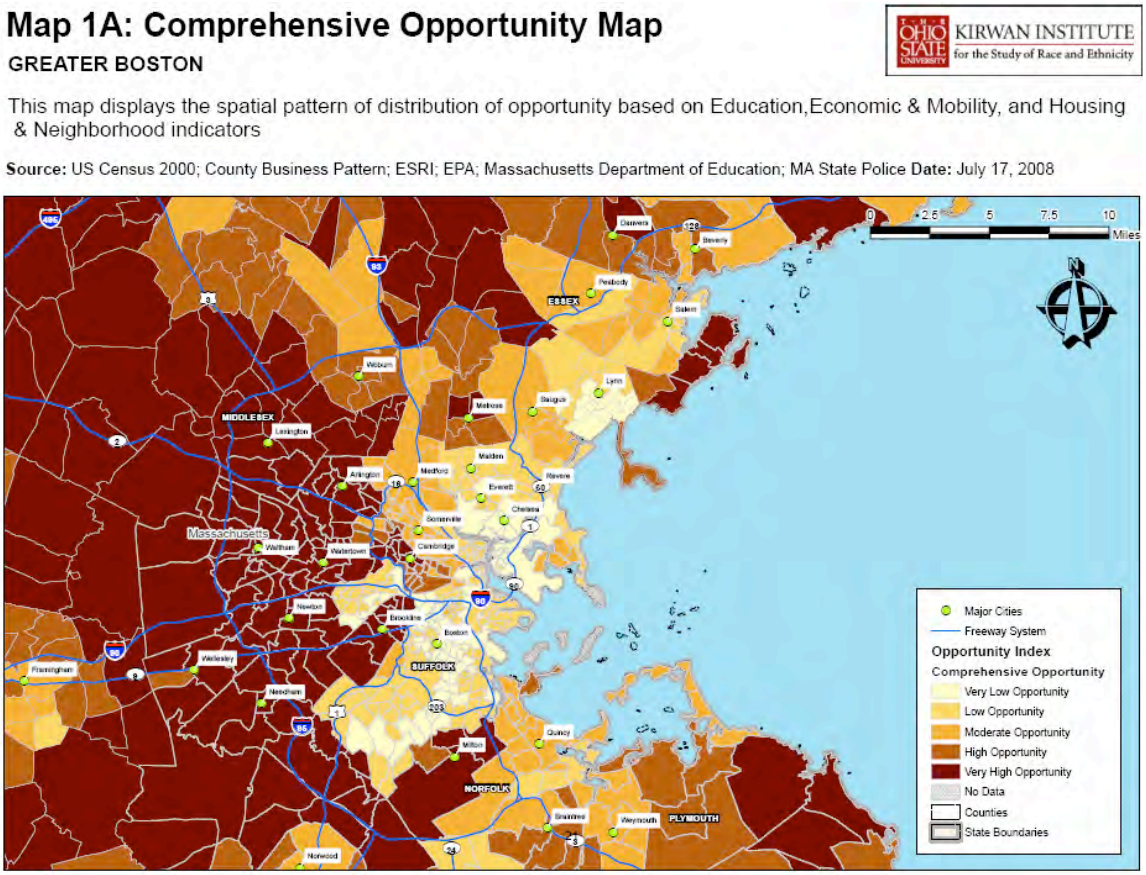
For example, the Kirwan Institute's recent Massachusetts analysis utilized nineteen indicators of opportunity, assessed separately in three different opportunity areas. The analysis was conducted using Census Tracts as geographic representations of neighborhoods. Data for education was disaggregated from the school district level to

[10] *A User's Guide: Using Maps to Promote Health Equity*, The Opportunity Agenda and the Health Policy Institute at the Joint Center for Political and Economic Studies (2009), available at http://opportunityagenda.org/mapping.
[11] www.irpumn.org
[12] www.diversitydata.org
[13] http://furmancenter.org

census tracts for the analysis. The comprehensive opportunity map represents the combined score based on these primary opportunity areas for each state. The following tables and regional map represent the indicators utilized in the analysis for the Massachusetts mapping assessments (the maps can be zoomed in to the neighborhood level):

Educational Opportunity	Economic Opportunity	Neighborhood/Housing Quality
Student Expenditures Student Poverty Rate Students Passing Math Tests Students Passing Reading Tests Dropout Rate Graduation Rate Number of Certified teachers	Unemployment Rates Population on Public Assistance Proximity to Employment Economic Climate (Job Trends) Mean Commute Time	Home Values Neighborhood Vacancy Rate Crime Index or Crime Rate Neighborhood Poverty Rate Home Ownership Rate Proximity to Toxic Waste Release Sites Proximity to Superfund Sites

Indicators utilized in the MA opportunity mapping analysis



The HUD Office of Policy Development and Research (PD&R) is now deeply engaged in the process of measuring and mapping opportunity, as part of the Sustainable Communities Initiative (SCI), and in preparation for new rules on implementing the

AFFH requirement for HUD grantees.[14] The agency's new Fair Housing Equity Assessment for the SCI program is the most articulated expression of this approach to date, with a database and maps for grantees on school proficiency rates, poverty concentration, labor market indicators, housing stability, and job access.[15] These new standards (and the metrics released as part of the anticipated Affirmatively Furthering Fair Housing rule) should be incorporated into the performance standards for LIHTC siting.

Producing a National Opportunity Mapping Methodology

To successfully utilize opportunity metrics for LIHTC nationally, both nationally calculated metrics (identifying areas which do not meet a national baseline for neighborhood conditions, for example, neighborhoods with failing schools and poverty rates exceeding 40%) should be calculated, additionally, regional metrics (calculating regional opportunity analysis – comparing neighborhoods across the region, as illustrated in the Massachusetts map above) should be used to create a local opportunity maps to guide location requirements.

Additionally, national metrics should be a baseline starting point for more in-depth locally led opportunity mapping analysis, which would provide a more comprehensive opportunity map (including local data not available at a national scale), analysis which could be sharper in geographic precision (analyzing areas smaller than census tracts) and would stimulate local engagement among stakeholders in embracing opportunity based housing and opportunity metrics. Local state housing finance agencies could conduct their own opportunity analysis for the LIHTC program, utilizing a base methodology provided by HUD but also mandated to follow a process to expand this baseline analysis to produce robust regional or state opportunity maps which achieve the goals listed above.

In embracing an opportunity frame for location of assisted housing, we should not lose sight of continuing patterns of racial segregation. One of the key rationales for desegregation, whether in schools or in housing, has been to provide equal access to opportunity, but even when a community's opportunity profile is positive, it may not be appropriate for siting of assisted housing where the community is undergoing racial transition (where, for example, the school population has become predominantly African American or Latino, with increasing school poverty concentrations), or even where the community is already racially segregated.

[14] See Kirk McClure, "Housing Choice Voucher Marketing Opportunity Index: Analysis of Data at the Tract and Block Group Level." United States Department of Housing and Urban Development (2011). http://www.huduser.org/publications/pdf/Housing_Choice_Voucher_Report.pdf

[15] See archived HUD webinar on the Fair Housing Equity Assessment at www.prrac.org/pdf/Regional_FH_Equity_Assessment_HUD_Aug_2011.pdf

3. A regional allocation model for subsidized family housing

The existing site and neighborhood standards represent a pragmatic compromise between the strict legal demands of the Fair Housing Act (to stop promoting segregation) and the realities of local politics, which suggest a more flexible standard. The resulting exceptions to the rule essentially permit (except in the most opportunity deprived neighborhoods) up to half of subsidized housing resources to be placed in higher poverty, racially concentrated neighborhoods. However, this "50/50" approach has never been implemented in any program or metro area, in part because of resistance to low income housing in predominantly white, higher opportunity communities, and in part because of the demands for additional housing funds from urban areas, in locations where opposition is low and where any improvements to the neighborhood and subsidies to neighborhood stakeholders are viewed as positive. Thus, in almost every American metropolitan area, and in spite of these siting rules, the vast majority of assisted housing units are located in neighborhoods that exceed the combined average Black and Latino population averages for the region, and in neighborhoods that are substantially poorer than the average neighborhood in the region.

Our suggestion for redesigning site and neighborhood standards in the LIHTC program builds on the underlying assumption of the HUD standards, that *balanced development across a region* should be a policy goal, and suggests that this goal is best accomplished by allocating a significant proportion of tax credits for family developments in high opportunity areas. An allocation model that distributes tax credits equitably across a region, has the potential to achieve civil rights goals and maximize housing choice. Such a model would have the following features:

¶ Assess current distribution of assisted family housing units in the metropolitan area, in both high and low opportunity areas;

¶ Allocate a sufficient percentage of LIHTC funds over a 5-year period to reach the goal of 50% of total family subsidized units in the metropolitan area in high opportunity areas (depending on the metro area, this goal may require a high opportunity area allocation in excess of 50% in any given year);

¶ Allocate the remainder of LIHTC funds in areas of emerging opportunity (gentrification) or in lower-opportunity areas where there is a bona fide "comprehensive community development plan," consistent with the LIHTC statute;

¶ Strong affirmative marketing requirements should accompany the allocation of funds, to ensure that units in high opportunity communities are substantially occupied by persons residing in very low opportunity areas, including low income African American and Latino families;

¶ Use HUD's Fair Housing Equity Assessment (and any related metrics released as part of the anticipated Affirmatively Furthering Fair Housing rule) to measure outcomes and performance over time;

¶ Important sustainability goals - such as development of new LIHTC units near transit - should be overlaid with opportunity mapping, and should not substitute for such mapping.[16]

¶ Unspent funds should not be reallocated within the region to lower opportunity areas, but are reallocated to other regions or returned to the general fund.

Adapting siting allocation rules to the LIHTC statute: QCTs and DDAs[17]

The LIHTC statute (Section 42 of the Internal Revenue Code) specifies two types of neighborhoods eligible for enhanced tax credits: "Qualified Census Tracts" (QCTs) and "Difficult to Develop Areas" (DDAs) – plus the "Concerted Community Revitalization Plan," which is a condition of eligibility for the QCT. These standards, which defer to HUD and the Department of Treasury for implementation, present an opportunity for civil rights reform in the LIHTC program without the need to return to Congress for statutory changes.

A "Qualified Census Tract" (QCT) is defined in the statute as

> any census tract which is designated by the Secretary of Housing and Urban Development and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for such year or which has a poverty rate of at least 25 percent. If the Secretary of Housing and Urban Development determines that sufficient data for any period are not available to apply this clause on the basis of census tracts, such Secretary shall apply this clause for such period on the basis of enumeration districts.

A "Difficult to Develop Area" (DDA) is defined in the statute as

> any area designated by the Secretary of Housing and Urban Development as an area which has high construction, land, and utility costs relative to area median gross income.

The "Concerted Community Revitalization Plan" is not defined in the statute, but Section 42 instructs state housing credit agencies to include a preference in qualified allocation plans for developments in QCTs that contribute to such a plan.

[16] For example, it may be sensible to say that, for a competition between different potential sites in high opportunity areas, sites that have good transit access should get extra points; or that "comprehensive community development plans" that are around a transit hub should be viewed more favorably in allocating the remainder of LIHTC funds. However, transit access and other sustainability goals should not be substituted for opportunity - i.e. a site with access to transit in a low-opportunity neighborhood should not substitute for high opportunity sites.

[17] This section relies in part on the excellent recommendations in a 2004 Abt Associates report, *Making the Best Use of Your LIHTC Dollars: A Planning Paper for State Policy Makers* (HUD Office of Policy Development & Research, July 2004).

LIHTC developments in these areas are eligible for tax credits based on a "basis boost" calculated at 130% of qualified basis (supporting significantly more of development costs than in other areas). Although the basis boost is not an entitlement, and is awarded to fewer than 50% of developments in eligible census tracts, it is nonetheless a substantial incentive that helps to drive some siting decisions, and given the fact that HUD has the discretion to set definitions of these neighborhoods within broad statutory parameters, it is an area where significant progress could be made in supporting high opportunity development. The LIHTC statute also allows state housing credit agencies to designate high cost projects as eligible for the basis boost.

The basis boost provisions of Section 42 were enacted in 1989 to assure that rents in tax credit properties are affordable in two situations. Granting a basis boost to properties in DDAs makes additional capital contributions available to projects facing high development costs. The additional equity provided through the basis boost replaces mortgage debt that would otherwise have to be repaid through higher rents. For similar reasons, a basis boost for a project in a QCT allows a LIHTC owner to reduce rents in neighborhoods with higher proportions of low income households and families in poverty relative to the rest of a metropolitan area who might not otherwise be able to pay even the restricted LIHTC rent.

The selection preference for projects within QCTs that are the subject of a concerted community revitalization plan was enacted in 2002 as part of legislation initially introduced as the Community Renewal Tax Relief Act of 2000. The law established a series of initiatives creating the New Markets Tax Credit program, empowering HUD to designate up to 40 "renewal communities," and extending a variety of tax benefits to address environmental concerns and support small businesses in distressed locations.[18]

Responsibility for administering the DDA and QCT provisions of Section 42 is divided between HUD, which must identify the high cost and low income areas designated as DDAs and QCTs, and the IRS, which must issue standards for qualified allocation plans, including a definition of a concerted community revitalization plan.

To better target – and limit – LIHTC resources to appropriate QCTs, the concerted community revitalization plan requirement in the LIHTC statute should be more clearly defined. Giving real content to this provision of Section 42 can help to prioritize the development of tax credit housing in neighborhoods where there is a sustained financial and programmatic commitment to improving schools, adding to transportation networks that promote access to jobs, adding to neighborhood services and amenities, and removing poor environmental conditions. Given the limited nature of the LIHTC subsidies, in order to promote opportunity the IRS should target QCTs that are in the path of gentrification, and not prioritize placement of additional low income units in high poverty neighborhoods that are not rising out of poverty status.

[18] Pub. L. 106-554, §1(a)(7), title I, §132(b), 114 Stat. 2763A-612 (December 21, 2000). *See also, Joint Committee on Taxation, Summary of Provisions Contained in H.R. 5662, the "Community Renewal Tax Relief Act of 2000," (JCX-112-00), December 15, 2000.*

Difficult to Develop Areas are an obvious vehicle for HUD to incentivize development in high opportunity communities, but HUD has resisted doing this. Instead, HUD designates DDAs based on the ratio of an area-wide Section 8 fair market rent to an area-wide monthly LIHTC rent limit solely at the metropolitan area level. As a consequence, DDA designation is limited to 42 of the more than 360 metropolitan statistical areas, and only 40 of more than 2,000 non-metropolitan counties have the designation. In contrast to the methodology used for QCTs, where 20% of the poorest census tracts are designated as QCTs in each metropolitan area, for DDAs there is no accounting for variations in development cost within metropolitan areas.[19]

HUD can create incentives for greater volumes of LIHTC development in more expensive opportunity areas by using opportunity metrics linked to development cost and incomes within metropolitan areas. With the additional capital supplied through a basis boost, development in opportunity areas will become more feasible, and the rents in the completed developments will be more affordable to low income families.

Each of these reforms to the LIHTC program can help to drive access to opportunity in the program, and can be accomplished with no statutory changes. Each of these regulatory reforms is also arguably required by the Fair Housing Act.

4. Beyond site selection: incentivizing opportunity-based housing and removing barriers to development in high opportunity communities

A balanced siting and allocation system alone will not address the many additional barriers to development in higher opportunity areas. Some of the barriers most commonly cited by affordable housing developers include:

- High land costs
- Site control requirements
- Financial disincentives for scattered-site and small developments
- Local "contribution and approval" requirements
- Zoning and land use barriers and related delays
- Administrative overhead costs relating to delays
- Lapsing of assigned tax credits relating to delays
- Expert and legal costs

The Treasury Department can encourage or mandate state HFAs to utilize other state powers and funds to level the playing field for developers willing to venture into family LIHTC development in these areas. This is what it means to "affirmatively further fair housing." The Treasury Department can take the following administrative actions – through regulation or guidance – that would significantly expand fair housing choice for future residents of tax credit housing:

[19] 75 Fed. Reg. 57481 (September 21, 2010).

Define Standards for Qualified Allocation Plans

Prohibit local approval requirements and selection priorities: QAP provisions in many states either require local project approval (including evidence of zoning approval) either as a threshold requirement, or render LIHTC applications non-competitive by awarding selection points to projects with local approval.[20] Such provisions tend to exclude LIHTC family developments from the high opportunity communities where they are most needed. The QAP portion of the tax credit statute, Section 42(m), requires only notice to the chief executive officer of a local community and an opportunity for comment on a proposed LIHTC project. The Code does not require local approval of projects, nor does it permit the prioritization of projects with local support. Standards for QAP should forbid such standards.[21]

In project market studies, include information about the extent of segregation and concentration of poverty, and about access to opportunities for likely project occupants; provide for credit agency review of this content in allocation decisions. The obligation to further fair housing includes a duty to assess the civil rights impact of funding decisions and to make funding decisions so that over time patterns of segregation are dismantled and open housing markets are established. The market study required by Section 42(m) is an excellent vehicle for this assessment.

Establish site and neighborhood standards for project selection criteria that prioritize developments serving families with children in high opportunity areas and that discourage development in high poverty, racially concentrated neighborhoods. The text of Section 42(m) and its legislative history evidence an intent that LIHTC development expand housing choice for tenant populations with special housing needs, including people of color, households on public housing waiting lists, and families with children.[22]

Utilize new statutory authority to designate high cost projects for the basis boost to create financial incentives for development in high opportunity areas. Development in high opportunity areas typically involves higher land costs, larger construction budgets to address restrictions on density and local design requirements, and the cost of infrastructure. Requiring credit agencies to make the basis boost available to these projects expands housing opportunity.[23]

Limit the use of LIHTC for rehabilitation and preservation projects. Given the historic manner in which federal housing programs have created and reinforced residential segregation, priorities for rehabilitation and preservation projects should be focused on

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[20] See *Building Opportunity: Civil Rights Best Practices in the Low Income Housing Tax Credit Program* (PRRAC and Lawyers Committee for Civil Rights, 2008) (www.prrac.org/LIHTC.php)

[21] We view municipal manipulation of local zoning laws, often exercised with either discriminatory purpose or impact, as among the most significant impediments to the development of affordable housing serving people of color and families with children in opportunity locations. Efforts to reform the LIHTC program would be significantly strengthened with a concomitant enforcement presence addressing local land use practices.

[22] 26 U.S.C. §42(m)(1). *See also,* House Rpt. No. 101-247 (September 20, 1989) at 650.

[23] 26 U.S.C. §42(d)(5)(B)(v).

the preservation of family housing in high opportunity areas or activity that is part of a concerted community revitalization plan.

Encourage credit agencies to relax standards for site control and zoning approvals in opportunity locations. Rigorous site control and zoning approval requirements in QAPs can effectively exclude projects in high opportunity locations where land use approvals are more difficult to obtain.

Create Financial Incentives for Opportunity-based Housing

Clarify that the credit agency evaluation of financial feasibility can permit higher costs for land, infrastructure, and design requirements that characterize multifamily development in opportunity locations. Credit agency cost limits often screen out projects in opportunity locations that face higher costs related to the location.

Clarify that off-site infrastructure improvements necessary for development are basis items that are eligible for tax credits. Development in opportunity locations often imposes the obligation to build access roads, utilities, and other features that are related to, but not always directly on the site. There is some IRS guidance that helps in this situation, but further guidance can clarify that such costs are basis eligible items.

Issue guidance regarding developer fees that permits higher fees as compensation for development in areas resistant to affordable rental housing. Tax credit development in suburban locations involves greater risk associated with zoning denials, extended periods for obtaining land use approvals, abutter litigation, and similar circumstances that add delay and cost. Higher developer fees in such situations can create incentives to development.

Encourage credit agencies to use binding forward commitments for projects in high opportunity areas stalled due to local opposition. Local community opposition to a family development is usually indicative of a highly desirable area. Opposition should trigger an extension of time to complete development, which can be achieved through forward commitments. These projects are also candidates for added financial support from non-LIHTC sources.

Modify "stacking" rules that recapture credits from a state credit agency after specified time periods to hold harmless the reservation of credits to projects in opportunity locations stalled due to opposition, or protracted zoning disputes. Section 42 requires the return of tax credits in a state's housing credit dollar amount if "unused" after two years. Stacking procedures can define the reservation of LIHTC to stalled projects in opportunity locations as an allocation that is not subject to return.

Relax cost standards in high opportunity locations. Section 42 requires state credit agencies to evaluate the financial feasibility of a project prior to making a reservation of LIHTC.[24] Many states use a single feasibility standard for all projects without regard to

[24] 26 U.S.C. §42(m)(2).

location. The IRS can encourage state credit agencies to utilize flexible feasibility criteria that take into account the higher costs associated with development in opportunity locations. Commitment of HUD financial resources to LIHTC projects involve a similar feasibility analysis by HUD known as "subsidy layering review." HUD's SLR procedures can also be adjusted to account for variations in development cost in high opportunity locations, to allow for larger commitments of HOME and CDBG funds, project-based Housing Choice Vouchers and similar forms of assistance that serve extremely low-income and very low-income households.

Encourage State Housing Finance Agencies to use bond authority and other program funds to further incentivize development in high opportunity communities. The 4% tax credits associated with multifamily tax exempt bond financing do not count against a state's annual LIHTC allocation limit so long as the 4% credits are awarded in a manner consistent with the housing credit agency's qualified allocation plan.[25]

Enforce the General Public Use Rule

Explicitly require LIHTC projects to comply with civil rights laws applicable to owners of rental housing and recipients of federal financial assistance. Civil rights laws for recipients of federal assistance such as Title VI and Section 504 require the responsible agency to issue rules. Tax credits, the Section 1602 credit exchange program, and the recently created Capital Magnet Fund program, are all forms of federal assistance. The general public use rule should explicitly require owners of LIHTC projects to comply with these laws, as well as Title VIII either in the general public use rule, or in separate rulings and rules. Current rules are ambiguous at best.

Require housing credit agencies to comply with civil rights laws applicable to recipients of federal financial assistance to and entities engaged in residential real estate-related transactions. These same principles apply to housing credit agencies. Housing credit agencies need guidance in order to understand that Title VIII, and Title VI rules, prohibit disparate impact, including funding decisions that perpetuate segregation. To the extent that housing credit agencies are engaged in the provision of financial assistance for the acquisition, rehabilitation, and construction of housing, QAP provisions that have the effect of steering family projects to segregated, high poverty locations, and that effectively rule out the provision of assistance in high opportunity areas violate Title VIII's prohibition on discrimination in residential real estate-related transactions.

Adopt civil rights-related standards regulating admissions criteria and selection preferences at LIHTC properties. LIHTC properties should operate under admissions standards similar to HUD-assisted properties that forbid eligibility standards and selection preferences such as local resident selection preferences, the effect of which is to delay, deny, or exclude eligible families with protected characteristics.

Create standards for affirmative fair housing marketing. Affirmative fair housing marketing of tax credit units in opportunity locations involves more than outreach to

[25] 26 U.S.C. §42(m)(1)(D).

households that are not likely to apply for the housing. It includes taking affirmative steps to link admissions to opportunity-based housing to the tenant populations with special housing needs, public housing waiting lists, and families with children that are favored by the statutory project selection criteria in Section 42(m). Integration performance goals/expectations should be set out for family developments in predominantly white communities.

Define the prohibition on Section 8 discrimination**.** Although Section 42's provisions for extended use agreements prohibit a refusal to lease to a family because of the household's status as a Section 8 participant, IRS rules reduce the prohibition to an annual owner self-certification of compliance. IRS policies should explicitly prohibit refusals to rent to Section 8 participants, and should also prohibit practices that have the effect of excluding voucher holders, such as screening standards that require incomes at two or three times the monthly contract rent.

About the authors

Philip Tegeler is the Executive Director of the Poverty & Race Research Action Council, a civil rights policy organization based in Washington, DC (www.prrac.org). Mr. Tegeler is a civil rights lawyer and has also written extensively on federal housing policy, including "The Future of Race Conscious Goals in National Housing Policy," in *Public Housing and the Legacy of Segregation* (The Urban Institute Press, 2009), and "Connecting Families to Opportunity: The Next Generation of Housing Mobility Policy," in *All Things Being Equal: Instigating Opportunity in an Inequitable Time,* (The New Press, 2007).

Henry Korman is an attorney specializing in affordable housing development, civil rights and fair housing, and in the transactional, financing, operational, and compliance requirements associated with local, state and federal affordable housing programs. He is of-counsel at Klein Hornig LLP, a Boston and Washington, DC law firm practicing affordable housing and community development law. He has written extensively about civil rights and fair housing as those issues relate to access to housing and affordable housing development, including *Furthering Fair Housing, the Housing Finance System and the Government Sponsored Enterprises* (Kirwan Institute, 2011) and "Underwriting for Fair Housing? The Obligation to Affirmatively Further Fair Housing and the Challenging Work of Achieving Civil Rights Goals in Affordable Housing Programs," 14 *Journal of Affordable Housing and Community Development Law* 292 (2005)

Jason Reece is a senior researcher at the Kirwan Institute for the Study of Race & Ethnicity, where he directs the Opportunity Communities program. He has managed all of the Institute's opportunity mapping initiatives since 2003. Some of his recent publications include: "Perspectives on Community Economic Development in a Global Economy," from the American Bar Association's *Building Health Communities: A Guide to Community Economic Development for Advocates, Lawyers and Policymakers;* "Poverty's Place: The Use of Geographic Information Systems in Poverty Advocacy," *Clearinghouse Review Journal of Poverty Law and Policy*. Jason also is an adjunct lecturer in The Ohio State University's Department of City & Regional Planning, teaching on issues of social equity in planning and development.

Megan Haberle is Associate Counsel and Economic Opportunity Fellow at The Opportunity Agenda, a communications, research, and policy organization based in New York (www.opportunityagenda.org). She advocates for stronger enforcement of civil rights laws, with a focus on infrastructure policy. Previously, she worked as a commercial litigator at Sonnenschein Nath and Rosenthal, as a paralegal with the ACLU National Legal Department, and as a teacher of English in Daegu, South Korea. She holds a J.D. from Columbia Law School, where she was an Executive Editor of the Columbia Journal of Environmental Law, and a B.A. in Sociology/Anthropology from Swarthmore College.

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AFFIRMATIVELY FURTHERING FAIR HOUSING
And
THE ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE (AI)

Ed Gramlich
2010

WHAT IS "AFFIRMATIVELY FURTHERING FAIR HOUSING"?

"Affirmatively furthering fair housing" is rooted in Title VIII of the Civil Rights Act of 1968 (also known as the Fair Housing Act of 1968).

[Section 808(e)(5)]

"AFFH" is the widely used shorthand for "affirmatively furthering fair housing".

Although AFFH applies to ***all*** federal agencies that provide housing and community development assistance, the only meaningful guidance comes from programs run by HUD.

Local and state governments and public housing agencies (PHAs) must "certify" (pledge in writing) that they are affirmatively furthering fair housing.

CDBG, HOME, and other Community Planning and Development Programs

"Affirmatively Furthering Fair Housing" is defined in these regs as a jurisdiction:

1. Having an Analysis of Impediments (barriers) to fair housing choice, called an "AI";
2. Taking appropriate actions to overcome the effects of impediments; *and*,
3. Keeping records reflecting the analysis and showing the actions taken.

CDBG entitlement jurisdiction regulations [24CFR570.601(a)(2)]
CDBG states and small cities regulations [24CFR487(b)]
ConPlan regulations for entitlement jurisdictions [24CFR91.225(a)(1)]
ConPlan regulations for states and small cities [24CFR91.325(a)(1)]

Public Housing and Vouchers

"Affirmatively Furthering Fair Housing" is defined in these regs as a public housing agency:

1. Examining its programs;
2. Identifying any impediments to fair housing choice in those programs;
3. Addressing those impediments in a reasonable fashion in view of available resources;
4. Working with local jurisdictions to carry out any of their AFFH work; and,
5. Keeping records showing the analysis and actions.

The Public Housing Agency Plan regulations [24CFR903.2(2)(2) and 903.7(o)(3)]

WHAT IS AN "ANALYSIS OF IMPEDIMENTS" or an "AI"?

HUD's Office of Fair Housing and Equal Opportunity (FHEO) has a *Fair Housing Planning Guide* which **defines an AI** as:

1. A comprehensive review of a jurisdiction's laws, regulations, and administrative policies, procedures, and practices.

2. An assessment of how those laws, regs, and practices affect the location, availability, and accessibility of housing.

3. An assessment of conditions, both public and private, affecting fair housing choice for all protected classes*.

4. An assessment of the availability of affordable, accessible housing in a range of unit sizes.

[*Fair Housing Planning Guide,* page 2-7]

*The "protected classes" are: race, color, religion, gender, disability, national origin, and familial status (in other words, households with children).

An "impediment" can be an action or an inaction which restricts housing choice, or which has the effect of restricting housing choice.

Some policies or practices might seem neutral, but really do deny or limit housing availability.

[*Fair Housing Planning Guide* pages 2-7 & 2-17]

The HUD *Fair Housing Planning Guide* explains that analyzing fair housing impediments and taking appropriate actions means:

- Eliminating housing discrimination in the jurisdiction.
- Promoting fair housing choice for all.
- Providing housing opportunities for people of all races, colors, religions, genders, disabilities, national origins and family types (eg, families with children).
- Promoting housing that is structurally usable by all people, particularly those with disabilities.
- Fostering compliance with the nondiscrimination features of the Fair Housing Act.

[*Fair Housing Planning Guide* page 1-3]

Obvious impediments include outright discrimination based on race or ethnicity, refusing to rent to families with children, and insurance practices that reinforce segregated housing patterns.

Less obvious impediments include lack of large rental units, inadequate multi-lingual marketing, zoning that limits multifamily housing, and insufficient public transportation to areas with affordable housing.

WHERE CAN I FIND THE AI?

AIs are not sent in to HUD, and they are not a formal piece of any CDBG document such as the Annual Action Plan* or the ConPlan♦.
There is no specific term for a PHA's analysis of impediments.
AIs are their own separate documents – which are available to the public.

A September 2, 2004 Policy Memo from HUD (reissuing a February 14, 2000 Memo) states that a jurisdiction "may" include in its Annual Action Plan, the actions it plans to take in the upcoming year to overcome the effects of impediments to fair housing. But, this is only a "may", not a "must"; plus, many jurisdictions do not know this Policy Memo exists. Anyway, such a list is still not an AI.

Some jurisdictions point to a part of their ConPlan or Action Plan called "barriers to affordable housing" and claim that to be the AI. The law requires such a discussion, but this is not an AI. Examples of barriers to affordable housing in the law are tax policies and building fees.

The name of the agency or department which will have an AI varies from locality to locality. The office that primarily runs your CDBG program should have a copy for you. Your PHA should have a copy of its own analysis. However, if these offices act like you are speaking Martian when you ask for a copy of the AI, ask the FHEO rep (Fair Housing and Equal Opportunity) at your HUD Regional Office to help you shake the AI loose from the jurisdiction.

* *An Annual Action Plan is a document that a jurisdiction must prepare each year and make available to you. It lists all of the activities the jurisdiction will fund with CDBG and HOME dollars in the upcoming year.*

♦ *A ConPlan (Consolidated Plan) is a long-term (usually 5 years) statement of lower income people's housing and community development needs. Because lower income people's needs are unlimited, the ConPlan must also show what the jurisdiction's priorities are for dealing with the most acute needs. The ConPlan must describe the sources of money available and the local programs that will address the priority needs over the next 5 years.*

WHEN ARE AIs WRITTEN?

According to HUD's *Fair Housing Guide*, AIs must be updated in cycle with the timeframe of a ConPlan. So, theoretically, if your jurisdiction has to come up with a new ConPlan every five years, then it should also revise its AI at the same time.

[*Fair Housing Planning Guide* page 2-7]

However, the more recent HUD Policy Memo (September 2, 2004) says that jurisdictions "should" update their AIs "where appropriate…to reflect the current fair housing situation in their communities."
That Memo adds that an AI should be updated "annually where necessary".

The Policy Memo implies that jurisdictions which don't make "appropriate revisions to update" their AIs could face problems. You might want to be sure that your jurisdiction's dusty old AI is up to date and reflects all of the impediments that you are aware of.

IS THERE ANY PUBLIC PARTICIPATION WITH AN AI?

Unfortunately, the regs do not directly tie public participation in CDBG/ConPlan or the PHA Plan with the AI. The regs are basically silent.

However, the *Fair Housing Planning Guide* offers a few words that you might be able to use:

> "Since the FHP [Fair Housing Plan] is a component of the ConPlan, the citizen participation requirements for the ConPlan apply."
>
> [*Fair Housing Planning Guide* pages 2-5, 3-3, and 4-3]

The introduction to the *Fair Housing Planning Guide* stresses that:

> "...all affected people in the community must be at the table and participate in making decisions [about the problems and their solutions]. The community participation requirement will never be more important to the integrity, and ultimately, the success of the process."
>
> [*Fair Housing Planning Guide* page i]

Later, the *Fair Housing Planning Guide* suggests that before developing actions to eliminate the effects of impediments, a jurisdiction "should...ensure that diverse groups in the community are provided a real opportunity to take part in the process of developing actions to be taken".

[*Fair Housing Planning Guide* page 2-21]

HUD "encourages jurisdictions to schedule meetings [for public comment and input] to coincide with those for the ConPlan."

[*Fair Housing Planning Guide* page 2-26]

MONITORING COMPLIANCE *see next page*

MONITORING COMPLIANCE

Before the Start of the CDBG Program Year

In order to get CDBG, HOME, public housing or voucher funds, jurisdictions or PHAs must "certify", pledge in writing, that they are "affirmatively furthering fair housing".

[24CFR91.225(a)(1)], [24CFR91.325(a)(1)],
[24CFR570.601(a)(2)], [24CFR487(b)],
[24CFR903.7(o)]
[*Fair Housing Planning Guide*, page 1-4]

All CDBG/ConPlan and PHA Plan "Annual Action Plans" require this written "certification", signed by the "authorized official". There must be evidence that supports this pledge, and it must be available to the public.

HUD can disapprove a ConPlan (and therefore receipt of CDBG and HOME) if a certification is "inaccurate", and can disapprove a PHA Plan if it is "not consistent with laws and regulations".

ConPlan regs [24CFR91.500(b)(3)],
PHA Plan regs [24CFR903.23(c)]

The September 2, 2004 Policy Memo gives examples of "inaccurate":

1. There is no AI;
2. The AI is substantially incomplete;
3. No actions were taken to overcome the impediments;
4. The actions taken were "plainly inappropriate" to address impediments;
5. There are no records.

Another situation which could cause HUD to look more carefully at an AI is the failure to make "appropriate revisions to update the AI". (September 2, 2004 Memo)
This can be an important advocacy handle in years between new ConPlans and PHA Plans.
If you know that there are major changes in conditions for people who are members of protected classes, make sure the AI is revised to show those changed conditions.

In general, if you think that your jurisdiction's AI is inadequate, or that the jurisdiction has not taken reasonable actions to overcome impediments to fair housing, be sure to write a complaint to the HUD FHEO Regional Office.

CDBG regs allow a certification to be challenged if there is evidence that a policy, practice, standard, or method of administration, although it seems neutral, really has the effect of significantly denying or adversely affecting fair housing for persons of a particular race, color, religion, sex, or national origin. PHA Plan regs also claim that a certification can be challenged.

[24CFR570.904(a)(1)(ii)]
[24CFR903.23(b)]
[24CFR903.25]

MONITORING COMPLIANCE, *continues*

At the End of the CDBG/HOME Program Year

In Annual Performance Reports related to the ConPlan, called "CAPERs", jurisdictions must include a summary of the impediments to fair housing, and they must have a description of the actions taken in the past year to overcome the effects of impediments.

ConPlan regs [24CFR91.520(a)]

Again, if you think that the actions taken to overcome impediments to fair housing were inadequate, it is important to write a complaint to your jurisdiction, and to send a copy to the HUD FHEO Regional Office.

RECORDS TO BE KEPT

Records Required by CDBG

1. Documents showing the impediments and the actions carried out by the jurisdiction with CDBG and other money to remedy or lessen impediments.
2. Data showing the extent to which people have applied for, participated in, or benefited from any program funded in whole or in part with CDBG.
3. Data indicating the race, ethnicity, and gender of those displaced as a result of the use of CDBG, plus the address and census tract of the housing to which they were relocated.

[24CFR570. 506(g)]

Records Suggested by the *Fair Housing Planning Guide*

1. Transcripts of public meetings or forums and public comments or input.
2. A list of groups participating in the process.
3. A description of the financial support for fair housing, including funds or services provided by the jurisdiction.

[Fair Housing Planning Guide page 2-26]

A February 9, 2007 Joint Memorandum from the Assistant Secretaries for FHEO and CPD (Community Planning and Development, which administers CDBG and HOME) suggests that a jurisdiction keep for the record: copies of local fair housing laws and ordinances; the full history of the development of its AI; options available for overcoming impediments; a list of those consulted; planned actions and actions taken; and issues that came up when actions were carried out.

OTHER RESOURCES

HUD's Office of Fair Housing and Equal Opportunity (FHEO) http://www.hud.gov/offices/fheo/promotingfh.cfm.

HUD's *Fair Housing Planning Guide*, Vol. 1 (#HUD-1582B-FHEO) is available at http://www.hud.gov/offices/fheo/images/fhpg.pdf.
[Vol. 2 (#HUD-1582A-FHEO) is out of print. It was less useful because it was mainly samples.]

HUD's Office of Affordable Housing has a good chapter summarizing the *Fair Housing Planning Guide*, "Affirmatively Furthering Fair Housing" (page 18) in *Fair Housing for HOME Participants*
http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/2005/200510.pdf

September 2, 2004 Memorandum from HUD's Community Planning and Development Office (CPD),
http://www.hud.gov/offices/fheo/library/finaljointletter.pdf

February 9, 2007 Joint Memorandum from Assistant Secretaries for CPD and FHEO,
http://www.hud.gov/offices/fheo/promotingfh/fairhousing-cdbg.pdf.

Link to FHEO Regional Offices, http://www.hud.gov/offices/fheo/fheodir.cfm.

National Fair Housing Alliance: "Guideline for Evaluating the Analysis of Impediments",
http://www.nationalfairhousing.org/LinkClick.aspx?fileticket=zg%2bdm9qWEuc%3d&tabid=3916&mid=7865.
202.898.1661 or www.nationalfairhousing.org

Bloomington-Normal, IL MSA									
FY 2012 MFI: 80200	30% OF MEDIAN	16850	19250	21650	24050	26000	27900	29850	31750
	VERY LOW INCOME	28100	32100	36100	40100	43350	46550	49750	52950
	LOW-INCOME	44950	51350	57750	64150	69300	74450	79550	84700
Cape Girardeau-Jackson, MO-IL MSA									
FY 2012 MFI: 54600	30% OF MEDIAN	11500	13150	14800	16400	17750	19050	20350	21650
	VERY LOW INCOME	19150	21850	24600	27300	29500	31700	33900	36050
	LOW-INCOME	30600	35000	39350	43700	47200	50700	54200	57700
Champaign-Urbana, IL MSA									
FY 2012 MFI: 68000	30% OF MEDIAN	14300	16350	18400	20400	22050	23700	25300	26950
	VERY LOW INCOME	23800	27200	30600	34000	36750	39450	42200	44900
	LOW-INCOME	38100	43550	49000	54400	58800	63150	67500	71850
Chicago-Joliet-Naperville, IL HMFA									
FY 2012 MFI: 75800	30% OF MEDIAN	15950	18200	20500	22750	24600	26400	28250	30050
	VERY LOW INCOME	26550	30350	34150	37900	40950	44000	47000	50050
	LOW-INCOME	42500	48550	54600	60650	65550	70400	75250	80100
DeKalb County, IL HMFA									
FY 2012 MFI: 75000	30% OF MEDIAN	15750	18000	20250	22500	24300	26100	27900	29700
	VERY LOW INCOME	26250	30000	33750	37500	40500	43500	46500	49500
	LOW-INCOME	42000	48000	54000	60000	64800	69600	74400	79200
Grundy County, IL HMFA									
FY 2012 MFI: 79700	30% OF MEDIAN	16750	19150	21550	23900	25850	27750	29650	31550
	VERY LOW INCOME	27900	31900	35900	39850	43050	46250	49450	52650
	LOW-INCOME	44650	51000	57400	63750	68850	73950	79050	84150
Kendall County, IL HMFA									
FY 2012 MFI: 92300	30% OF MEDIAN	19400	22200	24950	27700	29950	32150	34350	36600
	VERY LOW INCOME	32350	36950	41550	46150	49850	53550	57250	60950
	LOW-INCOME	45500	52000	58500	65000	70200	75400	80600	85800
Danville, IL MSA									
FY 2012 MFI: 53300	30% OF MEDIAN	12050	13800	15500	17200	18600	20000	21350	22750
	VERY LOW INCOME	20100	23000	25850	28700	31000	33300	35600	37900
	LOW-INCOME	32150	36750	41350	45900	49600	53250	56950	60600
Davenport-Moline-Rock Island, IA-IL MSA									
FY 2012 MFI: 65000	30% OF MEDIAN	13650	15600	17550	19500	21100	22650	24200	25750
	VERY LOW INCOME	22750	26000	29250	32500	35100	37700	40300	42900
	LOW-INCOME	36400	41600	46800	52000	56200	60350	64500	68650
Decatur, IL MSA									
FY 2012 MFI: 60300	30% OF MEDIAN	12700	14500	16300	18100	19550	21000	22450	23900
	VERY LOW INCOME	21150	24150	27150	30150	32600	35000	37400	39800
	LOW-INCOME	33800	38600	43450	48250	52150	56000	59850	63700
Kankakee-Bradley, IL MSA									
FY 2012 MFI: 65300	30% OF MEDIAN	13750	15700	17650	19600	21200	22750	24350	25900
	VERY LOW INCOME	22900	26150	29400	32650	35300	37900	40500	43100
	LOW-INCOME	36600	41800	47050	52250	56450	60650	64800	69000
Peoria, IL MSA									
FY 2012 MFI: 69100	30% OF MEDIAN	14550	16600	18700	20750	22450	24100	25750	27400
	VERY LOW INCOME	24200	27650	31100	34550	37350	40100	42850	45650
	LOW-INCOME	38750	44250	49800	55300	59750	64150	68600	73000

MINUTES
Task Force on Affordable Housing
Wednesday, October 12, 2011
Community Room, Aurora Police Department Headquarters

1. Convening of Task Force
   a. **Members present:** Ald. Bob O'Connor, Bill Powell, Clayton Muhammad, Dr. Rydland, David Holm, Mae Smith, Ryan Dowd, Rene Cruz, Scott Voris, Theodia Gillespie, Fran Shaw, Jean Federman, Al Schuler, Avis Miller, Bill Burns, Henry Champen, Judy Runge, Mattie Coble, Paul Chedda, Dave Richert, Dennis Wiggins, Pastor Julian Spencer

   b. **Members absent:** Ald. Richard Irvin, Myrna Molina

   c. **Staff present:** Mayor Tom Weisner, Carie Anne Ergo, Chuck Nelson, Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. Aurora Housing Authority (AHA) Board Chairman Al Schuler called the meeting to order

3. Welcome
   a. Mayor Tom Weisner provided the welcome to the group, thanked everyone for their participation in the task force

4. Introductions
   a. The moderators of the Task Force were introduced

   b. Marcia Bergeson, Community Planning & Development Associates (CPDA)
   c. Hickory Hurie, Community Planning & Development Associates (CPDA)

5. Introductions-Task Force Participants
    a. Each member of the Task Force took a moment to briefly introduce themselves

6. Ground Rules
    a. CPDA provided an overview of the ground rules, how the task force will run

    b. CPDA also provided a brief explanation of their approach to this group

7. Approach to Housing Study

    a. CPDA handed out an Outline of the Study

    b. See Attachment A

8. Small Group Discussion
    a. The Task Force divided into two small groups for focused discussion

    b. The discussion included a survey of each group to gather ideas

9. Wrap-Up
    a. Aurora Housing Authority (AHA) Board Chairman Al Schuler adjourned the meeting

    b. CPDA closed the meeting, provided the next meeting date, Wednesday, November 2, 2011, 3:00 p.m. at Waubonsee Community College Downtown Aurora Campus, 18 S. River St., Aurora

MINUTES

Task Force on Affordable Housing

Wednesday, November 2, 2011

Waubonsee Community College, Downtown Aurora Campus

1. Convening of Task Force
   a. **Members present:** Ald. Richard Irvin, Al Schuler, Ald. Bob O'Connor, Avis Miller, Dave Richert, David Holm, Dennis Wiggins, Diana Torres-Hawken, Fran Shaw, Gonzalo Arroyo, Henry Champen, Jean Federman, Jerry Knudtson, Judy Runge, Kathryn Bettcher, Mae Smith, Mattie Coble, Myrna Molina, Pastor Julian Spencer, Rene Cruz, Ryan Dowd, Scott Voris

   b. **Members absent:** Bill Powell, Clayton Muhammad, Dr. Jim Rydland, Paul Chedda, Theodia Gillespie, Bill Burns, Commander Ziman

   c. **Staff present:** Mayor Tom Weisner, Carie Anne Ergo, Chuck Nelson, Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. Aurora Housing Authority (AHA) Board Chairman Al Schuler called the meeting to order

3. Review of Agenda
   a. Marcia Bergeson, Community Planning & Development Advisors (CPDA)

   b. Hickory Hurie, Community Planning & Development Advisors (CPDA)

4. Recap of Initial Meeting and Synopsis of Future Meetings
   a. See Attachment A

   b. Marcia Bergeson, (CPDA)

   c. Hickory Hurie, (CPDA)

5. Break-out Sessions with Task Force Sub-Groups
    a. Review of Three Questions for Input into Housing Study

    b. See Attachment B

6. Report Back from Smaller Groups
    a. Marcia Bergeson, (CPDA)

    b. Hickory Hurie, (CPDA)

7. Public Comment Period
    a. One member of the public audience spoke generally about the many resources Aurora has available to attract housing developments as well as the benefits of the Transit Oriented Development (TOD) model for affordable housing.
    b. No additional comments were made

8. Wrap-Up and Adjournment of Housing Authority Board
    a. Aurora Housing Authority (AHA) Board Chairman Al Schuler adjourned the meeting

    b. CPDA closed the meeting, provided the next meeting date, Wednesday, December 2, 2011, 3:00 p.m. at Waubonsee Community College Downtown Aurora Campus, 18 S. River St., Aurora

MINUTES

Task Force on Affordable Housing

Wednesday, December 7, 2011

Waubonsee Community College, Downtown Aurora Campus

1. Convening of Task Force
   a. **Members present:** Ald. Richard Irvin, Ald. Bob O'Connor, Clayton Muhammad, Dr. Jim Rydland, David Holm, Ryan Dowd, Scott Voris, Theodia Gillespie, Fran Shaw, Jean Federman, Al Schuler, Avis Miller, Bill Burns, Henry Champen, Judy Runge, Mattie Coble, Myrna Molina, Paul Chedda, Dave Richert, Dennis Wiggins, Kathryn Bettcher, Jerry Knudtson, Gonzalo Arroyo, Commander Ziman, Diana Torres-Hawken, Jeff Palmquist

   b. **Members absent:** Bill Powell, Mae Smith, Pastor Julian Spencer

   c. **Staff present:** Carie Anne Ergo, Chuck Nelson, Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. Aurora Housing Authority (AHA) Board Chairman Al Schuler called the meeting to order

3. Review of Agenda
   a. Marcia Bergeson, Community Planning & Development Advisors (CPDA)
   b. Hickory Hurie, Community Planning & Development Advisors (CPDA)

   c. See Attachment A

4. Review of Small Group Results
   a. Hickory Hurie, CPDA ,provided an overview of the small group results from the October 12, 2011 and November 2, 2011 meetings

   b. Overview included brief Q & A from Task Force Members

   c. See Attachment B

5. Presentations on demographic and housing information and Selected examples of affordable housing strategies best practices
    a. Marcia Bergeson, CPDA, provided an overview of the research and data.
    b. See Attachment C

6. Overview of fair housing and fair housing choice strategies (Presentation from Anne V. Houghtaling, Executive Director of HOPE Fair Housing)
    a. Anne started her presentation, the information presented brought up a lot of questions from the Task Force

    b. Marcia requested the group hold questions until the end, but the Task Force felt the information needed to be explained beyond the PowerPoint, so the questions continued.

    c. Due to time constraints, Anne stopped her presentation, agreed to come to the next meeting and address questions, concerns, etc.

7. Public Question and Answer Period
    a. The question and answer period was limited, no comments were made.

    b. The group discussed future meetings and if the amount of time the Task Force meets needs to increase (additional or longer meetings).

8. Wrap-Up and Adjournment of Housing Authority Board and Adjournment of Task Force Meeting
    a. AHA Board Chairman Al Schuler adjourned the meeting

    b. CPDA adjourned the rest of the group

MINUTES

Task Force on Affordable Housing

Wednesday, January 11, 2012

Community Room, Aurora Police Department Headquarters

1. Convening of Task Force
   a. **Members present:** Al Schuler, Bill Powell, Clayton Muhammad, Dave Richert, Dennis Wiggins, Dr. Rydland, Fran Shaw, Henry Champen, Jean Federman, Jerry Knudtson, Kathryn Bettcher, Comm. Ziman, Mattie Coble, Rene Cruz, Ryan Dowd, Scott Voris, Theodia Gillespie

   b. **Members absent:** Ald. Bob O'Connor, Ald. Richard Irvin, Avis Miller, Diana Torres, Bill Burns, David Holm, Judy Runge, Pastor Julian Spencer, Paul Chedda, Jeff Palmquist, Gonzalo Arroyo, Mae Smith

   c. **City Staff present:** Rick Guzman, Carie Anne Ergo, Karen Christensen, Chuck Nelson, Mayor Weisner

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. Aurora Housing Authority (AHA) Board Chairman Al Schuler called the meeting to order

3. Overview of Agenda/Purpose
   a. Rick Guzman, Assistant Chief of Staff to Mayor Weisner, provided an overview of the agenda as well as information on the next meeting, scheduled for Thursday, January 26, 2012
   b. Upcoming and ongoing goals as well as timelines for the Task Force were discussed

4. Presentation of Demographic Data and Requirements for Use of Housing Funds
   a. Marcia Bergeson, Community Planning and Development Associates (CPDA) & Hickory Hurie, Community Planning and Development Associates (CPDA)
   - Marcia Bergeson, CPDA led a discussion based on demographic data from the 2010 census.

- Topics included: Comparison between Naperville and Aurora, CDBG funds, housing cost burden, differences between needs in Aurora and surrounding communities

b. See Attachment A

5. Fair Housing Presentation
   a. Ann V. Houghtaling
      Executive Director
      HOPE Fair Housing Center
   - Presentation is a continuance from the December 7, 2011 meeting
   - Housing data from different states was discussed
   - Case from Joliet, IL was discussed—highlighted for potential likeness to Aurora, IL
   - Discussion included how to best utilize foreclosed homes in Aurora

6. Question and Answer Panel
   a. Panel consisted of:
      Ann Houghtaling
      Marcia Bergeson
      Hickory Hurie
      Karen Christensen
   b. Offered the Task Force the opportunity to ask questions

7. Public Comment Period
   - Public Comment:
     A member of the public discussed the fact that Planning Firms collect and have data on different communities available—including regional planning efforts—that may be useful to the Task Force

8. Wrap-Up and Adjournment of Housing Authority Board
   a. AHA Board was adjourned by Al Schuler
   b. Marcia Bergeson adjourned the Task Force

MINUTES

Task Force on Affordable Housing

Thursday, January 26, 2012

Community Room, Aurora Police Department Headquarters

1. Convening of Task Force
    a. **Task Force Members Present:** Al Schuler, Ald. Richard Irvin, Bill Powell, Dave Richert, David Holm, Fran Shaw, Gonzalo Arroyo, Henry Champen, Jean Federman, Jeff Palmquist, Jerry Knudtson, Judy Runge, Comm. Kristen Ziman, Mae Smith, Myrna Molina, Pastor Julian Spencer, Paul Chedda, Ryan Dowd, Scott Voris, Theodia Gillespie, Kathryn Bettcher

    b. **Task Force Members Absent:** Ald. Bob O'Connor, Avis Miller, Bill Burns, Clayton Muhammad, Dennis Wiggins, Diana Torres-Hawken, Dr. Jim Rydland, Mattie Coble, Rene Cruz, Scott Voris

    c. **City of Aurora Staff Present:** Mayor Tom Weisner, Carie Anne Ergo, Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
    a. AHA Board Chairman Al Schuler called the meeting to order

3. Welcome and Overview
    a. Mayor Weisner introduced the members from HUD who were present (Ray Willis, Steve Meiss, Gordon Patterson) and provided an overview of what the Task Force has accomplished thus far
    b. Rick Guzman, Office of the Mayor introduced the new Task Force on Affordable Housing website, discussed what it will do, encouraged people to participate and visit for updates and documents

4. Presentation of City of Aurora HUD-funded programs
    a. Karen Christensen, City of Aurora, Neighborhood Redevelopment provided an overview of the city's programs, CDBG and HOME
    b. Karen also provided an in-depth explanation of Aurora's 2012 Analysis of Impediments final draft

5. Presentations from the Dept. of Housing and Urban Development (HUD)

   a. Gordon Patterson, Deputy Director (Region V), Fair Housing & Equal Opportunity
      - Provided a summary of his position/department
      - Gordon discussed fair housing and the implications of fair housing
      - Noted his department primarily responds to complaints

   b. Ray Willis, Director (Region V), Community Planning & Development
      - Ray provided a summary of his department and discussed that the Community Development Block Grant (CDBG) program is the "flagship" of HUD's programs
      - Discussed benefits and drawbacks to the program, stated the importance of highlighting successes within regions, as Karen's presentation demonstrated
      - Stated that Aurora is a "top performer" in HUD's opinion and that this was due to strong leadership in the City of Aurora.
      - Noted budget cutbacks within his program—communities will be getting less money from HUD—community members and cities need to let their Members of Congress know how much good these programs are doing.
      - Backbone of the program is the Consolidated Plan, using American Community Survey method to determine community allocations for CDBG funds this year—different method, will likely increase or decrease certain communities funding levels
      - Emphasis was placed on importance of the Consolidated Plan:
        - Cities need to consolidate everything from planning point of view
        - Need to include how the city is going to affirmatively further fair housing
        - Needs to be a truly Comprehensive Document

        - The City of Aurora must explain how the funds are utilized to benefit residents
    - Task Force member Fran Shaw asked about the difference between the action plan and consolidated plan—and it was explained that the Consolidated Plan is typically a 5-year plan with the "annual action plan" providing an annual report on how the goals of the Consolidated Plan are being met.

c. Steve Meiss, Director (Region V), Public Housing
    - Provided a brief history of HUD, thanked the Mayor for creating the task force and Al Schuler for the AHA Board's participation
    - Noted Aurora has 658 units of public housing allocated—that is the limit based on the "Faircloth Amendment/Limit"
    - Explained that the subsidy provided by HUD for Public Housing units follows the simple formula of: "Cost to operate –less—what the resident can afford to pay."
    - Explained how housing/voucher program works
    - Noted that the AHA was high performing Housing Authority with respect to the voucher program it runs.
    - Talked about nationwide program of public housing, how it is deteriorating, but the funds to rebuild are no longer as readily available
    - HUD is looking to utilize new programs to change the way public housing is approached
    - New programs would not require more money, but rather look at ways to leverage current funds to improve and maintain properties-Rental Assistance Demonstration (RAD)

6. Question and Answer Panel
    - Ray Willis, Steve Meiss, Gordon Patterson and Karen Christensen

Question (Gonzalo Arroyo): With Aurora's changing demographics, City of Aurora (COA) residents are not all familiar with available programs, what is a good way to disseminate information so everyone in the community is aware of programs, etc.?
Response (Steve Meiss): Referred to hud.gov as a very useful source of information, also praised the COA website as a source of information.
Karen Christensen: Also noted how the nonprofit community in the COA does a good job of disseminating information
Question (Dave Richert): How are vouchers distributed to communities? With Jericho Circle (JC) being demolished, why can't we get the same number of vouchers as units at JC?
Response (Steve Meiss): That would be great, but HUD is working with limited resources. HUD is working to ensure Housing Authorities are using all assets and providing vouchers to people who are truly qualified. Meiss noted that the voucher program is designed to be an excellent community development tool, noting that Housing Authorities could strive to make the voucher homes the nicest on the block instead of the worst.
Steve informed the group Aurora gets 893 vouchers and that the number comes from old formula. JC has 142 units total.
Question (Bill Powell): Trying to understand, why are there still three families living at JC and is there really a need to rebuild JC?
Response (Steve Meiss): Not required to rebuild, up to the community.
Bill Powell: So the COA is not violating fair housing laws by not rebuilding JC?
Steve Meiss: No—you are committed to affirmatively further fair housing, not rebuilding the existing development (JC).
Ray Willis: AHA still has a waiting list. That refers to the need in the community. Not all needs can be met by housing authority.
The COA, specifically the Mayor and the City Council are responsible to HUD to keep affordable housing available; that deals with all housing issues.
Not rebuilding JC does not mean no fair housing, the COA has to look at landscape of the city—where are we going to put fair housing to keep people in need of housing near schools, transportation, etc.
He emphasized the importance of task force.

Gordon Patterson: The obligation does not stop with JC. Affirmatively furthering fair housing does continue but does not include rebuilding.
Question (Fran Shaw): If JC rebuilds under the current proposal, which is a public/private partnership, does that qualify as public housing units?
Response (Steve Meiss): The AHA does not have to rebuild JC. The AHA has a mission to build housing; we want them to do that. There are a lot of different ways for them to fulfill mission of building housing. Steve also mentioned the AHA may want to rebuild at the JC site because of the land asset, they already own that land.
Question (Ryan Dowd): To clarify, if JC is torn down; the COA does not have option of doing nothing; they must affirmatively further fair housing, though the details are not limited to rebuilding at the current site.
Response (Steve Meiss): Correct, the obligation comes with the COA receiving HUD funds
Question (Jerry Knudtson): If we didn't rebuild, can they stay on voucher system? And is voucher preferential over building housing?
Response (Steve Meiss): The idea of the Housing Choice voucher program is to give a voucher so residents can go anywhere; it gives the person a lot more options than one place.
Question (Jerry Knudtson): Is that more cost effective for the government?
Response (Steve Meiss): Not sure, with vouchers there is no asset, with developments, there is an asset for the housing authority. Noted that some communities are giving their NSP houses to the City or Housing Authority to operate and maintain affordable housing (though this is sometimes to offset extreme circumstances).
Question (Paul Chedda): The problem with programs is less housing, without programs you reduce the amount of housing.
Question (Fran Shaw): Can one or all of you give me a total of all properties that HUD owns as well as what are private, public and section 8? A total of all properties in the COA
Response (Ray Willis): All of the data you are asking for is in the consolidated plan on the COA website.
Question (Kathryn Bettcher): Question on tenant protection vouchers—if someone receives one, if they are no longer eligible—do they go away?

Response (Steve Meiss): No, the vouchers go back to the housing authority.
Al Schuler: There are thousands of people on the AHA and public housing waiting list—1,000 total. Mixed-income communities have been successful all over the country and there is no reason to think the program would not be successful here.
Bill Powell:—Can I live in Chicago and apply to be on the waiting list?
Jean Federman: Yes.
Bill Powell: Do we know that all of the people on the list need/want housing?
Jean Federman: The list is purged on a regular basis, numbers should be accurate.
Bill Powell: Do we know they live in Aurora?
Jean Federman: No.
Myrna Molina: Data exists that shows high percentage of people in Aurora spend more than 30% of their income on housing, which makes them housing poor.

7. Public Comment Period
    a. No public comments

8. Wrap-Up and Adjournment of Housing Authority Board
    a. Aurora Housing Authority (AHA) Board Chairman Al Schuler ended the meeting for the AHA board

MINUTES

Task Force on Affordable Housing

Wednesday, February 15, 2012 (1:00 – 5:00pm)

Hampton Inn & Suites – Aurora, IL

1. Convening of Task Force Convening of Task Force
   a. **Task Force Members Present:** Al Schuler, Ald. Irvin, Avis Miller, Bill Burns, Bill Powell, Clayton Muhammad, Dave Richert, David Holm, Fran Shaw, Gonzalo Arroyo, Henry Champen, Jean Federman, Jeff Palmquist, Judy Runge, Karen Christensen, Kathryn Bettcher, Kristen Ziman, Mae Smith, Mattie Coble, Myrna Molina, Paul Chedda, Ryan Dowd, Scott Voris, Theodia Gillespie

   b. **Task Force Members Absent:** Ald. Bob O'Connor, Dr. Rydland, Dennis Wiggins, Diana Torres, Jerry Knudtson, Julian Spencer, Rene Cruz

   c. **City of Aurora Staff Present:** Mayor Tom Weisner, Carie Anne Ergo, Chuck Nelson, Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. AHA Board Chairman Al Schuler called the meeting to order

3. Welcome and Overview
   - Rick Guzman provided an overview of how the day will run with the small group breakouts
   - Discussed the Task Force website, asked the Task Force to review the minutes so they can vote to approve and post on the City of Aurora website

4. Introduction and Overview of Breakout Sessions
   - Audra Hamernik, A Hamernik & Associates
   - Audra provided a presentation/overview of affordable housing and what it looks like in different communities
   - Presentation also covered "what to look for" in the models that would be presented in the breakout sessions

5. Suspension of Housing Authority Board Meeting
    a. Chairman Al Schuler suspended the AHA Board, in order to start the small group breakout sessions
    b. Each Task Force member was given a group number, the groups broke out into the three, individual, 50 minute sessions

6. Breakout Sessions – running concurrently and successively (Task Force will attend all three 50-minute breakouts as a part of assigned smaller groups)
    - **Breakout I**: Specialty Housing Models (targeted populations)
        - Permanent Supportive Housing - Mercy Lakefront Housing
        - Veteran's Housing - Midwest Shelter for Homeless Veterans
    - **Breakout II**: Rehabilitation/Preservation Models
        - Scattered Site Foreclosure Rehab – Chicago Housing Authority
        - Affordable Housing Preservation – Blue Stem & DuPage Housing Authority
    - **Breakout III:** New Construction models
        - Scattered Site New Home Construction – Applegate & Thorne-Thomsen, P.C.
        - Phoenix Heights in Waukesha, WI – CPDA

7. Reconvening of Aurora Housing Authority Board and Task Force
    a. Group reconvened following completion of the three breakout sessions

8. Small Group Exercise led by CPDA
    a. Marcia Bergeson and Hickory Hurie led the Task Force in a small group exercise
    b. The exercise lasted roughly 20 minutes

9. Public Comment Period
    a. No public comments were made

10. Wrap-Up and Adjournment of Housing Authority Board
    a. Aurora Housing Authority (AHA) Board Chairman Al Schuler ended the meeting for the AHA board at 5:00pm.

Minutes
Task Force on Affordable Housing
Wednesday, March 7, 2012
Community Room, Waubonsee Community College

1. Convening of Task Force

    - **Task Force Members Present:** Al Schuler, Bill Burns, Dave Richert, Gonzalo Arroyo, Jean Federman, Jerry Knudtson, Mae Smith, Myrna Molina, Julian Spencer, Kathryn Bettcher, Mattie Coble, Dennis Wiggins, Bill Powell, Henry Champen, Scott Voris

    - **Task Force Members Absent:** Ald. Bob O'Connor, Dr. Rydland, Ryan Dowd, Clayton Mohammed

    - **City Staff Present**: Rick Guzman, Karen Christensen, Carie Anne Ergo

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)

3. Welcome and Overview
    - Rick Guzman – Office of the Mayor

4. Presentation of the Aurora Housing Authority's "Jericho Circle Revitalization" proposal – followed by a period of Q & A.
    - Jean Federman, Executive Director of AHA, gave an overview of the Housing Authority, its mission, vision and values as well as how the funding for public housing works (including Annual Contributions Contracts and Voucher Housing Assistance Payments). Jean provided the overview of the proposed "Jericho Circle Revitalization" plan along with its goals and benefits. Members of the development team from CG Affordable Housing Partnership, LLC then presented on the different components of the proposed plan and the different partners that are part of the overall Partnership including: Galvan & Associates; national Community Renaissance and Hope through Housing Foundation.

5. Presentations on Mixed-Income Housing research and other Recent Affordable Housing Strategies – followed by a period of Q & A.
    - Robin Snyderman – Metropolitan Planning Council
      Vice President of Community Development discussed her research specifically relating to mixed-income housing as well as generally accepted principles for affordable housing development such as the "Housing Endorsement Criteria" adopted as part of a joint initiative of the Metropolitan Planning Council (MPC) and Metropolitan Mayors Caucus (MMC) Housing Task Force. These criteria are grouped into the areas of "Location, Land-Use, Attainability, Design and Management" and covered the general principles of:
        - Promoting Economic Development and Workforce Housing
        - Encouraging an array of quality housing throughout the region
        - Supporting innovative community development and design
        - Providing for mixed uses within a neighborhood
        - Minimizing cost of Municipal Services
        - Promoting the use of public transit; and
        - Encouraging sustainability and livability

6. Public Comment Period:
    - Comments provided by Ald. Rick Lawrence, Peggy Hicks and Patrice McGinn

7. Question and Answers were primarily related to the AHA's proposed development at the former Jericho Circle site and occurred both immediately after AHA's presentation and during the final 20 minutes of the meeting:
    - Several members of the Task Force expressed that their concern with the Jericho Revitalization Proposal was not the housing model per se – or examples of where similar models have worked in other states – but rather concerns and/or opposition had more to do with the local, Aurora context. Specifically, the following concerns were raised:
        - the physical location of the Jericho Circle site is isolated and far from important amenities such as jobs, schools & transportation.
        - It was suggested that the isolated, "out of site/out of mind" location was probably intentionally selected when the old public

housing model was originally built on the site. Such an intentionally isolated location was wrong 40+ years ago and since it is still extremely isolated, it should be considered the wrong location today.

- Jericho Circle was a racially concentrated/isolated development and the new development seems to have the potential or likelihood of re-establishing a racially isolated community since the majority of AHA's waiting list consists of minorities and the site is still physically isolated.

- Concerns were also raised about the $250,000+ per unit price that was estimated at the meeting by the AHA development team for units ranging between 700 – 1,400 sq. ft. each. The point was made that significantly larger, luxury condos with indoor parking were being built in far better locations for far less money.

- The AHA has sizable waiting lists and the demographics of those in need of affordable housing has changed in the city to where the majority of those in need are Hispanic. A concern was simply expressed that the AHA do all it can to serve a representative cross-section of those in the community who are in need.

- The AHA proposal remains virtually unchanged from a year ago when it was first presented and received near universal rejection from the school districts, police department, city, residents, business community, etc. Why has the AHA not seriously considered other options given the opposition?

- AHA members have participated in the Task Force meetings regularly, but nothing has changed in their proposal. Why have the best-practices presented to the Task Force not been considered as alternatives to rebuilding at Jericho?

- There seems to be a lot that everyone can agree on, why don't the City and AHA simply start from scratch with what's agreed up-on and work to build a new proposal from that common ground?

- Some members of the AHA Board and development team spoke in defense of the proposal and process – and provided examples of how certain issues or concerns have been addressed by the development partners in previous developments in other states. Specifically:
    - A concern was expressed that everyone on the Task Force receives money from the City of Aurora
      (note: this notion was disputed by other Task Force members)
    - The process of the Task Force was questioned—specifically with regard to whether it was truly representative of the entire community—and that not enough residents and community members have had the opportunity for input.

- Comments related to AHA's proposed re-development plan were passionate and emotional at times. There was no consensus between those members of the Task Force on the AHA Board & those representing other organizations.

8. Rick Guzman from the Mayor's Office thanked everyone for being willing to engage in the tough discussions that will be required in order to move this process forward and come to a consensus on how to best serve the largest number of Aurora residents in need of affordable housing options.

9. Wrap-Up and Adjournment of Housing Authority Board

Minutes
Task Force on Affordable Housing
Wednesday, March 21, 2012
Community Room, Waubonsee Community College

1. Convening of Task Force

   a. **Task Force Members Present:** Al Schuler, Bill Burns, Dave Richert, Fran Shaw, Gonzalo Arroyo, Jean Federman, Jeff Palmquist, Jerry Knudtson, Mae Smith, Myrna Molina, Paul Chedda, Ryan Dowd, Theodia Gillespie, Judy Runge, Dr. Rydland, Julian Spencer, Kathryn Bettcher, Mattie Coble, Dennis Wiggins

   b. **Task Force Members Absent:** Avis Miller, Comm. Kristen Ziman, Henry Champen, Ald. Bob O'Connor, Ald. Richard Irvin, Scott Voris, Bill Powell, Clayton Muhammad, Dave Holm

   c. **City Staff Present**: Rick Guzman, Bill Wiet

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. AHA Board Chairman Al Schuler called the meeting to order

3. Overview of Agenda/Purpose
   a. Rick Guzman, Mayor's Office
   b. Brief overview of the presentations scheduled for meeting

4. Presentation of Hesed House proposed "Permanent Supportive Housing", Ryan Dowd, Executive Director, Hesed House
   - Ryan provided an overview of Hesed House clients, number of clients served and costs to support the organization.
   - The presentation emphasized the value of supportive housing, not only to the clientele served, but also the community.
   - The different levels of homelessness were defined
   - Goal is to keep clients housed; minimizing disruption to themselves and the community.
   - The level of support provided for clients was also defined, including the types of services individuals have access to at Hesed House.

5. Presentation of CHAD Scattered Site, low-income rental (funded by HOME), Paul Chedda, Executive Director, CHAD
    - Opened presentation with an explanation of Section 8 vouchers
    - Explained the different requirements for "affordable housing" facility
    - Defined the population CHAD serves: college students, Veterans, people with foreclosed homes.
    - Explained efforts to keep families in the community they already lived in to help the family (particularly children) maintain stability.
    - The presentation recommended a holistic approach when examining affordable housing in order to address the number of layers attached to the topic.

6. Presentation of Dunham Fund/Joseph Corporation "Rehab & Refill" vacant housing renovation/home-ownership program, Dennis Wiggins, Joseph Corporation and Rick Guzman, City of Aurora and Emmanuel House Co-Founder
    - Overview of the new partnership between the local nonprofits
    - The program goals are:
        - Purchase, rehab and resell 10 Aurora homes per year, to help fill vacant properties in the local market, for five years
        - Provide affordable homeownership for 10 qualified families per year in Aurora
        - Create both sustainable homes, and sustainable homeownership possibilities in Aurora
        - Partner with Emmanuel House to provide a steady path to homeownership for qualified families
        - Partner with Quad County Urban League and Fox Valley Habitat for Humanity to provide hands on training to trade students and leverage additional resources

7. Presentation of Metropolitan Mayors Caucus /Metropolitan Planning Council "Housing Endorsement Criteria" & Large Group Exercise, Audra Hamernik, A. Hamernik & Associates
    - Audra reviewed the MMC Housing Endorsement Criteria:
        - Promote Economic Development and Workforce Housing
        - Encourage an array of quality housing throughout the region
        - Support innovative community development and design

    - Provide for mixed uses within a neighborhood
    - Minimize cost of Municipal Services
    - Promote the use of public transit
    - Encourage sustainability and livability
- The presentation provided examples of housing developments throughout IL that met different components of the criteria
- A discussion of the criteria and their applicability followed
- Audra asked if the general set of criteria presented could be a good fit for Aurora.
- Following a brief discussion, there was a general consensus that the Housing Endorsement Criteria as explained and outlined in the document from the MPC and MMC would be a good fit to guide housing decisions in Aurora.

8. Public Comment Period

Minutes
Task Force on Affordable Housing
Wednesday, May 2, 2012
Community Room, Waubonsee Community College

1. Convening of Task Force

   - **Task Force Members Present:** Al Schuler, Dave Richert, Fran Shaw , Jean Federman, Jeff Palmquist, Jerry Knudtson, Mae Smith, Myrna Molina, Ryan Dowd, Judy Runge, Dr. Rydland, Julian Spencer, Kathryn Bettcher, Mattie Coble, Dennis Wiggins, Avis Miller, Henry Champen, Scott Voris

   - **Task Force Members Absent:** Comm. Kristen Ziman, Ald. Bob O'Connor, Ald. Richard Irvin, Bill Powell, Clayton Muhammad, Dave Holm

   - **City Staff Present**: Rick Guzman, Karen Christensen

2. Convening of Housing Authority Board (to comply with Open Meeting Laws)
   a. AHA Board Chairman Al Schuler called the meeting to order

3. Welcome, Overview and discussion of Task Force Meeting
   a. Rick Guzman, Mayor's Office
      a. Rick provided an overview of the meetings thus far, plan for what the Task Force will do going forward.
      b. Update on materials available on the Task Force Members website
   b. Bob Berlan, Community Planning Development Associates (CPDA)
      a. Bob provided a brief overview of the documents sent to the Task Force for review
      b. The Task Force received chapter one and chapter ten of the Draft Report from CPDA

4. Presentation of Executive Summary and DRAFT Recommendations from the Affordable Housing Study
      a. Community Planning and Development Advisors (CPDA)

b. Recommendations:
   a. <u>One</u>: **Adopt a proactive housing policy**
      i. CPDA recommends the City of Aurora adopt an aggressive, proactive approach
      ii. Approach should facilitate and support projects that meet its housing goals and objectives
   b. <u>Two</u>: **Establish a permanent policy advisory group for housing**
      i. CPDA recommends eleven members, including two representatives from the AHA and two Aldermen
      ii. Group would have the responsibility of advising the Mayor and the City Council on the goals, strategies and activities for a successful program
      iii. Group should aim to generate a report by the end of the year
   c. <u>Three</u>: **Designate a lead city staff person for housing**
      i. A designated city staff person focused on housing could move the city's housing policy goals and strategies
      ii. Staff person would also provide staffing support for the housing policy advisory group
      iii. Appoint city staff member within three months of adopting plan
   d. <u>Four</u>: **Compile and maintain a description of housing incentives, resources and housing priorities**
      i. Incentives are often already included in many city policies and procedures
      ii. The comprehensive approach would include all incentives and work together to complement city priorities
   e. <u>Five</u>: **Adopt affordable housing criteria**
      i. Criteria should take into account all available and applicable (local) affordable housing plans
   f. <u>Six</u>: **Develop an education program on affordable housing**
      i. Plan will designate roles and responsibilities
      ii. Plan will also keep track of the city's efforts; communicating and disseminating information
   g. <u>Seven</u>: **Improve partners capacity**
      i. Continue to build partnerships with local organizations
      ii. Expand community based partnerships

h. **<u>Eight</u>: Structure financial assistance for housing**
    i. Structure housing program in a way that it will generate future income for housing programs
i. **<u>Nine</u>: Expand homeownership options**
    i. Expand options within the City of Aurora
    ii. Work to bridge gaps in the program
j. **<u>Ten</u>: Explore foreclosures and adaptive reuse**
    i. Work with the AHA and area nonprofits to utilize area foreclosures
    ii. Review opportunities for adaptive re-use throughout the city, i.e. opportunity properties

5. Small Group Exercise to solicit and document Task Force Member Feedback
    - Group 1: Marcia Bergeson, CPDA
    - Group 2: Hickory Hurie, CPDA
    - Group 3: Bob Berlan, CPDA

Following the small group exercise, Rick Guzman asked if there were any public comments. Hearing none, he explained to the Task Force that their comments from the meeting today would be incorporated into the final draft of CPDA's Affordable Housing report and recommendations. Before making a final decision on how to prioritize and/or accept the recommendations, the Task Force agreed that there should be an opportunity for public comment. Rick explained that the goal would be to handle this similarly to the recent redistricting public forums where three meetings could be held in different parts of town and on different evenings to make them as accessible as possible. Following the public forums, comments/surveys would be tabulated and sent to the Task Force for consideration. The group set Wed., June 6th as the date of a final follow up meeting to consider the final draft and public comments.

6. Wrap-Up and Adjournment of Housing Authority Board
    a. AHA Board Chairman Al Schuler adjourned the meeting for the AHA Board

Mayor's Task Force on Affordable Housing

Name	Affiliation
Alderman Richard Irvin	Alderman at Large
Alderman Bob O'Conner	Alderman at Large
Bill Powell	Former City of Aurora Police Chief
Clayton Muhammad	Director of Community Relations, School District 131
Dr. Jim Rydland	Superintendent, School District 129
David Holm	Asst. Superintendent of Business and Finance, School District 204
Karen Christensen	City of Aurora, Neighborhood Redevelopment
Mae Smith	City of Aurora, Human Relations Commission, Chairman
Rick Guzman	City of Aurora, Assist. Chief of Staff
Ryan Dowd	Executive Director, Hesed House
Rene Cruz	Aurora Hispanic Chamber of Commerce, Board President
Scott Voris	Aurora Regional Chamber of Commerce, Board President
Theodia Gillespie	Executive Director, Quad County Urban League
Fran Shaw	City of Aurora Resident
Jean Federman	AHA, Executive Director
Al Schuler	AHA, Board Chairman
Avis Miller	AHA Board Member
Bill Burns	AHA Board Member
Henry Champen	AHA Board Member
Judy Runge	AHA Board Member
Mattie Coble	AHA Board Member
Myrna Molina	AHA Board Member
Paul Chedda	Executive Director, Community Housing Advocacy & Development
Dave Richert	Realtor, Re/Max Town & Country
Dennis Wiggins	Executive Director, Joseph Corporation of Illinois
Kathryn Bettcher	Prairie State Legal Services
Jerry Knudtson	Konen Insurance, President
Gonzalo Arroyo	Family Focus Aurora, Center Director
Kristen Ziman	Aurora Police Department, Bureau of Neighborhood Policing Commander
Diana Torres-Hawken	Aurora Hispanic Advisory Board Chair
Pastor Julian Spencer	Main Baptist Church

Community Planning and Development Advisors, LLC

Task Force on Affordable Housing
Orientation Meeting
October 12, 2011 3 – 5 pm
Marcia Bergeson – Facilitator
Hickory Hurie - Facilitator

On October 5, 2011, CPDA facilitated the orientation meeting of the Task Force on Affordable Housing held at the Aurora Police Department, 1200 East Indian Trail, Aurora WI.

Following a welcome by Mayor Weisner, introductions of CPDA partners, Marcia Bergeson and Hickory Hurie, and of the participants attending the meeting (see attached list of attendees) CPDA outlined the approach to be used to conduct a study of affordable housing in Aurora.

Following this presentation, the participants were divided into 2 small groups of 10 – 12 persons. Facilitators used a nominal group technique developed by Andre Delbecq to help each group generate a series of responses to a topic question, clarify and consolidate the ideas, and then rank them. The three questions for the group were: What 2/3 items from the outline are crucial to your understanding of affordable housing in Aurora; What critical issues were not included in the outline; and Are there any sources of data, information, analysis or commentary that should be reviewed for the study?

Note: The conclusions reached by the group during this process do not necessarily reflect any particular individual's view, but do accurately reflect the group as a whole.

Group A:
Facilitator: Marcia Bergeson

Question 1: What 2/3 items from the outline are crucial to your understanding of affordable housing in Aurora?

- **A.** What impediments (to fair housing choice) are in Aurora and what to do about it?
- **B.** Population Profile (2)
- **C.** Housing Stock Conditions (2)
- **D.** Market Analysis, demand and needs assessment
- **E.** What part of housing continuum are we focusing on
- **F.** (Market Analysis - combined with D)
- **G.** Non-housing factors that affect the housing market (i.e., perceptions, school success)
- **H.** Federal, state laws dealing with discrimination
- **I.** Costs, including definition of housing

Ranking:
The group ranked the observations in this manner, with each member assigning a "3" to the highest ranked item, a two to the next highest, and a "1" to the third highest...

Crucial Issue vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**		**Total**
A. What impediments are in Aurora and what to do about it?	3	1	2		1	2	2	2		1	2		**16**
B. Population Profile								1	1		1		3
C. Housing Stock Conditions		3	1		3								7
D./F. Market Analysis, demand, need	2	2	3	2	2	3	1		2	3			**20**
E. Housing Continuum – what part are we focusing on?				3		1				2			6
G. Non-housing factors that affect housing market													0
H. Federal, state laws dealing with Discrimination.	1			1			3		3		3		**11**
I. Costs – including definition of housing								3					3

The group ranked a market analysis of the demand and need for housing as its highest element in understanding affordable housing, followed by information on what impediments to housing choice are in Aurora and what to do about it and on federal and state laws dealing with discrimination.

Question 2: What critical issues would you add that were not included in the outline?

- **A.** Population profile (emphasis, even though in outline)
- **B.** What are other communities doing that we can learn from
- **C.** Are there skills or training necessary for individuals needing assistance (self sufficiency)
- **D.** Education piece (fair housing, public housing, affordable housing) on how relate to fed government – how does it fit in housing? (best practice)
- **E.** What are appropriate roles for each sector (non-profits, housing authority, city, developers)
- **F.** Supportive services
- **G.** Change status-quo/mindset in how we view fair housing – affordable housing
- **H.** Look at needs/mix of seniors in housing
- **I.** Foreclosures
- **J.** Impediments to affordable housing
- **K.** Best Practice – what conditions are in that place that made it successful? What have they done to remove stigma?
  Best Practice – housing conditions and its relation to children's success in school.
- **L.** Take into consideration Civil Rights Act 1968, Title VIII, HOPEA – 1995, Religion-1988
- **M.** Look at alternative funding – beyond federal government
- **N.** At end of study – be able to show community what benefit this plan is to them
- **O.** Lack of input from Hispanic population and the disproportionate impact
- **P.** Misconception of what housing (homeownership) does for children.

Ranking:
The group did not rank these issues. They wanted all to be considered.

Question 3: Are there any sources of data, information, analysis or commentary that should be reviewed for the study?

- **A.** List (comprehensive) of organizations, people, services, funding, is available for housing issues.
- **B.** Hased House – we can use their data for homeless (Continuum of Care)
- **C.** Both East/West school districts – have staff people who work with people doubled up in housing. These would not be on other lists.
- **D.** Prairie State Legal Services
- **E.** United Neighborhood Organization (UNO), Chicago – possible Best Practice
- **F.** Resurrection Project, Chicago – possible Best Practice
- **G.** Heartland Alliance "Impact Center" – has data available
- **H.** Woodstock Institute – has data available

Ranking:
The group did not rank these items.

Recorded by: Marcia Bergeson, CPDA

Group B:
Facilitator: Hickory Hurie

Note: The conclusions reached by the group during this process do not necessarily reflect any particular individual's view, but do accurately reflect the group as a whole.

Question 1: Which two or three items in the "Outline" are crucial to your understanding of "affordable housing" in Aurora?

- **A.** What can the community do (both Federal and local models)?
- **B.** What are best practices that comply with funding rules?
- **C.** How big is the problem of affordable housing in Aurora?
- **D.** What are the income characteristics of people having affordable housing issues?
- **E.** What are the Federal requirements and how do they have a local impact?
- **F.** What is the population profile of the City?
- **G.** What are the housing demands and needs assessment, evaluation of needs?
- **H.** What is a comprehensive look at demographics and trends for the City?
- **I.** What are the barriers to affordable housing?
- **J.** What is the impact of more affordable housing on infrastructure?
- **K.** What is the existing and projected demand for affordable housing?

L. What are the regional affordable housing needs?
M. How does one reconcile the demographic data with the worst economy in memory?
N. What is the non-housing factors affecting the markets?
O. What are the anticipated local opportunities for affordable housing?
P. What is the availability of sites?
Q. What are true definitions of affordable housing?
R. What is the current availability of housing and its quality?
S. What is the current housing stock and its condition?
T. What is the population mobility and how does that relate to economic conditions?
U. What is the current affordability of housing?
V. What strategies are tailored to local conditions?
W. What are the strengths of the community, including education, transportation related to affordable housing?

Ranking:
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Item vv **Person >**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**		**Total**
A. What can community do?							1							1
B. Best Practice that comply with funding rules									2			2		4
C. How big is affordable housing issue in Aurora												3		3
D. Income characteristics of people with affordable housing issues										2				2
E. Federal requirements and their impact?														0
F. Population profile of city			2											2
G. What are Housing demands, needs					2	3								5
H. Comprehensive look at demographics and trends					3	2	3				2			**10**
I. Barriers to affordable housing		2		1							1			4
J. Impact of more affordable housing on infrastructure			3											3
K. Existing and projected demand for housing		3		3		1	2	1	3	3				**16**
L. Regional needs for affordable housing?	1													1
M. Reconcile demographic data with worst economy?														0
N. Non-housing factors affecting markets?														0

O. Anticipated local opportunities for affordable housing?														0
P. Availability of sites?											1			1
Q. True definitions of affordable housing?														0
R. Availability of housing and its quality	3	1						3				3		**10**
S. Current housing stock and condition	2		1	2				2						**7**
T. Population mobility relativity to economic conditions?														
U. Current affordability of housing														
V. Strategies tailored to local conditions?												1		1
W. Strengths of community, i.e. education, transportation related to affordable housing						1			1					2

Group rankings:
The group ranked data about the existing and projected demand for affordable housing as its highest element in understanding affordable housing, followed by information about the state of the current housing stock.

Question 2: What 2 items are not included in the "Outline"?

The group identified the following as elements crucial to their understanding of affordable housing, but not listed in the outline.

- **A.** Implication of affordable housing for schools
- **B.** Available or not available subsidies
- **C.** Non-traditional housing opportunities
- **D.** Relationship of affordable housing to income
- **E.** Best analysis of housing crisis. And next 3 to 5 years
- **F.** How to counter impediments to housing opportunities?
- **G.** Implications for stakeholders in the Comprehensive Plan
- **H.** How do educational levels affect the need for affordable housing?
- **I.** Cost burden
- **J.** If HUD cuts funding, where is the money to achieve affordable housing?
- **K.** Does affordable housing act as a magnet for those who need it? Does Aurora have its fair share?

Ranking
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Item vv **Person** >>	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**		**Total**
A. Implication of affordable housing for schools		2						1						3
B. Available or not available subsidies						2	3							5
C. Non- traditional housing opportunities	1	1		1			2			1	3	2		**11**
D. Relationship of affordable housing to income			1				1		3					5
E. Best analysis of housing – next 3 – 5 years				3	1							1		5
F. How to counter impediments to housing?	3		2			1				2		2		**10**
G. Implications for stakeholders in the Comprehensive Plan					2	3		2	1	3		1	3	**15**
H. How do education levels affect need for affordable housing?														0
I. Cost burden			3								2			5
J. If HUD cuts funding, where will money come from for affordable housing?	2			2										4
K. Does affordable housing act as magnet for those who need it? Does Aurora have their fair share?		3			3				3					9

Group ratings:
The group felt that the following were additional elements essential to their understanding of affordable housing: implications for stakeholders in the Comprehensive Plan, non-traditional housing opportunities, and how to counter impediments to housing opportunities.

Question 3: Which groups or people or data should be consulted for the housing study?

- **A.** Bettye DeRamus
- **B.** Scheketa Hart-Burns (Alderman of 7th ward
- **C.** Area Agency on Aging of West Chicago
- **D.** Jen Seouk
- **E.** Jean Federman (AHA)
- **F.** Dennis Wiggins (Habitat)
- **G.** Neal Ormand (President of District 129 Board)
- **H.** Pat Weiler
- **I.** AHA

J. City of Aurora
K. Census Bureau
L. State funding sources
M. Market study done by AHA in 2010
N. Lots of stats from DuPage Federation
O. School District
P. Real estate agents
Q. Housing contractors
R. Businesses: Bruce Lindgren business and community leader

Recorded by Hickory R. Hurie, CPDA

Task Force on Affordable Housing
Orientation Meeting
November 2, 2011 3 – 5 pm
Marcia Bergeson – Facilitator
Hickory Hurie - Facilitator

On November 2, 2011, CPDA as part of a study of Affordable Housing for the City of Aurora, facilitated the second meeting of the Aurora Task Force on Affordable Housing held at the Waubanee College conference Room in Aurora, Illinois

Marcia Bergeson and Hickory Hurie, partners in the consulting firm of Community Planning and Development Advisors, convened the meeting. Al Schuler, chair of the Aurora Housing Authority, also convened a meeting of the AHA in order to comply with open meeting rules. Over 25 members of the Task Force appointed by Mayor Weisner attended the meeting along with several members of the public and the press (see attached list of attendees) Ms. Bergeson summarized the results of the previous meeting of the Task Force; Mr. Hurie provided an overview of the coming Task Force meetings.

Following these brief presentations, the participants were divided into 2 small groups of 11– 12 persons. The facilitators used a nominal group technique developed by Andre Delbecq to help each group generate a series of responses to a topic question, clarify and consolidate the ideas, and then rank them.

Each group addressed the same set of three questions:

1. **Who in the city is most cost-burdened (spending more than 30% of annual gross income and other factors) on housing?**
2. **What are residents' key non-housing concerns that affect the availability of affordable housing? (examples, such as fighting poverty, expanding tax base, providing opportunities, avoiding undue burden on any one neighborhood……)**
3. **Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?**

Group A:
Facilitator: Marcia Bergeson

Note: The conclusions reached by the group during this process do not necessarily reflect any particular individual's view, but do accurately reflect the group as a whole.

Question 1: Who in the city is most cost-burdened (spending more than 30% of annual gross income and other factors) on housing?

A. Poor People (schools – who gets free/reduced lunch)
B. Newly Poor: mortgages, no income; unemployed/underemployed
C. Unskilled workers
D. People making under $36,000 (50% AMI)
E. Single Parent Households
F. Homeless or Doubled Up
G. Children
H. Newly moved to area vs those living here with support available (family); people on AHA waiting list
I. Lack of education (x)
J. Lack of transportation
K. Seniors/retirees: lost retirement resources; living on fixed income
L. Mentally impaired
M. Physically impaired
N. Minority Community (Latino, African American) disproportionately affected
O. Food/housing vulnerable

Ranking
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

	Person>>>>> **Item v**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**Total**
A/B/D	**Poor People** **Newly Poor** **People making under $36,000**	2	2	3	3		1	3	1	2		3	**20**
C/I	Unskilled workers Lack of education		1		1		3	2		3			10
E	**Single Parent Households**	**2**		**1**		**1**	**2**		**3**		**3**		**12**
F	**Homeless or Doubled Up**	**3**	**3**	**2**		**3**			**2**	**1**			**14**
G	Children											1	1
H	Newly moved to area vs those living here												
J	Lack of transportation												
K	Seniors/retirees										1		1
L	Mentally impaired					2							2
M	Physically impaired	1											1
N	Minority Community										2	3	5
O	Food/housing vulnerable				2			1					3

Group rankings:
The group ranked the following as those groups with highest cost burdens:
1. Poor, newly poor people. People making under $36,000 (50% of AMI)
2. Homeless or doubled up

3. Single parent households

Question 2: What are residents' key non-housing concerns that affect the availability of affordable housing? (examples, such as fighting poverty, expanding tax base, providing opportunities, avoiding undue burden on any one neighborhood……)

The group identified the following non-housing concerns:

A. Crime
B. Accessibility to transportation
C. Accessibility to health care
D. Accessibility to retail
E. Accessibility to jobs
F. Not including/no input from community living in housing and surrounding neighborhoods
~~G. False perception/property values~~ (removed by consensus of group)
H. Provision of ancillary services
I. Quality of education (financing of education)
J. NIMBY
K. Aesthetic of site (Broken window syndrome)
L. Effect on housing values
M. Racism/Classism
N. Social Responsibility
O. $ Cost to community
P. Lack of funding

Ranking
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Item vv **Person** >>	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**Total**
A. **Crime**	**3**		**1**				**1**		**3**		**8**
B. Accessibility to transportation		3						2			5
C. Accessibility to health care											
D. Accessibility to retail											
E. Accessibility to jobs			2						2	3	7
F. Not including input from community				3							3
G. (removed)											
H. Provision of ancillary services											
I. **Quality of education**			**3**			**3**	**2**				**8**
J. NIMBY		2		2		1			1	1	7
K. Aesthetic of site											
L. Effect on housing values											
M. **Racism/Classism**	**2**	**1**		**1**	**3**	**2**		**1**			**10**

N. Social Responsibility							3				3
O. $ Cost to community					2						2
P. Lack of funding	1				1			3		2	7

Group rankings:
The group ranked the following as key non-housing concerns:

1. Racism/Classism
2. Quality of education
3. Crime

Question 3: Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?

The group identified these indicators:

A. Lack of waiting list for public housing (x)
B. Hesaad Housing would have vacancies
C. Increase in numbers of people who live and work in community
D. Reducing crime
E. Mixed-income solution that doesn't drive away middle class
F. Reduction of people w/cost burden for housing
G. Reduce density of public housing
H. More integrated grade schools
I. Revitalize areas where people come together
J. More options of community programs, resources
K. Educational attainment
L. Improving community without ejecting poor
M. Creative use of existing buildings/land
N. Diversity
O. Perception of safety/lack of fear
P. Aurora viewed a positive place for businesses
Q. No "bad" neighborhoods
R. People moving near affordable housing

Ranking
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Item vv **Person** >>	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**Total**
A. **Lack of waiting list of PH**		**3**			**3**		**2**		**2**		**10**
B. Vacancies at Hesaad Housing	3						1				4
C. Increase in people who live and work in community											0
D. Reducing crime					2						2
E. Mixed-income solution that doesn't drive away middle										1	1

class											
F. Reduction of people w/cost burden for housing				1		2			3		6
G. Reduce density of PH		2						2			4
H. More integrated grade schools											0
I. Revitalize places people come together						1					1
J. More resource options											0
K. Educational attainment											0
L. **Improving community w/o ejecting poor**	**2**			**3**		**3**		**1**			**9**
M. Creating use of existing buildings/land											0
N. Diversity							3		1	2	6
O. **Perception of safety/lack of fear**			**2**	**2**				**3**			**9**
P. Aurora viewed positive place for businesses			1								1
Q. No “bad” neighborhoods		1				1					2
R. People moving toward affordable housing	1		3							3	7

Group rankings:
The group ranked the following as best indicators of success that Aurora has effectively addressed their affordable housing needs:

1. Lack of waiting list for public housing
2. Improving community without ejecting poor
3. Perception of safety/lack of fear

Recorded by: Marcia Bergeson, CPDA

Group B:
Facilitator: Hickory Hurie

Note: The conclusions reached by the group during this process do not necessarily reflect any particular individual’s view, but do accurately reflect the group as a whole.

Question 1: Who in the city is most cost-burdened (spending more than 30% of annual gross income and other factors) on housing?

A. Those with other financial obligations
B. Low income, .working poor and very low income (x)
C. Single parent households, particularly female headed households
D. Underemployed and unemployed
E. Recent immigrants
F. Minimum wage workers (x)

G. Elderly (x)
H. Disproportionate number of Blacks and Hispanics
I. Underemployed and unemployed homeowners
J. Those close to exhausting their resources
K. People with Disabilities
L. Households with non-income producers (i.e someone being care for, children…)
M. Renters
N. People on fixed incomes
O. Veterans

(X) denotes more than one person suggested this group.

The task force sub-group did consider adding "homeless" and "those with no income" but decided that these two groups did not fit the definition of the question as presented, i.e, those spending more than 30% of their income on housing.

Ranking:
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

	Person>>>>> Item v	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**		**Total**
B	**Low income, working poor very-low income**	3	2	3	2	3	1	3	3	2	3		3	2	3	**33**
C	**Single parent households, especially female headed households**		1								2	3		3	1	**10**
F	**Minimum wage workers**		3		3										2	**8**
H	**Disproportionate number of Blacks and Hispanics**									3	1	2	1	1		**8**
I	Underemployed and unemployed homeowners (tie)	1			1	1		1		1						5
K	People with disabilities (tie)			2			3									5
D	Underemployed and unemployed	2							2							4
N	People on fixed incomes					2						1				3
E	Recent immigrants												2			2
G	Elderly						2									2
M	Renters							2								2
J	Those close to exhausting their resources								1							1
P	Veterans			1												1
A	Those with financial obligations															0
L	Households with non-															0

	iincome producers															

Group rankings:
The group ranked the following as those groups with highest cost burdens:
*Low income, working poor and very low income households
*Single parent households, especially female-headed households
* Elderly and * Blacks/Hispanics (tie)

Question 2: What are residents' key non-housing concerns that affect the availability of affordable housing? (examples, such as fighting poverty, expanding tax base, providing opportunities, avoiding undue burden on any one neighborhood……)

The group identified the following non-housing concerns:

A. Access to Transportation
B. Employment opportunities
C. Access to schools
D. Density of housing and high concentration of low income housing
E. E, Access to retail, services and grocery stores
F. Resident awareness of housing information
G. Goal of scattered site (affordable) housing
H. Safety of housing
I. Continuity and stability of neighborhoods
J. Community involvement (in major decision-making)
K. Access to community centers
L. Access to health care services

Ranking
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Item vv **Person** >>	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**		**Total**
A. **Access to Transportation**	3		2			3			3	1		3		**15**
B. Access to employment					3			3			3			9
C. **Access to schools**			3	2	2		3	2	2	2		1		**17**
D. **Density/ high concentration**	2			3		1	2				2			**10**
E. Retail, services, grocery			1	1		2								4
F. Awareness of housing info		2												2
G. Goal: scattered site housing														0
H. **Safety**	1	1					1	1	1	3		2		**10**
I. Neighborhood Continuity/ stability														0
J. Community involvement					1						1			2
K. Community centers		3												3
L. Health care services														0

Group ratings:
The group felt that the following were the highest ranking non-housing goals to be considered when developing an affordable housing strategy:

- Access to schools
- Access to transportation
- Safety of the housing
- Access to employment opportunities

Question 3: Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?

The group identified these indicators:

A. (There would be) no stigmatized neighborhood.
B. Crime rate is down.
C. High School Graduation Rates are up.
D. AHA/public housing waiting lists are down by 50%
E. Less people renting
F. Homeless population reduced
G. Fewer evictions
H. More mixed income housing
I. More jobs/less unemployment
J. Fewer public housing units and vouchers because the need for assistance is reduced
K. People graduating from assisted housing, some stepping up to homeownership
L. Number of vacant foreclosed homes is down, with increase in rehabbed homes sold
M. Reduction in number of people paying 30% or more of their income on housing
N. Equalized assessed value (EAV) is up (reflecting a balanced and growing housing stock)

Item vv **Person** >>	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**		**Total**
C. High school grad rate up	**1**	**2**				**1**	**2**		**3**	**3**	**1**	**2**		**15**
A. stigmatize neighborhood		**3**			**3**	**3**						**3**		**12**
L. Foreclosed home rehabbed and sold	**2**		**2**	**2**				**1**		**1**		**1**		**9**
D. AHA waiting lists down 50%		1	1	1				3			2			8
N. Equalized assessed value is up	3				1		3		1					8
I. More jobs/less unemployment							1		2	2				5
H. More mixed income housing					2			2						4
F. Homeless population reduced											3			**3**
J. Fewer public housing units and vouchers because need is				3										3

reduced														
M. Reduction in # of people paying more than 30# for housing			3											3
B. Crime rate down						2								2
E. Less people renting (more owning)														0
G. Fewer evictions														0
K. 'Graduation'/ step up to homeownership														0

The Task Force sub-group ranked these items as best indicators of a successful housing strategy:

- High school graduations rates are up
- Foreclosed homes are rehabbed and sold to others
- Housing Authority waiting lists are cut 50% because the need for such assistance is reduced. (tie)
- The City's equalized assessed value increases.

Question 4:
The sub-group also had time to tackle one additional bonus question:
Question 4: What one piece of advice would you give to someone doing a study and recommendations for Aurora's affordable housing strategies?

A. Build a model based on what we want to be, instead of using the current situation as an example. (x)
B. Research and look at others' successes including mixed income housing. (x)
C. Think outside of the box.
D. Be innovative/ develop leadership/ have Aurora act as the second biggest city in Illinois (x)
E. Live up to the motto "A City second to none"
F. Promote collaborative efforts
G. Less study…more implementation (x)
H. Face and embrace the problems (xxx)
I. I Look at successful scattered housing
J. Be inclusive and reflect the community in the recommendations as well as the process (xx)

(x) denotes a second or third or fourth person also indentified this item.

The sub-group was not asked to rank these, but gave some indication of best advice indirectly through the emphasis placed on individual items.

The sub-group then adjourned in order to participate in the larger Task Force discussion.

Recorded by Alex (Aurora) and Hickory R. Hurie, CPDA

Task Force on Affordable Housing
Report Presentation Meeting
May 2, 2012 3 – 5 pm
Marcia Bergeson – Facilitator
Bob Berlan - Facilitator
Hickory Hurie - Facilitator

Note: The conclusions reached by the group during this process do not necessarily reflect any particular individual's view, but do accurately reflect the group as a whole.

Group A:
Facilitator: Bob Berlan

Question 1: What do you like about the recommendations?

- **A.** Appointment of a housing coordinator.
- **B.** Need to set goals and policies.
- **C.** The inventory of existing housing and vacant parcels that meet specific criteria.
- **D.** The crosswalk will enable creative housing solutions.
- **E.** From a staff point of view, all recommendations will be helpful.
- **F.** The Aurora Housing Authority supports the recommendations and will work with the city.
- **G.** Support for education.
- **H.** The policy will establish credibility of the city.
- **I.** Likes that recommendations were actually made.

Ranking:
The group ranked the observations in this manner, with each member assigning a "3" to the highest ranked item, 2 to the next and a "one" to the third.

Crucial Issue vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**		**Total**
A. Housing coordinator	3	3	1	3		3	2	1		**16**
B. Goals and policies	2		2	1	1		3	2		**11**
C. Inventory and criteria	1		3			1				5
D. Creative housing solutions										
E. All recommendations are helpful		2						3		5
F. AHA supports		1		2	2	2	1			**8**
G. Education										
H. Establish credibility										
I. Likes that recommendations made					3					3

The group ranked “housing coordinator” and “establish policies” as two of the more favorable recommendations.

Question 2: Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective?

A. Providing loans instead of grants doesn’t work with very low income. It will skew the benefits to higher income beneficiaries. Need to be flexible in designing programs. Add “where feasible.”
B. Rec. # 9: expanding homeownership options will be difficult in this economy.
C. Rec # 10: it will be difficult to make rehab affordable for rental housing.
D. Rec # 2: should not be all mayoral appointments.
E. Rec # 10: Why does it read that the assistance be limited to “mortgage assistance to people with disabilities.”
F. Rec # 4: Add “flexibility” when compiling and designating available sites.

Crucial Issue v **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**		**Total**
A. Loans won’t work	3	3	3	3		3	2	3		**20**
B. Expand homeownership difficult	2	2	1	1	3	2	3	1		**15**
C. Difficult to make rehab affordable for rental housing										
D. Not all mayoral appointments				2	2					4
E. Why assistance for people with disabilities only?	1	1	2		1	1	1	2		8
F. Add flexibility to compiling sites										

Ranking: The group felt that two recommendations would be ineffective or problematic. The two are: # 8: loans instead of grants for the very low income will not work and # 10: it will be difficult to make rehab affordable for rental housing.

Question 3: What recommendations did you expect, that are not included? (Of those recommendations you expected in the report, which ones are missing?)

A. Expected a more specific plan.
B. Need performance standards for housing criteria.
C. Add “flexibility” to some of the recommendations such as # 10.
D. Approach with more creativity.

Ranking:

Crucial Issue: vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**		**Total**
A. More specific plan							3			3
B. Need performance standards	3	3	3	3	3	2				**17**
C. Add flexibility	2	2	2	2	2	3				13
D. Approach with more creativity	1	1	1	1	1	1				6

Group rankings:
The group ranked the need for specific performance standards and adding flexibility as the highest scores.

Recorded by Bob Berlan, CPDA

Group B:
Facilitator: Hickory Hurie

Question 1: What do you like about the recommendations?

A. Recommendations included one to inventory policies, incentives and resources.
B. Recommendation regarding the generation of future income (Sustainability) (2)
C. Reasonable framework and organization for housing
D. Educating the community on affordable housing (2)
E. Partnering with various groups, and avoidance of duplication (2)
F. Proactive in moving community conversation forward, creating criteria, policy, etc. (2)
G. Designated Lead Housing staff
H. Adaptive re-use of buildings
I. Promotion of homeownership will help increase stake in community (2)

Ranking:
The group ranked the observations in this manner, with each member assigning a “2” to the highest ranked item, and a “one” to the next highest...

Crucial Issue vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**		**Total**
A. Inventory policies, incentives, resources									
B. Generating future income									
C. Reasonable framework for housing									
D. Educate the community	1				2				3
E. Partnering and avoid duplication	2	2	2	2		2			**10**
G. Designated lead staff		1		1					2
H. Adaptive re-use			1		1				2
I. Homeownership						1			1

The group ranked “partnering” and “educating the community” as two of the more favorable recommendations.

Question 2: Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective?

A. How will the proposed housing advisory group relate to other groups involved in housing, such as the Plan Commission?
B. If the recommendations are not implemented well, any of the recommendations could prove to be ineffective.
C. If all of the recommendations are not implemented, then the other recommendations would be weaker and less effective.
D. Appointment of members to the new housing policy group is critical, and perhaps should be accomplished through different group’s appointment of their representative.
E. Housing policy group should represent all stakeholders, and a range of interests.

Ranking:
The group did not rank these issues.

Question 3: What recommendations did you expect, that are not included? (Of those recommendations you expected in the report, which ones are missing?)

A. More suggestions relative to the Jericho Circle project
B. How can City of Aurora and Aurora Housing Authority come together, work together, work productively?
C. Where should the new development devoted to affordable housing be located?
D. How can the education and the learning accomplished by the current task force be continued and built upon?
E. What does Aurora need as far as affordable housing.
F. One conclusion about a specific project
G. Finances: how do all of the different agencies in the city share limited resources and dollars?
H. Can we use the current demographics to create a formula for future housing?
I. How should the community be involved in affordable housing?

Ranking:
The group ranked the observations in this manner, with each individual assigning a "3" to the highest ranked item, a two to the next highest, and a one to the third highest.

Crucial Issue vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**		**Total**
A. Jericho Circle solution			2		2	1			**5**
B. City and Authority working together				1	1	2			4
C. Location of new developments									
D. How to use the learning of the current task force									
E. Numbers of housing units needed		1	1				1		3
F. A specific project recommendation	2			2					4
G. How do all share the limited pool of resources?	1	2					2		**5**
H. Presentation of a formula for need									
I. Community involvement in housing									

Group rankings:
The group thought the report should have included a specific solution to Jericho Circle, and a way to deal with scarce resources equitably for all Aurora housing groups. *(Note: the City requested that the consultants "not focus on a specific solution to Jericho Circle, but rather examine the larger context of affordable housing and future house development in Aurora." See the Introduction: Goals, pg. 2 of the final study)*

Recorded by Hickory R. Hurie, CPDA

Group C:
Facilitator: Marcia Bergeson

Question 1: What do you like about the recommendations?

A. Came back to the AHA and City having to work together
B. Having a point person
C. Taking a Proactive approach by having a policy in place to go ahead.
D. Recommendations are specific and unbiased
E. Recommendations are comprehensive in nature, lay out plans and needed action items.
F. We are not on a fence, use proactive approach
G. Policy Advisory Group – ensure specific housing groups are on it, suggest specific groups.
H. Included key components to build a frame and go to the next steps
I. Included MMC criteria and other regional plans/experts
J. Funding of financial structure to get money back.

K. Didn't use a stacked deck
L. Points to Best Practice priorities and models that work
M. Requires a team approach
N. Educating of community on policies
O. Explore range of homeownership
P. Recommends we think of options and paths that are effective

Group Ranking:
The group ranked the observations in this manner, with each member assigning a "3" to the highest ranked item, 2 to the next and a "one" to the third.

	Crucial Issue vv **Person >>**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**		**Total**
A./M.	AHA and City work together; requires team approach	2	3			1		1	2		**9**
B.	Having a point person	1		3							4
C./F.	Taking proactive approach, plan to move ahead	3			3	3	1				**10**
D./K.	Specific and unbiased. Didn't use a stacked deck										
E./H.	Comprehensive in nature, lay out plans & needed actions; included key components to build a frame and go to next steps		2	2	2		3	3	1		**13**
G.	Policy group, make sure specific housing groups included										
I./L.	Included MMC criteria and other regional plans; points to best practices and models that work		1	1	1	2	2	2			**9**
J.	Funding of financial structure to get money back										
N.	Educating of community on policies								3		3
O.	Explore range of homeownership										
P.	Recommends we think of options and paths that are effective										

The group selected "E/H: Comprehensive in nature, lays out plans and needed actions" as their number one response; "C/F: Taking a proactive approach to move ahead" as their second choice and "A/M: a team approach having AHA and the City working together" and" I/L: to incorporate the MMC criteria and other regional plans" were tied as the third highest by the group.

Question 2: Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective?

A. Some are necessary for the next ones to follow, all are necessary for it to work effectively.
B. Designated Staff Person:
    1. Requires more money?
    2. Can't be static person
    3. Need a dynamic facilitator, who is knowledge based and knows priorities

4. Is one person enough? Team approach?
5. Need a go-to person who will be accountable
6. The person, as the go-to person for housing, could head team

C. Establishing housing criteria is essential

Group Conclusions: The group felt it was necessary that all recommendations be addressed and implemented in order for there to be effective outcomes. The group spent a long time discussing the importance of the designated staff person and saw this as an integral key to implementing the recommendations. The group also agreed that having housing criteria was essential and, in a later discussion, voiced an opinion that the Task Force should approve the adoption of the Metropolitan Mayor's Caucus criteria and recommended actions as Aurora's housing criteria.

Question 3: What recommendations did you expect, that are not included? (Of those recommendations you expected in the report, which ones are missing?)

A. Make sure all stakeholders are represented on policy board
B. Who will be held accountable and how will oversight of policy board work? Will this team have a responsibility to report to the Council?
C. How about accountability after this mayor? How does this fit into the city structure?
D. Community Empowerment. How to raise the viability and status of LMI persons? In the section on adaptive reuse, specifically explore working with groups who provide supportive services and have them included as part of the housing project. Assure an investment in people.
E. Task Force adopts MMC criteria as housing criteria or slide up this action step in the Crosswalk to an earlier implementation date.

Group conclusions:
The group did not rank their responses, but the issue of accountability and sustainability were seen as key components that should be included in the recommendations. They also raised the need for there to be an emphasis on raising the status of LMI persons and improving the lives of persons being assisted with housing and not to just focus on housing without providing supportive services. The suggestion was made that the Task Force adopt the MMC criteria sooner rather than later in the process.

Recorded by Marcia Bergeson, CPDA

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses	Recommendation
October 12, 2011 Small Group Exercise	**What 2 or 3 items from the outline are crucial to your understanding of affordable housing in Aurora?**	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**	
	Group A	Market Analysis, demand & need	2, 3, 4, 6
		Impediments in Aurora	4, 5
		Discrimination laws	6
	Group B	Existing and projected demand for housing	2, 3, 4, 6
		Availability of housing and its quality (tie) Comprehensive look at demographics and trends (tie)	2, 3. 4, 6
	What critical issues would you add that are not included in the outline?	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**	
	Group A	See Attachment ?: group did not rank their responses	
	Group B	Implications for stakeholders in the Comprehensive Plan	2, 3, 4, 6
		Non-traditional housing opportunities	2, 3, 4, 6
		How to counter impediments to housing	2, 3, 4, 6
	Are there any sources of data, information, analysis, or commentary that should be reviewed for the study?	**Group did not rank responses**	
	Group A	See Attachment ?: group did not rank their responses.	
	Group B	See Attachment ?: group did not rank their responses.	

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses	Recommendation
November 2, 2011 Small Group Exercise	**Who in the city is most cost-burdened (spending more than 30% of annual gross income and other factors) on housing?**	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**	
	Group A	Poor people, newly poor, people making under $36,000	9, 10
		Homeless or doubled up	9, 10
		Single parent households	9, 10
	Group B	Low income, working poor and very low income households	9, 10
		Single parent households, especially female-headed	9, 10
		Elderly (tie) Black (tie)	9, 10
	What are Aurora resident's key non- housing concerns that affect the availability of affordable housing?	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**	
	Group A	Racism/Classism	1, 2, 3, 4, 5
		Quality of Education (tie) Crime (tie)	1, 2, 3, 4, 5
	Group B	Access to schools	1, 2, 3, 4, 5
		Access to transportation	1, 2, 3, 4, 5
		Safety of the housing (tie) Density/high concentration (tie)	1, 2, 3, 4, 5
	Ten years from now, what would be the best indicator of success to demonstrate that Aurora has effectively addressed the issue of affordable housing?	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**	
	Group A	Lack of waiting list for Public Housing	2, 3, 4, 6
		Improving community without ejecting poor	2, 3, 4, 6
		Perception of safety/lack of fear	2, 3, 4, 6
	Group B	High school graduation rate is up	2, 3, 4, 6
		There would be no stigmatized neighborhoods	2, 3, 4, 6
		Number of vacant foreclosed homes is down, with increase in rehabbed homes sold	2, 3, 4, 6

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses					
February 15, 2012 Best Practices Workshops Survey Responses	**How interested would you be in seeing this type of a project/ strategy replicated in Aurora?**	**Don't Know At This time**	**Not at all Interested**	**Somewhat interested**	**Interested**	**Very Interested**	**Extremely Interested**
	Mercy Lakefront Housing/Permanent Supportive Housing	0	2	2	5	5	5
	Midwest Shelter for Homeless Veterans	0	1	3	5	3	6
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	0	0	2	6	5	3
	Blue Stem & Dupage HA/Affordable Housing Preservation	0	0	3	2	0	0
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	3	1	5	2	5	7
	CPDA/Phoenix Heights:Mixed-Income New Construction	1	3	4	6	2	3
	How applicable would this type of housing model be to addressing the housing needs in Aurora?	**Don't Know At this time**	**Not at all applicable**	**Somewhat applicable**	**Applicable**	**Very Applicable**	**Extremely Applicable**
	Mercy Lakefront Housing/Permanent Supportive Housing	0	3	1	3	7	5
	Midwest Shelter for Homeless Veterans	0	1	0	4	8	5
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	1	2	3	1	5	3
	Blue Stem & Dupage HA/Affordable Housing Preservation	1	0	1	2	0	0
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	3	2	2	6	4	5
	CPDA/Phoenix Heights:Mixed-Income New Construction	1	6	2	6	3	1
	Is this kind of project/strategy well-suited to Aurora's housing and neighborhood goals?	**Don't Know At This Time**	**Not at all Well-Suited**	**Somewhat Well-Suited**	**Well-Suited**	**Very Well-Suited**	**Extremely Well-Suited**
	Mercy Lakefront Housing/Permanent Supportive Housing	0	3	2	4	6	3
	Midwest Shelter for Homeless Veterans	0	2	4	5	3	4
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	1	2	2	2	5	1
	Blue Stem & Dupage HA/Affordable Housing Preservation	0	0	2	3	0	0
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	3	2	4	3	4	7
	CPDA/Phoenix Heights:Mixed-Income New Construction	1	5	7	2	5	1

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses:
February 15, 2012 Best Practices Workshops Survey Responses Written Comments	**What is the feature or characteristic of this model that is most appealing to you?**	**Written Comments**
	Mercy Lakefront Housing/Permanent Supportive Housing	Addresses existing demand
		Neighborhood stablization
		Good for downtown area
		Lower costs for emergency rooms and police
		Access by downtown families
		Permanent supportive housing leading to self sufficiency; saves public services
		Property case management! 30-35 per person; Provided employment assistance and training; Partnership with service providers
		There will always be a need for this type of program
		Need long term housing
	Midwest Shelter for Homeless Veterans	Multiple sites scattered throughout community
		Grouped individuals w/common needs; easier to provide services, but not necessarily provided
		Community style housing; provides structure
		Better than homeless shelters; more support-success
		Vets; specifically helping veterans; helping veterans
		Change/ increase in veterans will increase need of transitional housing
		Low impact to neighborhoods
		Increasing demand for these services
		Coordination with existing services
		Short term help for vets
		Need to address the need for vets housing; making something available for our vets
		Services for residents, stability for families
		Permanent supportive housing would be very helpful for homeless population
		Availability of property
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	Single family distribution; existing inventory of potential properties
		More independent, less group living, less stigma, more choice for tenant
		Scattered site, private owned, reduce foreclosure; Residency requirements
		Scattered feature; addresses more than on city issue
		Assistance to families
		Tenant screening program; supportive services; self-sufficiency
		Responds to current situation; need for housing, foreclosures
		Non-traditional public housing

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses:
February 15, 2012 Best Practices Workshops Survey Responses Written Comments	**What is the feature or characteristic of this model that is most appealing to you?**	**Written Comments**
	Blue Stem & Dupage HA/Affordable Housing Preservation	Rehab more cost effective than new
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	Collaboration
		Neighborhod revitalization; utilizing existing infrastructure; integration/scattered site strategy
		Single-family detached
		Based close to church and church's commitment to project - This could also be a negative
		Layered financing and local partnership
		Scattered site mixed-income and new development; will use vacant land and teardown
		Very appealing model; If banks/foreclosure cooperated - would be no-brainer
		Single family, close to amenities, good mix of income, possible ownership
		Infill/homeownership path and affordable housing in the meantime
		The church is included
		Scattered site, could be part of overall strategy
		Although the hojes are in a geo sector, they are still spread out enough so as not to be perceived as low income housing
		Targeting decaying neighborhoods, rental
		Church/Housing Authority/City partnerships
		Collaboration and leadership by the churches
		The partnership between Nehemiah 501-C3 (expansion) and Windsor Homes; single family homes
	Waukesha, WI Phoenix Heights/Mixed-Income New Construction	Owner-occupied
		Great location
		Reuse of obsolete site; owner-occupied; additional support for downtown business
		Project uses areas that are not being utilized (Aurora empty areas: along Rt 25th-South Side)
		Could make sense in a very specific redevelopment
		Combination of public funding; location of homes
		Not multi-family, considerable single-family, true mixed-income; no stigma attached
		This is somewhat what AHA is doing with Jerico Circle
		New property; located next to everything; could be part of overall plan; homeownership
		The mixed pricing models; good location
		Good use for this area of brownfields
		This was good in 2000, but would likely not work in 2012
		Single family homes concept

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses		
Task Force Meeting Date	**Survey Question**	**Responses:**
March 21, 2012 Local Programs Workshops Survey Responses	**What would be the most challenging feature of this model?**	**Written Responses:**
	Mercy Lakefront Housing/Permanent Supportive Housing	Siting the facility; funding capital investment
		Location
		Support services
		Getting vouchers from AHA
		Funding/length of time for development; Can take longer to develop
		Dense occupancy
		Are there $ available for supportive services?
		Is buying the homes/land
		Too large - buildings w/60 units or more; this is not suitable for Aurora
	Midwest Shelter for Homeless Veterans	Would need multiple sites, or could be part of overall plan
		$; too expensive per person
		Fiinancing
		Administration; defining units
		Transitioning
		Meeting the need
		What role would the AHA play in this plan or is it the city only?
		Getting agencies on board
		Funding, non-profit capacity
		Finding providers
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	Developing administration component; funding initial inputs; property management
		Integrating new residents into new neighborhoods
		Foreclosure market difficult to manuver; forecosures many not be conveniently located; support services
		Finding and coordination of assistance
		Opportunity scaled for the community
		Information, political will
		Convincing AHA to think and consider innovative projects

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses:
February 15, 2012 Best Practices Workshops Survey Responses Written Comments	**What would be the most challenging feature of this model?**	**Written Comments**
	Blue Stem & Dupage HA/Affordable Housing Preservation	Availability of such property? Large property w/dense number of tenants
		Support services
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	Finding partners for the model
		Acquiring the home and land at what cost?
		Setting up financing model/logistics/finding master developer
		Impacts on school district if vacant homes/lots utlized
		Finding vacant buildable lots in Aurora
		Layered financing
		Funding - support services; funding
		Identifying area to focus - politically; cost of property - potentially an issue
		Key was site control. With $ available for acquisition - make investor comfortable: less risk
		Finding coherent space of sufficient size
		Support services? Proximity to transportation, retail, schools, etc
		Property manager may not be accessible/present
		Not eligible until 15 years to own
		Local AHA capacity/interest
		Capacity of local nonprofits/housing developers
		Funding and location
	Waukesha, WI/Phoenix Heights:Mixed-Income New Construction	Finding suitable property
		Environmental permit/time; cost and time; upfront clean-up costs; securing grants
		What do you do w/foreclosures? Finding a private investor
		Don't see this as a high priority
		Property assembly; aggregating properties; finding the land
		Support services? Proximity to transportation, retail, schools, etc
		Brownfield is expensive; we have a lot of existing
		Too complex for AHA
		Financing

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses		
Task Force Meeting Date	**Survey Question**	**Responses:**
February 15, 2012 Best Practices Workshops Survey Responses Written Comments	**Other Comments or Recommendations**	**Written Responses:**
	Mercy Lakefront Housing/Permanent Supportive Housing	Maple Terrace transition
		As part of a larger coordinated plan - then this would be great
		Great supportive services - 3 disciplines together important
		Get everyone together at one time
	Midwest Shelter for Homeless Veterans	Good info
		A small part of a larger plan
		We need to evaluate
		Beautiful design; great blend of case management
	Chicago Housing Authority/Scattered Site Foreclosure Rehab	None
	Blue Stem & Dupage HA/Affordable Housing Preservation	None
	Applegate & Thorne-Thomsen/Scattered Site New Home Construction	Concern on financing intricacies
		City would have to set aside some funds
		Excellent presenation - We should have him back. Need more explanation of tax credit funding
		Each presentation had its value; each presentation can be placed in different area of Aurora
	Waukesha, WI/Phoenix Heights:Mixed-Income New Construction	Good for different area. Not applicable here
		There Is a place for homeownership, but in existing neighborhoods, not brand new subdivisions
		Not sure how the financing worked

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses	Recommendation
February 15, 2012 Best Practices Workshops Small Group Exercise Q-1	**Which two characteristics of these models helped to make them successful?**	**All Responses (unranked):**	
	Group A	Support services for residents	4
		Collaboration (finance agency/support agency)	2, 3, 7, 8, 9, 10
		All the stakeholders worked together	2, 4,
		Free college education	
		Creative financing	8
		Strong lead agency for coordination and administration	2, 3, 7
		Trial and error	
		Awareness of who is target population	4, 6
	Group B	Supportive services for residents	
		Partnerships	2, 3, 7, 8
		Vision	1, 6
		Perseverance	2, 6, 8
		Project development capacity	3, 7, 9, 10
		Ending isolation of residents	
		Collaboration	2, 3, 7, 8, 9, 10
		Blended management	
		One size does not fit all; there is more than one path	1, 2, 3, 6, 9, 10
		Community involvement	2, 6
		Ongoing operating support	
		Synergy	
		Affordability in the long run	8

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses	Recommendation
February 15, 2012 Best Practices Workshops Small Group Exercise Q-2	**Based on these models, what 2 or 3 messages would you advise the city to include in its affordable housing strategy?**	**All Responses (unranked)**	
	Group A	Scattered housing	
		Look at all options	2, 3, 4. 6,
		Look at what is needed for all residents, may be greater than just scattered housing	2, 3, 4. 6,
		Engage people passionate about needs and meeting those needs (investors, developers, agencies)	2
		Cooperation	2, 3, 6, 9, 10
		Crucial need to have social services involved in creating affordable housing strategy	2, 6
		Be realistic about financing – consider how many layers we can use	
		Use as catalyst for true economic transformation	1, 5, 6, 7, 9, 10
		Don't use cookie cutter approach – be creative when looking at existing programs for housing	2, 3, 4, 6, 8, 9, 10
	Group B	Start with what we can do well…hit home runs	1, 2,
		Create a culture of information sharing	2, 6
		Scale matters	
		Remain open to different solutions	2, 6
		Create a vision; create a team; start	1, 2, 3, 6
		Community cooperation **	2, 3, 6, 9, 10
		Long term sustained discussion about community needs and goals	2, 3, 6
		Know what we have, housing types, gaps, how many?	4
		Determine which is viable for Aurora	

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses					
March 21, 2012 Local Programs Workshops Survey Responses	**How interested would you be in seeing this type of a project/ strategy replicated in Aurora?**	**Don't Know At This time**	**Not at all Interested**	**Somewhat interested**	**Interested**	**Very Interested**	**Extremely Interested**
	Hesed House: Permanent Supportive Housing	0	1	1	4	4	7
	CHAD: Scattered Site, Low-Income Rental	0	0	5	7	2	3
	Dunham Fund/Joseph Corp: Rehab/Refill Housing	0	0	1	2	3	9
	How applicable would this type of housing model be to addressing the housing needs in Aurora?	**Don't Know At this time**	**Not at all applicable**	**Somewhat applicable**	**Applicable**	**Very Applicable**	**Extremely Applicable**
	Hesed House: Permanent Supportive Housing	0	0	0	3	8	6
	CHAD: Scattered Site, Low-Income Rental	0	0	1	8	5	2
	Dunham Fund/Joseph Corp: Rehab/Refill Housing	0	0	0	2	4	9
	Is this kind of project/strategy well-suited to Aurora's housing and neighborhood goals?	**Don't Know At This Time**	**Not at all Well-Suited**	**Somewhat Well-Suited**	**Well-Suited**	**Very Well-Suited**	**Extremely Well-Suited**
	Hesed House: Permanent Supportive Housing	0	1	4	2	3	5
	CHAD: Scattered Site, Low-Income Rental	0	0	7	4	5	2
	Dunham Fund/Joseph Corp: Rehab/Refill Housing	0	0	0	4	3	8

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses:
March 21, 2012 Local Programs Workshops Survey Responses	What is the feature or characteristic of this model that is most appealing to you?	Written Comments
	Hesed House: Permanent Supportive Housing	Reduction of financial impact on community services
		Cost control of police, fire, hospitals
		Aid needy individuals with special needs care and services
		Demonstrated results
		Management scale
		Getting these poor people off the streets that fall between the cracks. Seeing them get the services they need to live a better life.
		Specific need/Specific solution - with cost savings
		Provides services, cost efficient
		Cost savings and actual help for those individuals
		Relief on Hesed House, hospitals, police, etc
		It's manageable! About 100 people, 3 to 4% children, '07 first group, 10% permanent homeless! Mental issues - Apartment building ideal
		It directly addresses the homeless
		The need for permanent supportive housing has been established
		Hesed House has already in place a small model of this type of housing
	CHAD: Scattered Site, Low- Income Rental	Rehab of foreclosure property
		Neighborhood stabilization
		Get foreclosure back on tax rolls again
		Infill strategy - help to stabilize community
		NSP seems good
		Good for creating below market rent
		At this time, with the lack of rental property, more rental homes would be an asset
		Use existing housing
		Opportunity for family/children
		Neighborhood stability/blight removal
		Scattered site
		Services to many/various needs and age
		Use foreclosure homes!
		Affordable rentals with scattered sites
		Government subsidy leverages rent prices
		The inclusion of social services within the housing model
		The possibility of having a CHDO in addition to what AHA does!

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses		
Task Force Meeting Date	**Survey Question**	**Responses:**
	What is the feature or characteristic of this model that is most appealing to you?	**Written Comments**
March 21, 2012 Local Programs Workshops Survey Responses	**Dunham Fund/Joseph Corp: Rehab/Refill Housing**	Private funding
		Stabilize neighborhoods
		Very good program
		Low cost to get unit on line
		Lots of partnerships
		Targets specific neighborhoods
		Providing a most needed affordable housing
		Great to see students involved
		After getting started program could easily be increased
		Family stability
		Strategically targeted area focus - neighborhood stability
		Homeownership training
		Great qualities like involving youth
		Raising standards of communities
		Private foundation using private funds - rehabbing houses
		Aurora has many foreclosed houses that could be rehabbed
		Private funds drive prices, commitment
		Benefits of homeownership on the community
		Families

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses		
Task Force Meeting Date	**Survey Question**	**Responses:**
March 21, 2012 Local Programs Workshops Survey Responses	**What would be the most challenging feature of this model?**	**Written Responses:**
	Hesed House: Permanent Supportive Housing	Financing
		Finding money to do this on a large scale
		Finding houses
		Density
		Economies of scale vs NIMBY
		Funding
		Mentally Ill - understanding needs - in community
		Focus is relatively small group
		Awareness
		What would you say to a family that would be living next to a housing development like this? It sounds a little scary.
		It assumes mental illness is prevailing
		Most challenging would be probably site selection and, of course, funding
	CHAD: Scattered Site, Low- Income Rental	Money to do this on a large scale
		What amount of funds is available? Limited amount of money available
		Cost per unit given that it is 100% government funded (or heavily reliant on government funds)
		NSP is not big enough
		People taking care of the home they move into so not to help run down the neighborhood
		$
		Limited
		Is bureaucracy too much vs extent of benefit?
		Overlap with other similar programs?
		Unfamiliar with the community
		Funding
		Not sure about leadership of CHAD - wasn't impressed with presentation
		So few homes competed
		Community support and acknowledgement that need of affordable housing cannot be completely met by AH A

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Survey Question	Responses:
March 21, 2012 Local Programs Workshops Survey Responses	**What would be the most challenging feature of this model?**	**Written Responses:**
	Dunham Fund/Joseph Corp: Rehab/Refill Housing	Qualifying homeowners and selling 10 homes a year
		Continuous funding
		Funds
		Finding families with a down payment
		Scale - only targets homeownership track
		Funding
		Upkeep expenses after initial ownership
		Demand exceeds supply of available properties
		Get houses prior to investors
		Organization
		Funding and securing partnerships
		How can we increase volume through grants, funds, etc
		Balancing the AMI throughout this community - Near East Side
	Other comments or recommendations	**Written Responses**
	Hesed House: Permanent Supportive Housing	Great idea for chronically homeless
		Great Concept
	CHAD: Scattered Site, Low-Income Rental	Difficult to follow presenation
		NSP is wonderful program
		What are the chances more funds will be released to Aurora? Volume is a concern
	Dunham Fund/Joseph Corp: Rehab/Refill Housing	Need to get more units on line
		Best part is using private funds to be able to keep costs down
		Employer Assistance Program w/school district
		Biggest challenge is incorporating all these strategies into Aurora's plan
		This is not affordable housing

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses
May 2, 2012 Small Group Exercise	**What did you like about the recommendations?**	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**
	Group A	Appointment of a Housing Coordinator
		Need to set goals and policies
		The AHA supports the recommendations and will work with the city.
	Group B	Partnering with various groups, and a voidance of duplication
		Designated lead housing staff (tie) Adaptive Re-Use (tie)
	Group C	Comprehensive in nature, lay out plans & needed actions; included key components to build a frame and go to next steps
		Taking a Proactive approach by having a policy in place to go ahead.
		Included MMC criteria and other regional plans; points to best practices and models that work (tie) AHA and City work together; requires team approach (tie)
	Which of the recommendations is unsuitable for Aurora or is most likely to be ineffective?	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**
	Group A	Providing loans instead of grants doesn't work with very low income. It will skew the benefits to higher income beneficiaries. Need to be flexible in designing program. Add "where feasible."
		Rec. # 9: expanding homeownership options will be difficult in this economy.
		Rec # 10: Why does it read that the assistance be limited to "mortgage assistance to people with disabilities."
	Group B	See Attachment for all responces. Group did not rank
	Group C	See Attachment for all responces. Group did not rank

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Task Force Meeting Date	Small Group Question	Responses
May 2, 2012 Small Group Exercise	**What recommendations did you expect that are not included?**	**Top 3 Group Ranked (high to low) (See Attachment for all responses)**
	Group A	Need performance standards for housing criteria
		Add "flexibility" to some of the recommendations, such as #10
		Approach with more creativity
	Group B	More suggestions relative to the Jericho Circle project (tie) Finances: how do all of the different agencies in the city share limited resources and dollars? (tie)
		How can City of Aurora and Aurora Housing Authority come together, work together, work productively? (tie) One conclusion about a specific project (tie)
	Group C	See Attachment for all responces. Group did not rank

Attachment16: Affordable Housing Task Force Small Group and Survey Responses

On-Line Housing Survey	On-Line Survey Questions	Responses					
	How interested would you be in seeing this type of a project/ strategy replicated in Aurora?	**Don't Know At This time**	**Not at all Interested**	**Somewhat interested**	**Interested**	**Very Interested**	**Extremely Interested**
City of Aurora On-Line Housing Survey May 2012	***Nehamiah Homes (Springfield):*** Multi-phased development of infill homes (could be rehabbing vacant, building new or both). Creates new affordable homes for families earning below 60% of Area Median Income (AMI) in an area of Springfield identified for large scale housing rehab & redevelopment efforts (See Attachment 25)	**3**	**3**	**8**	**9**	**7**	**8**
	Ogden Manor Apartments (Naperville): 108 unit existing apartment building preserved as affordable housing through multi-agency partnership including the DuPage Housing Authority, IHDA, a non-profit developer & the City of Naperville. 80 senior units + 28 family units where the rent is kept low at 30% of tenants' income (See Attachment 25)	**2**	**4**	**8**	**6**	**13**	**5**
	Johnston Center Residences (Milwaukee, WI): a smaller version of Mercy Housing's Permanent Supportive Housing model that combined new construction with adaptive re-use & revitalization of a vacant historic buliding to create stable housing blended with effective strategies to support previously homeless individuals and those at risk of homelessness - in order to reduce publicly funded services used by many homeless persons such as jail/prison; Emergency Room, ambulance rides, etc. (See Attachment 25)	**2**	**2**	**5**	**5**	**9**	**15**

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

On-Line Housing Survey	On-Line Survey Questions	Responses					
	How interested would you be in seeing the immediate actions or next steps recommendations implemented?	**Don't Know At This time**	**Not at all Interested**	**Somewhat interested**	**Interested**	**Very Interested**	**Extremely Interested**
City of Aurora On-Line Housing Survey May 2012	Immediate Actions & Next Steps (See Chapter 9): steps for the City of Aurora and/or Aurora Housing Authority to begin working on right away - includes: appointing an on=going Housing Policy Group; creating an inventory of existing housing & vacant/developable land located near jobs and transportation; adaptive re-use of vacant schools or buildings to co-locate housing with support services such as early childhood education, childcare & adult education (GED, ESL, etc); & rehab vacant/foreclosed, scattered site homes for affordable rental or homeownership.	**1**	**5**	**0**	**10**	**8**	**14**

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

On-Line Housing Survey	Survey Question	Responses:
City of Aurora On-Line Housing Survey May 2012	What is the feature or characteristic of these models that is most appealing to you?	**Written Responses:**
		I understand that HUD/Section 8 housing is a great benefit for low income families. But I do have a big concern. If we make available homes for low income families how will we expect them to keep up with the home and keep the neighborhood enjoyable. I have a real situation on my block. There is a section 8 home that the landlord never stops by, the renter has drugs/gang members in and out - not to say the outside of the house looks horrible. This is not only hurting my equity, but the bad people she brings to the neighborhood is appaling. I have called Aurora Housing Authority and they told me to call the landlord (now how would I have their number)? Seems like we are turning out heads and allowing low income families (not to say they are all like this) to get free/low housing on our dime, while they DO NOT look for a job but sit in their home and smoke weed (yes this is reality). Low income families most likely can not afford to keep up with all of the responsibilities that come with owning/renting a home. Give them apts. where they do not need to mow grass/clean gutters, etc., and have many rules/regulations for landlords to make sure tenants are behaving and keeping the property nice so real home owners can keep earning equity.
		I like the holistic approach of this model. Housing is located near transportation and support services for the famillies. It also directly adresses ongoing blight problems by creating inventory that, in my estimation, would be cared for, maintained and available quickly as need arises.
		These have no appealing characteristics.
		All these models serve different populations We need all of them to provide a balance of diversity to our city.
		There are many vacant schools and factories that could be used instead of just being there falling apart.
		Location near transpo and "jobs". Also, early childhood education and childcare.
		all of it...a committee of advocates to keep the issue before the public the support services so that residents are not isolated the reuse of empty buildings.
		Using vacant homes to help people become homeowners, or stable residents
		Taking current vacant or undreuse property and coverting to support our homeless or under employed citizens of Aurora
		permanent supportive housing for those individuals that probably will never be able to live independently
		To help the homeless that have the most potential to become a working member of society again. Additionally, to help those on the brink of homelessness to become self reliant and back to economic stability.
	What would be the most challenging feature of these models?	**Written Responses**
		Aurora already has a large amount of affordable housing. Residents I know personally are trapped in a cycle of dependency. They need to get out of that cycle. Private non-profit and faith-based organizations are much better suited to help in this area. Another government bureaucracy is not what we need.
		Pulling together all of the components.
		The challenge is to reduce the need for low income recidences in Aurora. We already have way more than any city can handle.
		Case management to facilitate change. Social skills and life habits are two significant problems with the people I have that I have worked with in obtaining/maintaining housing. Mental illness is another challenge. Without competent professional intervention, housing will not be stable and we will continue to see the cycle of generational homelessness. NIMBY- please dear God not another Jericho Circle mess. Pushing projects off on the residents does not bode well for success. AHA-very obvious that the board has their own agenda making it difficult to work with them. Also, while I understand all the rules that HUD has, these rules tend to be very unforgiving. This is another reason for the case management part to help keep people housed.
		Money. Making sure it fit in to the community.
		Ongoing Housing Policy Group
		the right people on the committee this sounds like a job rather than volunteer.
		funding
		finding locations that are appropriate for transportation, childcare, etc.
		To produce a model that statistically works (unbiased) with a tight budget. I firmly believe it has to be done and is feasible.
		community support

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses		
On-Line Housing Survey	**Survey Question**	**Responses:**
City of Aurora On-Line Housing Survey May 2012	**Other comments or recommendations.**	**Written Responses:**
		housing in Aurora is now very affordable. No action on the government level is required. Stop all activities in this area immediately.
		Aurora already has too much "affordable" housing and too many low income people. The City's elected officials need to reduce the overabundance of low income folks in this city. Make its less attractive for them to live here - as you have done for the middle and upper income folks. You have successfully forced upper and middle income folks to move out of Aurora, maybe it's time you did the same for low income residents.
		My perception may be skewed because of the population that I work with at Hesed House. That being said, you can have all the programs in the world to help the children but the single most influence that is in their life is their parents. If you don't maintain a positive presence in keeping the parents on track, you will seldom succeed in the children changing. Could we please refrain from flying people in from all over the country like the AHA mess that is going on? That money could've been put to much better use in helping people.
		Hesed House is overcrowded and something needs to be done to help our citizens find safe and affordable housing.
		It is our communal responsibility to help those in need.
		I think that its important to provide low cost, quality housing when and where possible to support those who are struggling fianancially. We need to also maintain the integrity, and not allow them to feel lower than the average citizen, but rather provide them support to raise their families in a safe, clean, encouraging environment.

Attachment 16: Affordable Housing Task Force Small Group and Survey Responses

Public Meeting Surveys	Survey Question	Responses					
Public Meetings May 24, 2012 May 29, 2012 May 31, 2012	How interested would you be in seeing this type of a project/ strategy replicated in Aurora?	Don't Know At This time	Not at all Interested	Somewhat interested	Interested	Very Interested	Extremely Interested
	Nehemiah Homes (Springfield, Ill)	0	0	1	1	2	0
	Ogden Manor Apartments (Naperville, Ill)	0	0	0	2	2	0
	Johnston Center Residences (Milwaukee, WI)	0	0	1	1	2	0
	Immediate Actions & Next Steps	0	0	0	2	2	0
	Survey Question	**Written Comments:**					
	What is the feature or characteristic of these models that is most appealing to you?	I think Aurora is in need of all 3 types - to serve the different needs of the community.					
		Being able to keep people/homeowners in their existing homes.					
		Support services for all categories of rental units tenants: mentally ill, single moms head of household, newly homeless					
	What would be the most challenging feature of these models?	I don't think any one model is the answer, but support is critical.					
		Everyone needs to have accountability - for all 3 models-The owner/renter/managers (AHA)					
	Other comments or recommendations:	Would like to see the contract that requires the renter/homebuyer to maintain the property.					
		I would like to see "all" opportunities provided in Aurora. I like the idea of using not just one location but all locations around the city.					
		Don't just build homes, in home visits, career & job training must be integrated.					

NEWS RELEASE
May 11, 2012
Contact: Rick Guzman, Assistant Chief of Staff
630-256-3010

CITY ASKS RESIDENTS FOR INPUT ON AFFORDABLE HOUSING RECOMMENDATIONS

Three public meetings have been scheduled this month to give Aurora residents an opportunity to provide feedback on proposed draft recommendations that have been presented to the Mayor's Blue Ribbon Task Force on Affordable Housing.

The Task Force, which was originally formed in October, has met nine times in seven months. All meetings have been open to the public and contained opportunities for residents to participate and give feedback. The forums are designed to seek additional public input before the Task Force makes any final decisions on the proposed recommendations.

At the open-house-style forums, residents will have the chance to:

- Review the proposed recommendations and action steps;
- See examples of successful affordable housing models from other cities;
- Ask questions of City of Aurora staff and Affordable Housing Task Force members; and
- Fill out survey forms to indicate their feedback about the proposed recommendations.

The three open house forums will be held from 6:30 to 8:30 p.m. with a brief formal presentation taking place at 7 p.m. on each of the following dates:

- Thursday, May 24 at the City's Customer Service Center, 3770 McCoy Drive;
- Tuesday, May 29 at the Aurora Public Library West Branch, 233 Constitution Drive; and
- Thursday, May 31 at the Fred Rodgers Community Center, 501 College Ave.

The Task Force has been facilitated by Community Planning & Development Advisers (CPDA), an independent consultant group whose three primary principals are retired from the U.S. Department of Housing and Urban Development with more than 80 years of combined experience. In September, the Aurora City Council commissioned and approved CPDA to complete a comprehensive, citywide study of Affordable Housing.

The study will include data, resources and inventories of existing housing and potential sites for the development of future housing – along with recommendations for future actions designed to create a balanced housing stock for all Aurora residents in order to improve the overall standard of living. The recommendations and action items identified in the study will be the primary focus of the open house forums.

The study and proposed recommendations will be available Thursday, May 17 on the City's website at www.aurora-il.org along with an online survey. Hard copies also will be available beginning May 17 at the City's Neighborhood Redevelopment Division office, 51 E. Galena Blvd.

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Located 35 miles west of Chicago, Aurora is the second largest city in Illinois with a population of 197,899. Aurora is known as the "City of Lights" because it was one of the first in the nation to illuminate its streets with electric lights. Situated along the Fox River and the Ronald Reagan Memorial Tollway (Interstate 88), the city extends 46 square miles encompassing Kane, DuPage, Kendall and Will counties. Aurora also is home to six public school districts and seven townships. For the latest news, access to an archive of past news releases or to follow the city on Facebook or Twitter, visit the city's website at www.aurora-il.org.

City of Aurora

Mayor's Office • 44 E. Downer Place • Aurora, Illinois 60507-2067
Phone (630) 256-3010 • Fax (630) 256-3019

Thomas J. Weisner
Mayor

Thursday, December 15, 2011

Mary R. Kenney
Executive Director
Illinois Housing Development Authority
404 N. Michigan Ave., Ste. 700
Chicago, IL 60611

RE: Aurora Housing Authority (AHA) Application for Tax Credits

Dear Ms. Kenney,

As the chief elected official of Aurora, I regret to inform you that, *at this time*, I cannot, in good conscience, endorse the Aurora Housing Authority's (AHA's) so-called "Jericho Circle Revitalization" proposed project out of significant concerns regarding its ability to further fair housing in the City of Aurora.

My concerns about the AHA's proposed project are many and varied, and, as you will see from some of the attached letters from community leaders and many of Aurora's primary social service providers to our disadvantaged residents, I am hardly alone (see appendix A). Indeed, there is a widespread consensus within our community that there is serious cause for concern in the substance of the AHA's proposal, as well as in the public process—or lack thereof—that the AHA has undertaken to arrive at its proposed plan.

I recently convened a group of respected community leaders in various fields (see appendix B) – along with each member of the AHA Board – in a Task Force on Affordable Housing in order to evaluate affordable housing, city-wide. I took this step only after the AHA promised to undertake a similar effort nine months ago, and not only never did so, but apparently never even seriously considered a process to solicit the community's input or respond to the one thing that the community had clearly been asking for: a serious look into alternatives to rebuilding at the isolated, stigmatized, twice-failed, Jericho Circle site.

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In fact, now that we have assembled this Task Force and met three times, to date, many of these community stakeholders feel as though they're having the opportunity for input for the very first time, and **many members have implored me *not* to sign off on *any* proposed plan before the Task Force has a chance to finish its work and make recommendations** (a process expected to be completed in just the next few months).
To be clear, my intention in writing this letter is not to "block" the possibility of Low-Income Housing Tax Credits being used to develop additional affordable housing units in the City of Aurora. Quite to the contrary, I am very hopeful that there will be an opportunity for the City to work closely with IHDA in the near future on whatever recommendations come out of the highly esteemed and respected collection of community leaders that comprise this Task Force.

As I stated in an open letter to the AHA on August 9th of this year, my focus relating to the possible rebuild of Jericho Circle has always centered on concerns for the families and children who have lived there. Far from being a positive influence on children, the way in which the development has been isolated from the rest of the community has historically trapped children in a continuing cycle of futility, despair and failure. Rather than providing a "hand-up," as was likely the original intent, Jericho Circle has historically been like a hand holding children down, keeping them from reaching the potential that every child is born with.

Twice built, over 40 years, Jericho Circle has been an obvious and pathetic failure both times, a virtual ghetto, where children have been exposed to more bad influences than good, more barriers than opportunities. The children of Aurora deserve better and we owe it to them to explore every conceivable option before rebuilding on an already heavily stigmatized site location that has been described by HUD as being problematic and not optimal for a mixed-income development.

My goal, therefore, in writing this letter is to explain the very long list of reasons why I cannot possibly "specifically endors[e]" the AHA project per the "Local Support" requirement of the IHDA application. While I can only begin to outline my concerns—which I might add, are the shared concerns of much of the community — I will attempt to limit them to four general categories: (1) disconcerting and alarming discrepancies and inaccuracies contained in the AHA's application to IHDA; (2) a strong objection to the process the AHA has taken to arrive at its final proposal; (3) serious doubts that the substance of AHA's proposal aligns with any national best practices; and (4) a strong desire for community input and buy-in, which is the polar opposite of what accompanies the AHA's proposal to IHDA at this time.

DISCREPANCIES AND INACCURACIES CONTAINED IN AHA'S APPLICATION:

One of the primary reasons that I cannot sign off on the AHA's application to IHDA is that I was also required to sign off on the Authority's demolition application to HUD back in 2009, which clearly described the Jericho Circle site location as unsuitable for housing purposes—particularly

the type of housing being proposed, which is dependent on its ability to be integrated with the rest of the community and provide the type of "programs and activities designed to promote economic self-sufficiency and independence" (appendix C).

Unlike the AHA Board, I stand by my support of the statements made in its HUD demolition application—*especially* now that HUD has made eminently clear—both verbally and in writing—that rebuilding at the Jericho Circle site is in no way a requirement of the approval it gave to demolish the existing dilapidated development (appendix D).

Nothing about the Jericho Circle location has changed since I first supported the demolition application and it would be insincere—if not irresponsible—for me to support a redevelopment at this same site without a serious study of alternatives to better advance fair housing in Aurora.

While a complete critique of the AHA's application to IHDA is not practical in this context, I do want to take a moment to point out some of the more significant inconsistencies between the AHA's application to HUD for demolition of the existing project and its application to IHDA for redevelopment on the very same site. Because it does not appear that the AHA was required to submit its demolition application to HUD as a part of its pre-application to IHDA, much of what follows may come as new information.

While there are several technical inconsistencies—many of which are noted below—one of the overarching concerns that I thought IHDA should be aware of is that the HUD demolition application and the IHDA pre-application for tax credits would appear to be describing two entirely different site locations. In the "additional comments" of TAB 1, section 5 ("Public Services/Community Amenities") of the IHDA application, the AHA added "*[w]hatever facilities are not available with[in] the one-mile radius are typically available with[in] two miles and are accessible via public transportation.*" However, in the very first sentence of the AHA's "Jericho Circle Demolition Plan Application" to HUD, the authority describes the very same site as being located "*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.*"

Moreover, the AHA's application to IHDA consistently paints a picture of an apparently attractive site location for the proposed project with "*[p]ublic transportation readily available from the subject site to most of the[] surrounding amenities and many of them accessible via bicycle and pedestrian pathways.*" Yet in the demolition application to HUD, the AHA describes this same site as "*an island of poverty, despair and hopelessness, isolated from... activities designed to promote economic self-sufficiency and independence.*"

The AHA leadership additionally included a number of further unsettling inconsistencies and/or blatant inaccuracies in its IHDA application for tax credits. First, the "Public Services / Community Amenities" section of TAB 1 lists the closest school as being only 0.7 miles away. Although it is true that the Lincoln Elementary School *building* is located just under a mile from the proposed site, the school, itself, has been closed for the past several years and has not held classes since May of 2009 when it was indefinitely shuttered by West Aurora School District 129. In reality, the closest public school is Nicholson Elementary, which is nearly 2 miles away by foot or vehicle.

Of course Nicholson School is a bit closer "as the crow flies," but one of the many concerns about the proposed site is that there are no connections to any public thorough-fares other than Jericho Rd. (Co. Hwy. 24)—nor would any such connections be possible in the future since there are literally no other roads to which the site could be connected. Not only that, but the site is surrounded by railroad tracks within ¼ - ¾ of a mile on *three* sides (the AHA application notes only one set of tracks) plus several bodies of water—both natural and man-made—with limited under/over-pass or bridge access. Needless to say, this also limits access and casts a questionable light on the distance calculations that the AHA used when describing the other public services and community amenities as *"available with[in] the one-mile radius."*

Moreover, several of the services/amenities listed are extremely limited and therefore misleading. For example, the AHA application lists the closest "banking institution" as only 0.6 miles away, but in reality the closest physical bank branch location is over 2 miles away (the AHA application is presumably referring to a somewhat nearby, un-manned ATM/drop-off location of Old Second Bank). The Post-Office, which is actually a limited-service, limited-hours postal station, is actually 0.9 miles by car or foot (not 0.5 miles, as indicated), located inside a small pharmacy. A full-service post office is three miles away.

The AHA application also fails to note that while its housing development plan again targets an almost exclusively (90%) extremely low to very low income population, that the majority of the public services and amenities listed in its IHDA application are rarely, if ever, patronized by any of the current [very low-income] Jericho Circle residents. This not only applies to the "*large private fishing lake, two [private] golf courses/country clubs, [and] the campus of a major [private] regional university*" but also extends to most of the retail establishments cited in AHA's application as well. And while the reasons for this are probably beyond the scope of this communication, it's unclear why one should expect a similarly very low income population to suddenly alter its practices and preferences.

When combined with these inconsistencies between the AHA's description of the Jericho Circle site to HUD (when seeking demolition) and the way the AHA described the same site to IHDA (when seeking tax credits), these additional oversights and glaring inaccuracies in the IHDA

application do little to inspire confidence. Moreover, they provide no reason to reconsider the stance that the AHA and I initially agreed upon in its demolition application to HUD with respect to the non-suitability of this site location for redevelopment.

While it is true that the City of Aurora referenced the plan to rebuild some kind of affordable housing development in its 2010 Consolidated Plan, this was only because we were misled by AHA to believe that HUD would require such a rebuild plan as a condition of its approval to demolish the current, failed project-style buildings at Jericho Circle. Not only did the AHA prove to be wrong in this regard, but the resulting inclusion of this unnecessary and undesired rebuild plan in the City's Consolidated Plan has proved problematic in a number of ways.

Additionally, to the extent that the AHA claims that its proposed rebuild at the Jericho Circle site location is consistent with Aurora's Consolidated Plan, even this is misleading. The City's reluctant inclusion of a rebuild project (again, based on faulty information supplied by the AHA) specifically included plans for a more integrated development stating that "Jericho Circle will be rebuilt as a mixed-income neighborhood, with townhomes and rental units." That is not what AHA is proposing to build in its application to IHDA. As I will address in a later section of this letter, there is no meaningful mix of incomes and it is entirely rental; therefore the AHA's current proposal is clearly inconsistent with the City of Aurora's Consolidated Plan in a number of important ways.

PROCESS CONCERNS:

Over the course of several months in 2009 and 2010, AHA officials represented to City and community leaders that HUD would not approve the demolition of Jericho Circle unless replacement housing was built on that site. This continued even after the letter from HUD authorizing the demolition of the current site (dated Sept. 7, 2010) clearly stated that "*the AHA is not required to provide for replacement housing, and [HUD] is under no obligation to fund replacement housing*" (appendix E). And while it is true that HUD has stated that it took the AHA's plan to redevelop the Jericho Circle site into consideration as a part of its approval process, HUD's statement regarding the non-requirement for replacement housing is a clear signal that re-development of the Jericho Circle site is not a HUD requirement.

Despite this clear direction from HUD, AHA officials continued to assert that redevelopment of the Jericho Circle site was indeed required. This prompted me to convene a meeting between top HUD officials, the AHA, the City and the local School District (129) on March 2, 2011. At that meeting, HUD officials made it clear that there was no federal requirement that the AHA redevelop the Jericho Circle site. Moreover, they provided a written clarification 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" (appendix D).

HUD officials did, however, make it clear that given Aurora's housing demographics, the City and AHA had a responsibility to continue to further affordable rental housing as defined by HUD and federal fair housing guidelines. Following that meeting, affirming the City's commitment to making sure that all Aurora residents have safe, livable and affordable housing, I immediately met with AHA leadership and, based on HUD's clarifications, urged them to embark on an open and inclusive community planning process to determine the best solution for providing affordable housing in Aurora. I specifically suggested that this process encompass exploration and discussion of *alternative* redevelopment strategies that might even include disposition of the Jericho property.

The AHA agreed, at our post-March 2nd meeting, to research options and spearhead an open, public planning process to consider the Jericho Circle plan and alternative solutions. I asked the AHA leadership to immediately begin just such a community discussion and that the AHA be truly open-minded in exploring possible solutions – perhaps new solutions. Finally, I asked that these discussions be facilitated by a neutral party, so that the public would feel confident that no pre-conceived agenda existed. (AHA's credibility had been damaged by its unfounded assertions that HUD required it to redevelop the Jericho Circle site.)

On March 30, 2011, I wrote a letter to the Executive Director of the AHA confirming my understanding of these very next steps including my understanding that *"[the AHA's] efforts to redevelop Jericho Circle would not proceed at this time."* I also indicated that "*the City would like to update its Consolidated Plan this year to reflect any changes that result from the community planning process*" (appendix F). My staff met monthly with AHA representatives from March through June of this year and, although AHA leadership seemed disorganized and slow with progress, we were reassured at each meeting that the AHA was working toward a collaborative approach to explore all fair housing options with the community.

Finally, nearly five months after the meeting with HUD officials, the AHA scheduled a meeting that was not open to the public. It wasn't even open to its full Board. Sadly, the AHA also intended to use as the meeting facilitator the original project architect who obviously has a strong interest in the Jericho re-development scheme. (According to an Aug. 21, 2011 article in the Beacon News, the AHA paid this individual more than $27,700 from June 13-August 1, 2011 for public relations type services.) When I publicly called attention to this closed and biased approach, the AHA cancelled its so-called forum.

The AHA then hired a neutral facilitator for its scheduled July 28th forum and made changes in the format that might ordinarily persuade one that it was being more open and/or open-minded.

But that hope was completely undermined by the actions of the AHA Board on the very night before the "community forum," when, in a virtually unadvertised meeting, the Board quietly approved a Memorandum of Agreement with its west coast developers specifically to build a development on the Jericho Circle site. And although one concerned board member was apparently assured that the agreement did not cement the AHA's direction, it was a clear, though rather secretive, signal of the AHA leadership intentions, not to mention the approved agreement's assertion that "*this MOA shall be legally binding....*"

None of these facts were subsequently revealed by the AHA the following day at the July 28th "public" forum, at which the developers, the AHA's attorney and its consultant deceptively made it appear that they were open to alternative solutions. When its July 27th approval of the Jericho MOA was revealed in the local newspaper the day after the so-called open forum, most attendees were simply outraged or disgusted, the neutral facilitator quit and AHA's credibility in the community was further diminished.

Even before the July 28th "forum," I had placed the AHA on notice in a memo to the Board members that although I was aware of its hopes to complete the community planning process in time to submit a pre-application to IHDA, that I would nonetheless "*insist that a solid plan for the future, not a hurried timetable... be AHA's first concern*" and confirmed my belief that the City and the community "*have both a moral and legal obligation to further fair housing.*"

Unfortunately, as the AHA moved ahead with its second (and last) community forum, it became clear to most involved that the purpose of the forums was not an honest or timely attempt at getting community input (remember, five months had already elapsed since AHA had agreed to an open and inclusive community discussion of fair and affordable housing solutions). Rather, the forum was a perfunctory session, held too late to create a real community discussion of housing options and opportunities and meant simply to satisfy minimum IHDA requirements for holding public meetings. All this so the AHA could push forward its original Jericho Circle rebuild proposal – the only proposal it apparently cared to consider.

The frustration reached such a point that the Aurora City Council overwhelmingly passed a resolution put forward by Alderman Rick Mervine stating that: "*the AHA must place all current plans and agreements regarding this project on hold until the [following] steps have been fully completed*" (appendix G):

1. *"investigate all of its options with regard to the demolition of the Jericho Circle property;"*
2. *"hold open, transparent public meetings to discuss all of said options and receive input from the community on the issues surrounding this property;"*
3. *"actively engage [the school districts]... as a partner in the process of determining the best course of action with regard to the property and the ongoing activity of the provision of affordable housing in Aurora;"*

4. *"adequately investigate[] the type of development [the AHA] propose[s] for the Jericho Circle property;"*
5. *"perform[] the proper due diligence in order to understand whether or not a market exists in Aurora for the mixed income development they have contracted for at this site;"*
6. *"fully engage with the community;" and*
7. *"transparently and actively involve the community stakeholders in its research and development planning for the property commonly known as Jericho Circle."*

In the context of this City Council resolution and the aforementioned concerns, how could any mayor be expected to "specifically endorse" such a project?

Nonetheless in a spirit of cooperation, the Aurora City Council invited the AHA Board to a join it at a working meeting in August 2011 to discuss the issues. At the joint meeting, I specifically asked Chairman Schuler why the AHA did not initiate the open, inclusive discussion as promised in February. He was not able to provide a response.

At the same time, the AHA pursued an independent "*Modified Analysis of Impediments to Fair Housing*," rather than fully participating in the joint *"Analysis of Impediments to Fair Housing"* being conducted by Economic & Planning Systems (EPS) on behalf of the City of Aurora, City of Elgin and Kane County. As you are likely aware, HUD tasks communities, not public housing authorities, with the responsibility for conducting this analysis. We can only surmise that the purpose of AHA's analysis was to stifle on-going community dialogue regarding its Jericho Circle redevelopment by concluding that open dialogue constitutes an impediment to fair housing. Not only could this allegation be any further from the truth, but it evidences the great lengths and callous calculus that the AHA and its consultants have been using to circumvent and undermine my office, the City Council, and the overwhelming public sentiment, which again, includes the City's leading social service and advocacy organizations for the disadvantaged (see e.g., Appendices A, F, G).

Notwithstanding many real community concerns, the AHA and its consultants continue to push forward its predetermined agenda to rebuild, while at the same time being less than forthcoming about its exact plans with the City Council or the community. To date, the AHA has not submitted any formal—or draft—plans to be reviewed, yet its representatives continue to ask for an accelerated timetable to address the City Council in order to meet application deadlines.

CONCERNS OVER THE MERITS OF AHA'S SO-CALLED "MIXED-INCOME" DEVELOPMENT

1. FUNDING. Before addressing the merits of the AHA's proposal, I believe it is also important to point out that neither the AHA nor its developer has ever shared with us a "sources and uses" statement indicating where any of the funding is coming from. Since the project has been described as one using "mixed-financing," we can presume that other funding sources will

be used, but despite having requested this information in a FOIA request, financing details have never been supplied by the AHA or its developer. The research my staff and attorneys have compiled indicates that Tax Credit financing never pays for the entirety of a project and that Public Housing Authorities often make requests of its respective city to not only make infrastructure improvements, but also to contribute subsidies through HOME or CDBG entitlement dollars. At the same time that these important HUD entitlement dollars are being subjected to significant cuts, how can I possibly sign off on a proposal without knowing whether its success may in fact hinge on a presumption of the City being able to re-allocate precious resources away from other important city priorities? With respect to the overall financing picture, the City has been kept in the dark, and I believe it would be irresponsible of me, at this point in time, to endorse a project where this is the case. However, it is my sincere hope that the City's Affordable Housing Taskforce will identify innovative strategies by which we may utilize the community's collective resources, including HOME and CDBG funds, to further fair and affordable housing.

2. PROPSECTS FOR LONG-TERM SUCCESS. With respect to what we do know about the AHA proposed rebuild project, that same research indicates that success of mixed-income housing models typically comes in large urban core areas where there is an abundance of public transportation, job availability and amenities, such as grocery stores, within walking distance. Once again, by AHA's own admission, not only does the Jericho site fail to meet these conditions, it is the antithesis of the optimal site located "*in an area of Aurora where there are no stores or shopping opportunities, [and] few, if any employment opportunities*" (excerpted from the very first sentence of the AHA's demolition application to HUD). Not only that, but AHA's description of its mixed-income model is entirely vague, and to the extent that it has been described, it does not appear to be "mixed-income" at all. Quite to the contrary, nearly 90% of the units are proposed to be reserved for families below 50% of the Area Median Income (AMI), which is considered "very low income" according to HUD guidelines. There are no for-sale units, no simply low-income units (50 - 80% of AMI) and no senior units. The proposed Jericho rebuild project does not resemble successful "mixed income" models and is not "mixed income" by traditional definitions.

Traditional mixed income developments involving public housing authorities look very different from what the AHA appears to be pursuing at Jericho Circle. For example, in Chicago's new mixed-income communities, there is a balance between for-sale and rental housing, which sits in stark contrast to the current AHA proposal that I have been asked to endorse. In addition to the for-sale component, most mixed-income projects involve a substantially different unit mix than what the AHA has proposed, in that they typically include far larger market components. Indeed one of the hallmarks of many successful mixed-income developments is that the market units are often the dominant component. I understand that for-sale and market-rate units present challenges when the housing market has collapsed, but they remain important components in the

majority of successful, mixed-income projects, both in terms of financing and in terms of the larger goal of creating real communities for public housing residents, integrated by both race and income. Mixed income communities are generally aimed at ending the social, economic and racial isolation of public housing residents, which is difficult—if not impossible—to do without a true mix of incomes on site and a development scheme that re-integrates the public housing residents into the larger community—neither of which seem present in the AHA plan for Jericho Circle. The project as proposed resembles true mixed income projects much less than it resembles the two dismal failures that preceded it at this site.

Finally, research also indicates that to be successful, mixed-income projects should be integrated physically into the community with easy access to commercial, recreational and public services (police, fire, libraries and schools). For this reason, mixed income communities are often built close to city centers where such services already exist. As previously indicated, the Jericho site is almost as remote and isolated from the rest of the City as one could imagine and exists as a "Circle" type road extending off of an already remote country road where there are literally no other streets to which the development could be connected (another hallmark of successful mixed-income developments). HUD officials have also indicated that Jericho Circle is not optimal for a mixed-income development and even AHA's own market research consultant recognized the problems created when the closest schools, shopping, banking and pharmacy services are more than a mile away. As previously noted, AHA's distance claims for many amenities are inaccurate.

3. BETTER ALTERNATIVES. While this continues to be a significant concern for me and most of the community, it nevertheless does not seem to have caused AHA to take seriously its own previous commitment to give serious consideration to possible alternatives. The AHA often points to the fact that it commissioned a "feasibility analysis" of other potentially suitable sites in the City of Aurora after "*residents who attended community meetings and spoke against the AHA decision to redevelop Jericho Circle at its present location.*" But having already committed to a developer to construct 75 units on a single site location, the AHA narrowed the scope of the feasibility analysis right off the bat as described in the "methodology" section, which states that "*a potentially suitable site must be no less than 7 acres in size in order to accommodate the 70 – 75 unit development comprising Phase 1 of the project.*" Once again, under the pretext of listening to the community's desire for alternatives to be explored, the AHA seems to be simply trying to facilitate its own ends—listening more to those with a financial stake in the outcome than to the community.

When I solicited the opinions of Aurora's Affordable Housing Task Force as to whether I should provide the requested letter of support to this IHDA application, the Chairman of the AHA Board wrote back to all the members to enlist its support saying "*the only viable solution for the AHA is to build mixed income housing on the property we own on Jericho Road.*" Yet the draft of

AHA's 5-Year and Annual Plan (*available at*: www.auroraha.org/AHA-News/) that was released on Nov. 9, 2011, makes clear that the AHA has reached this conclusion without a serious exploration of other alternatives. Indeed the AHA admits having never given any consideration to a scattered-site tax credit application in order to address one of the major goals outlined in the city's Consolidated Plan. Specifically, the AHA draft plan indicates that "*conversion of scattered site single family homes at some time in the future may also be considered*" and then explains that "*if this option is considered, a thorough feasibility analysis will be conducted.*" And while the AHA may not have found it necessary to take on a broader investigation of alternatives to redevelopment on a clearly deficient site location, as you will see in the final section of this communication, the City is undertaking an active planning process with community stakeholders to do precisely that.

After just a few meetings with our consultants and others who are coming together around this Affordable Housing Study and Task Force, the City has already encountered potential developers who believe that an affordable housing/scattered-site tax-credit application could serve the needs of Aurora's residents very well. Moreover, we continue to be shown more and more examples of alternative models that have successfully received IHDA tax credit financing that include truer forms of "mixed-income" developments and/or scattered-site models using various forms of financing to buy up foreclosed homes and convert them to subsidized homes. Our research indicates that Chicago's foreclosure acquisition program is budgeting $80,000 per unit—far less than the HUD TDC new construction schedule allowing as much as $232,540 for only a two-bedroom unit.

We understand Springfield is using 9% tax credits to buy and rehab 90 foreclosed units on the East side of that City. Not only does this method address the issue of affordable housing availability and our city's not uncommon crisis of vacant properties, but it also provides a way to gain access to larger four and five bedroom units more inexpensively and more quickly than building new. Moreover, when combined with a serious consideration of project-based Section 8 site locations, this strategy can strengthen neighborhoods and lead to real integration of public housing families within the large community, as opposed to the isolated existence that has been one of the hallmarks of life at the Jericho Circle site location.

The AHA has actually done a good job of describing the isolated and problematic nature of its proposed site location. But while it was careful to emphasize this point when seeking permission to demolish the current buildings, as previously highlighted in an earlier section of this correspondence, the site was described in almost completely different terms when seeking funding from IHDA. Ironically, the one area of *consistency* between the HUD and IHDA applications appears in TAB 1 – Section 1 of the AHA application to IHDA ("Preliminary Site and Market Assessment") where the AHA's own application describes the subject site as an "*isolated site location [that] helps make it unsuitable for housing purposes.*" Here, again, is one

area where I agree with the AHA's assessment. It is my firm belief that rebuilding a low-income project back on this site will very likely continue this racially and economically segregated island of families, separated from the commercial, civic and educational life of the larger community, which cannot, in the end, further fair housing in our community.

Nothing has changed about the suitability of the site location and so I remain firm in having strong reservations about the proposed development on the proposed site. Unfortunately, at least one out-of-town developer believes that such a development would nonetheless be profitable, so they have undertaken efforts to convince AHA residents and the public to essentially say that "this time it will be different." And while finding a developer willing to take on such a for-profit venture despite the project's many shortcomings seems to be the only substantial change that has occurred since the AHA described the site as an isolated "island of poverty, despair and hopelessness," this in and of itself is not nearly enough to shake my convictions. Having seen little in the proposed project to inspire confidence and still lacking critical details (such as financing sources), I must respectfully disagree with the contention that this time the outcome will be positive.

THE NEED FOR COMMUNITY INPUT AND BUY-IN

As I stated at the outset of this letter, I have recently convened a Task Force to guide a community-wide assessment and planning effort on affordable housing, which marks the **first** time that such an effort has been undertaken, despite the AHA's previous commitment to do so. It also marks the first time that the AHA Board (all of whom sit on this Task Force) has interacted with many of the community leaders and organizations who also make up the Task Force (and vice versa). On September 27th, the City Council approved a contract with Community Planning and Development Advisors (CPDA) to conduct a study of affordable housing for the City of Aurora and serve as a neutral facilitator of the Task Force meetings. The Task Force has met three times in two months and each meeting has been open to the public and included an opportunity for the public to give input.

I believe that in order to adopt and implement any plan to develop affordable housing, the City and the AHA, along with all other relevant stakeholders, must find common ground. Only by exploring all of the alternatives and understanding the yet undisclosed details of the AHA plan for Jericho Circle, can the parties begin to come together. This is the mission and purpose of the Task Force. Now, at this early stage of the Task Force's work and before anyone feels as though there has been any meaningful opportunity to explore alternatives that may better serve the City's affordable housing needs and commitment to further fair housing, we are asked to cut short this long-awaited opportunity for public dialogue and lock ourselves in to a plan that many believe can only end in failure.

Many of the members of the Task Force have publicly questioned what the point of such a Task Force would be if I were to sign off on the AHA's current proposal. As one Task Force member put it in his response to my request for input on whether or not I should provide the required letter of support, "No… [and] I find it curious that [such a question] would even need to be asked at this point." It is my hope, that if properly done, this community conversation facilitated by neutral consultants and members of this Task Force will create both understanding and consensus within our city.

In fact, one of the overarching purposes of assembling this Task Force was to ensure that any investments in affordable housing give the residents the best possible chance to succeed in life. I believe that any proposed affordable housing project should not be measured simply by whether it provides a profit for the developer or reduces the AHA's management responsibilities. It should instead be measured by whether it optimizes the opportunity for disadvantaged families, and particularly for children, to succeed in a healthy, integrated environment. Both the past history of and the current proposal for the Jericho Circle site inspire little confidence that this important goal will be achieved, if this project moves forward. We cannot lose sight of the fact that current and future generations of Aurora children will be impacted by these decisions and they deserve only the very best that our community can offer. I believe we must and can do better than the current Jericho Circle proposal.

As I have from the beginning, I continue to agree with the quoted sentiments of the AHA in its demolition application to HUD. Moreover, I agree with the AHA's own words that, as proposed, the AHA Jericho Circle rebuild cannot possibly further fair housing in the City of Aurora due to its "*isolated site location [that] helps make it unsuitable for housing purposes.*" Therefore, I cannot provide my endorsement of the AHA proposal, and I hope this letter helps to explain why. Please do not hesitate to contact me with any questions you may have.

Sincerely,

Thomas J. Weisner
Mayor

Guzman, Rick

From: Guzman, Rick
Sent: Wednesday, November 23, 2011 2:53 PM
To: Guzman, Rick
Subject: Mayor Weisner would like your input
Attachments: AHA - IHDA Application.pdf

Dear Task Force Members,

Mayor Weisner would like your input on the following time-sensitive matter. As many of you know, the Aurora Housing Authority (AHA) has applied to the Illinois Housing Development Authority (IHDA) for 9% Tax Credit Financing in order to re-build at the Jericho Circle site. The project has already cleared the preliminary application process with IHDA determining that the proposed re-build at the Jericho Circle site meets the basic eligibility requirements for this type of financing.

In the next phase of their application, IHDA requires that the AHA request and submit a letter of support "*specifically endorsing the Project, from the chief elected official of [the] municipalit[y] in which the project is located*."

As a community leader and member of the Affordable Housing Taskforce, the Mayor values your input and is grateful for your participation in shaping future affordable housing policy in our city. Unfortunately, the AHA has chosen to move this project forward before the taskforce reaches its final conclusions.

In order to meet IHDA's next application deadline, the AHA has requested to receive the letter of support by December 7. Informally, our office has heard from people both in support and opposition of the AHA's current proposal to rebuild on the Jericho Circle site. Mayor Weisner would like the opportunity to consider your thoughts on the project. A basic summary of AHA's current proposal is available on their website (click here) – OR – you can view the substantive portions of the full application, which are attached to this email.

Because the IHDA application process is moving quickly, we cannot wait until the next Task Force meeting to discuss this matter. Therefore Mayor Weisner would like to know your assessment of the AHA project and its ability to further fair housing goals in this City, as currently proposed, and thus whether it merits a letter of support from the City at this time. You may send your responses directly to me via e-mail or letter, however, please address the correspondence to Mayor Weisner.

We apologize for sending this important request on the afternoon before a holiday, but AHA's request was just received at the close of business on Friday. Your timely attention to this important matter is greatly appreciated.

Mayor Weisner and all of us in this office wish you a wonderful Thanksgiving holiday!

Sincerely,

Rick Guzman, Atty.
Asst. Chief of Staff
Mayor's Office - City of Aurora
44 E. Downer Place
Aurora, IL 60505
630-256-3010 – office
630-256-3019 – fax

AFFORDABLE RENTAL HOUSING A.C.T.I.O.N.
A Call To Invest in Our Neighborhoods

A.C.T.I.O.N. Campaign's Legislative Proposals for the 112th Congress

In addition to protecting and preserving the Housing Credit as a permanent part of the tax code, A.C.T.I.O.N. coalition members support the following legislative proposals to improve the efficiency and effectiveness of the Housing Credit program at little or no cost to the federal government:

1. Make permanent the 9% Housing Credit fixed floor rate of 9 percent

The Housing and Economic Recovery Act of 2008 (HERA) **set the rate** for new construction and substantial rehab Housing Credits (also known as 9% Housing Credits) from each state's allocation **at no less than 9 percent**, the amount originally envisioned when the program was created in the Tax Reform Act of 1986. This experiment proved successful—it **removed the uncertainty and financial complexity of the floating rate system**, simplified state administration, and facilitated development of affordable housing after HERA's enactment. However, this **provision will expire for affordable rental homes placed in service after 2013**.

If this provision is not extended at the beginning of 2012, affordable rental developments will need to be underwritten at the floating rate as the Housing Credit development cycle generally takes about two years to complete. This would mean **a sudden and substantial reduction in the amount of equity that a development could receive for its allocation** (though with no change in the amount of credits allocated). In the current budget environment where gap financing from HOME, CDBG, and other local sources are at risk, such a cut in equity would make the development of affordable housing more difficult. Making the fixed floor rate permanent would not increase the number of Housing Credits allocated, as they are capped annually. It just affects how much allocation each project may receive.

2. Make the Acquisition Housing Credit floor rate fixed at no less than 4 percent

In addition to the new construction and substantial rehab Housing Credits, states are allowed to provide Housing Credits from their capped allocation for the acquisition of existing property, an important tool for affordable housing preservation. **Acquisition Housing Credits (4% Housing Credits) are currently set by the floating rate system** just like new construction and substantial rehab Housing Credits were before HERA. **Applying the fixed floor rate** for acquisition Housing Credits at no less than 4 percent would similarly **remove the uncertainty and financial complexity of the floating rate system, simplify state administration, and facilitate preservation of affordable housing at little or no cost to the federal government**. Acquisition Housing Credits are less than 10 percent of all allocated Housing Credits according to the National Council of State Housing Agencies (NCSHA), so the incremental additional cost of extending the fixed floor rule to acquisition Housing Credits would be minimal.

Congress of the United States
Washington, DC 20515

February 28, 2012

Dear Colleague:

We are writing to invite you to join as a cosponsor of H.R. 3661, legislation that would prevent a significant reduction in the amount of investor equity that that can be used to build affordable housing. This legislation would extend a temporary provision enacted in 2008 which establishes a minimum tax credit rate for newly constructed or substantially rehabilitated property in the Low-Income Housing Tax Credit (LIHTC) program. In addition, it establishes a minimum tax credit rate for the acquisition of existing property in the LIHTC program.

The Low-Income Housing Tax Credit is the principal means by which the federal government supports the construction and preservation of affordable rental housing in this country. Today it builds about 100,000 units of affordable housing annually and accounts for about the same number of jobs in the economy, largely in the construction industry. As enacted in the Tax Reform Act of 1986, the amount of Low-Income Housing Tax Credits that are awarded to development projects is based on a formula which uses the federal cost of borrowing to determine the credit rate. As the federal cost of borrowing declines, the amount of tax credits that can be used to build a LIHTC project also declines. The extraordinarily low cost of federal borrowing in recent years led Congress to change the formula in 2008 so that there is a minimum credit amount, based on the original credit rate when the program was created. Unfortunately, the minimum credit rate expires for properties placed in service after 2013, which is now beginning to impact developments receiving allocations from state agencies.

In the next few weeks, affordable housing developers will have to begin assuming about an 18% reduction in the amount of investor equity they will be able to access to build affordable housing. When combined with budget cuts at the local, state and federal level, this further cut in resources for affordable housing will make it even more difficult to build and preserve affordable housing, even as the shortage of affordable housing is greater than ever.

This legislation is widely supported by the housing industry. Over 350 national, state, and local organizations in all 50 states, representing all participants in the industry—from investors and developers to affordable housing advocates—strongly support H.R. 3661.

Since this legislation only affects the amount of tax credits that a housing finance agency may award a particular development, and does not affect the overall amount of state allocations of credit, we expect the revenue cost to be minimal. The 2008 legislation cost $7 million over the ten year budget period. For further background, we have attached a summary of the legislation for your review. Please contact either Brad Bailey with Congressman Tiberi (5-5355) or Kara Getz with Congressman Neal (5-5601) if you would like to cosponsor this legislation or if you have any questions.

Sincerely,

Pat Tiberi

Patrick J. Tiberi
Member of Congress

Richard Neal

Richard E. Neal
Member of Congress

PRINTED ON RECYCLED PAPER

United States Senate

WASHINGTON, DC 20510

April 10, 2012

Dear Colleague:

We are writing to invite you to join as a cosponsor of S. 1989, which would prevent a significant reduction in the amount of investor equity that that can be used to build affordable housing. Our legislation would make permanent a temporary provision enacted in 2008 which establishes a minimum tax credit rate for the Low-Income Housing Tax Credit (LIHTC) program while establishing a minimum credit for existing buildings.

The LIHTC is the principal means by which the federal government supports the construction and preservation of affordable rental housing in this country. Today it builds about 100,000 units of affordable housing annually and accounts for about the same number of jobs in the economy, largely in the construction industry.

Enacted in the Tax Reform Act of 1986, the amount of credits that are awarded to development projects is based on a formula that uses the federal cost of borrowing to determine the credit rate. However, as the federal cost of borrowing declines, so does the amount of tax credits that can be used to build a LIHTC project. The extraordinarily low cost of federal borrowing in recent years led Congress to change the formula in 2008 so that there is a minimum credit amount, based on the original credit rate when the program was created. Unfortunately, the minimum credit rate expires for properties placed in service after 2013, which is now beginning to impact developments receiving allocations from state agencies.

In the next few weeks, affordable housing developers will have to begin assuming about an 18% reduction in the amount of investor equity they will be able to access to build affordable housing. When combined with budget cuts at the local, state and federal level, this further cut in resources for affordable housing will make it even more difficult to build and preserve affordable housing, even as the shortage of affordable housing is greater than ever. The need to make the credit permanent is more important than ever.

Over 350 national, state, and local organizations in all 50 states, representing all participants in the industry—from investors and developers to affordable housing advocates—strongly support S. 1989. For further background, we have attached a summary of the legislation for your review. Please contact either Erin Gulick with Senator Cantwell (4-3441) or Scott McCandless with Senator Snowe (4-7884) if you would like to cosponsor this legislation or if you have any questions.

Sincerely,

Maria Cantwell

Senator Maria Cantwell

Olympia Snowe

Senator Olympia Snowe

Reform and Expand the Low-Income Housing Tax Credit (LIHTC)

ENCOURAGE MIXED INCOME OCCUPANCY BY ALLOWING LIHTC-SUPPORTED PROJECTS TO ELECT A CRITERION EMPLOYING A RESTRICTION ON AVERAGE INCOME

Current Law

In order for a building to qualify for the LIHTC, a minimum portion of the units in the building must be rent restricted and occupied by low-income tenants. Under section 42(g)(1), the taxpayer makes an irrevocable election between two criteria. Either—

- At least 20 percent of the units must be rent restricted and occupied by tenants with income at or below 50 percent of area median income (AMI); or
- At least 40 percent of the units must be rent restricted and occupied by tenants with incomes at or below 60 percent of AMI.

In all cases, qualifying income standards are adjusted for family size. The amount of the credit reflects the fraction of the building's eligible basis that is attributable to the low-income units. Maximum allowable rents are restricted to 30 percent of the elected income standard, adjusted for the number of bedrooms in the unit.

Reasons for Change

In practice, these criteria often produce buildings that serve a very narrow income band of tenants—those just below the top of the eligible income range. For example, if the rent-restricted units in the building must be occupied by tenants at or below 60 percent of AMI, these units may end up being occupied by tenants with incomes that fall between 40 percent and 60 percent of AMI. As a result, the income criteria do not include incentives to create mixed-income housing, and LIHTC-supported buildings may not be able to serve those most in need. Mixed-income buildings are especially important in low-income communities that are being revitalized and in sparsely populated rural areas. In addition, the inflexibility of the income criteria makes it difficult for LIHTC to support acquisition of partially or fully occupied properties for preservation or repurposing.

Proposal

The proposal would add a third criterion to the two described above. When a taxpayer elects this criterion, at least 40 percent of the units in the project would have to be occupied by tenants with incomes that *average* no more than 60 percent of AMI. No rent-restricted unit, however, could be occupied by a tenant with income over 80 percent of AMI; and, for purposes of computing the average, any unit with an income limit that is less than 20 percent of AMI would be treated as having a 20-percent limit. Maximum allowable rents would be determined according to the income limit of the unit.

For example, suppose that a project has 70 identical rent-restricted units—10 units with income limits of 20 percent of AMI, 10 with limits of 40 percent of AMI, 20 with limits of 60 percent of AMI, and 30 with limits of 80 percent of AMI. This would satisfy the new criterion because none of the limits exceeds 80 percent of AMI and the average does not exceed 60 percent of AMI. ($10\times20 + 10\times40 + 20\times60 + 30\times80 = 4200$, and $4200/70 = 60$.)

A special rule would apply to rehabilitation projects that contain units that receive ongoing subsidies (e.g., rental assistance, operating subsidies, and interest subsidies) administered by the U.S. Department of Housing and Urban Development or the U.S. Department of Agriculture. If a tenant, when admitted to such a property, had an income not more than 60 percent of the then-applicable Area Median Income and if, when the tenant's income is measured for purposes of LIHTC qualification, the tenant's income is greater than 60 percent of the now-applicable Area Median Income (AMI) but not more than 80 percent of AMI (this fraction is called the "Credit-Year-1 AMI Percentage"), then, the taxpayer may make an election that would allow the tenant to remain in residence without impairing the building's LIHTCs. In particular, the election would have the following consequences—

- The average-income criterion would be applied without taking that tenant's unit into account;

- The requirement in the next-available-unit rule, *see* section 42(g)(2)(D)(ii), would apply; and

- The tenant's unit would be treated as rent restricted if the gross rent collected from the unit does not exceed 30 percent of the Credit-Year-1 AMI Percentage times current AMI.

When the tenant moves out, if the unit is to continue to be rent-restricted, the income restriction on the unit would revert to 60 percent of AMI (or whatever other level the taxpayer determines, consistent with the criterion that was elected under section 42(g)(1)).

The proposal would be effective for elections under section 42(g)(1) that are made after the date of enactment.

MetropolitanPlanningCouncil

Employer-Assisted Housing

For information on launching an EAH program contact Lillie Sellers at 312.863.6005 or lsellers@metroplanning.org, or visit **metroplanning.org** or **reachillinois.org**

The Issue: Housing Challenges

Serious and varied housing challenges abound throughout metropolitan Chicago. The problems range from lack of affordable housing to the need for economic development to stabilize and revitalize communities so potential homeowners can purchase quality housing. The future economic health of the region and our local communities is dependent on maintaining a stable and competitive workforce for our businesses and industries, which means we need a diverse range of housing options located near jobs and transportation/transit.

The Solution: Employer-Assisted Housing

In all types of communities, a proven tool is employer-assisted housing (EAH). EAH is an effective strategy in cities, suburbs and rural areas, whether to stabilize neighborhoods, promote energy efficiency, or overcome expensive housing markets. Participating employers come from a range of industries, including nonprofit, for-profit and government sectors, and have benefitted from using EAH as a tool for recruiting and retaining their employees.

In Illinois, thanks to state financial incentives and the work of local leaders, the Metropolitan Planning Council (MPC), Housing Action Illinois, and 15 nonprofit housing counseling agencies have created REACH Illinois. This collaboration makes it easy and financially sound for employers to offer EAH programs to their employees. REACH Illinois administers the program, provides homeownership education and financial counseling, and manages the down payment, rental assistance, and in some cases energy retrofit support provided by employers. Special state incentives, including tax credits for employers make REACH Illinois even more compelling. Through REACH Illinois, more than 2,500 employees have bought homes since 2000 and employers have contributed $9 million in assistance to employees, leveraging $2.3 million in state incentives.

Benefits at a Glance

- Strengthened financial stability for workers, including foreclosure prevention, when employers provide housing counseling and financial assistance to buy or rent a home
- Increased government, business, and community support for housing options
- State and federal tax benefits for employers that generate an attractive ROI as well as leveraged state assistance for employees
- Improved employee retention, loyalty and productivity
- Reduced employee commutes, stress, absenteeism, recruitment and training costs
- A benefits package with a competitive edge
- Enhance sustainability efforts and image

MPC's Role

MPC designs customized programs for participating Chicagoland employers, and matches employers with local REACH non-profit partners who have expertise in EAH, housing and credit counseling, homebuyer education, and the local real estate market.

Energy Efficiency Retrofit: A New EAH Incentive

ENERGY IMPACT ILLINOIS

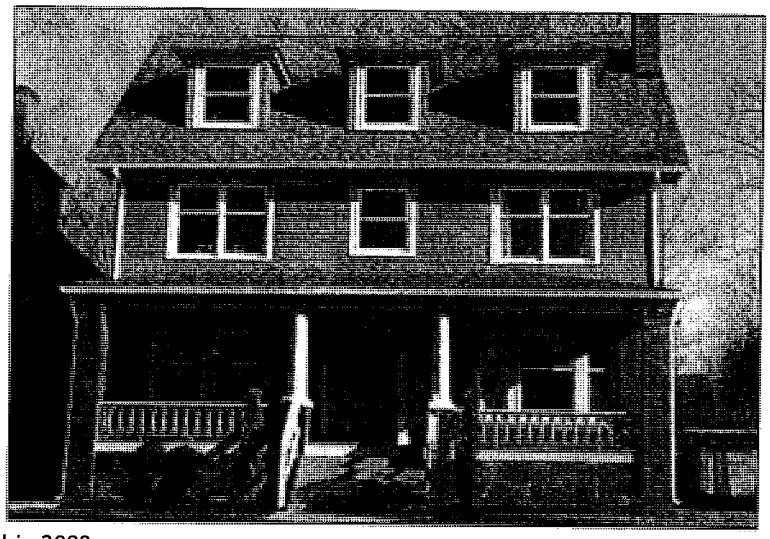
Employers who operate or want to start an EAH program will be eligible to take advantage of the EAH Retrofit program. Participating employers can help employees make their homes more energy efficient by contributing up to $3,000 to an employee for retrofitting their home. Homeowners will receive a $3,000 match through MPC via the Chicago Metropolitan Agency for Planning (CMAP) as part of Energy Impact Illinois. Recipients of the funds will receive an energy audit to determine which type of retrofit would be most beneficial to saving energy and money in the long run. Examples of retrofit projects include: attic insulation, air sealing, and replacing an outdated furnace.

Single Family Post Foreclosure Recovery

Opportunity Homes

cleveland housing network

Opportunity Homes, Cleveland's response to the growing number of abandoned properties, is gaining national attention as cities throughout America struggle to respond to the foreclosure crisis



Cleveland has amassed over 10,000 abandoned residential properties as a result of the foreclosure crisis. The blight from this inventory is reducing property values and undermining 30 years of successful investment by Cleveland's community development system.

After a year of planning, Opportunity Homes was launched in 2009 to address the crisis through immediate recovery strategies. The collaboration includes Cleveland Housing Network, Inc., Neighborhood Progress, Inc., Enterprise Community Partners, the City of Cleveland, the State of Ohio and six CDCs. The goal is to:

- rehabilitate 150 vacant homes for immediate sale;
- rehabilitate 150 vacant homes for Lease Purchase;
- demolish 300 unsalvageable homes;
- help 300 families to avoid foreclosure.

Opportunity Homes is focused on Cleveland's Strategic Investment Initiative (SII) areas—neighborhoods of Buckeye/Shaker Square, Detroit Shoreway, Fairfax, Famicos (Glenville), Slavic Village and Tremont. The SII areas were designated in 2004 as part of a 10-year plan to build neighborhoods of choice. Each area has major anchor projects completed or planned, representing $950 million in investments.

Opportunity Homes is focused on enhancing the neighborhoods immediately surrounding the anchor projects within each SII.

For-sale homes are offered for immediate sale, targeting buyers with incomes between 60-120% of AMI. Lease Purchase homes are offered through CHN's 15-year LIHTC Lease Purchase homeownership program, targeting families with incomes below 60% of AMI.

500 Homes Impacted

171 rehabs complete or in process
80% of for-sale homes sold or under contract
All completed Lease Purchase homes occupied
273 unsalvageable homes demolished

Highlights

- The first public-private collaboration in Cleveland to address the impact of the foreclosure crisis
- **Lead Partners:** Neighborhood Progress Inc. (planner) & Cleveland Housing Network, Inc. (developer)
- **300 abandoned homes** to be acquired and renovated in 6 target areas
- Ohio's first **Green Communities©** designation on a single-family affordable housing rehab project
- First year gap financing from City of Cleveland (**NSP/CDBG**), State of Ohio (OHFA), Federal Home Loan Bank
- Homes sold to buyers between 60-120% AMI, or offered for long-term Lease Purchase to families earning ≤60% AMI
- **For-sale financing model (typical home):**

Total Redevelopment	$162,000
OHFA write-down	($30,000)
City write-down, NSP or CDBG/AHP:	($42,000)
Sales Price	**$90,000***

2999 Payne Avenue | Third Floor
Cleveland, Oh 44114
216.574.7100
www.chnnet.com

Lease Purchase Program

"CHN is really the national model for this [Lease Purchase]. Other organizations have the capacity, but not to the extent—in terms of volume and refinement—that CHN has achieved."

—Tom Eastman, Vice President of Syndication
Enterprise Community Investment

In 1987 CHN was the first program of its kind to link the Low-income Housing Tax Credit (LIHTC) with a lease-to-purchase option. This enabled CHN to begin developing homes on a large scale for families who would not otherwise achieve homeownership. The program works as follows:

Financing & Development

Each year CHN establishes site control of 50-100 scattered site single-family homes. A Limited Partnership is established, and an application is submitted for Low Income Housing Tax Credits through the Ohio Housing Finance Agency. Subject to a competitive process, CHN typically is awarded 1-2 projects annually. When development is complete, homes are turned over to CHN's Property Management department for lease-up and 15-year management.

Application

Families apply for the program through CHN or one of its CDC partners. Prospective tenants must have income levels below 60% AMI, and also must complete homeownership classes before moving in. A typical resident is a single woman with 2-3 children and an income below 50% AMI.

Shared Responsibilities

The program requires that residents provide basic, loving-care maintenance of their homes and yards. As owner, CHN handles larger maintenance and mechanical repairs, pays the water bill and property taxes.

Preparation & Transition

Through classes and counseling, CHN works with residents to help them qualify for an affordable, fixed-rate mortgage. CHN also offers self-financing and other assistance if needed. In Year 16 the home is sold for the outstanding debt, granting significant equity to the homeowner. CHN works to keep housing costs, after purchase, not more than their previous rent.

Lease Purchase Facts

(15-year pathway to homeownership)

Homes Developed:	2,682
Sold thru 2009:	542
Transition Rate:	80%
Median Sales Price:	$17,750
Appraised Values:	$35,000-85,000
Education & Counseling:	20 hours
Average Monthly Rent:	$550

"Without Lease Purchase, I would not be a homeowner today...I've been on my job for 24 years, and I feel confident that I am well set to succeed as a homeowner."

-Gloria Cowsette, 2003
(pictured above)

cleveland housing network

216.574.7100 | www.chnnet.com
2999 Payne Avenue | Third Floor
Cleveland, Oh 44114

Our Mission

To create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe housing opportunities

The Need

The economic recession has caused unemployment, hunger, and homelessness to increase around the country. Milwaukee has experienced a 13% increase in homelessness among adults and children over the past two years. Since then, the Milwaukee Continuum of Care created the city's first 10-Year Plan to End Homelessness. The plan calls for the creation of more than 1,200 units of Supportive Housing in Milwaukee. In addition to 91 units of supportive housing the Johnston Center will create 10 or more permanent jobs, inject $12.7 million into Milwaukee's economy and help to create and modify policies and procedures in county and state government. These policies will enable other developers to produce supportive housing at scale. Thus, the Johnston Center represents a significant achievement for Milwaukee.

Project Overview

Left: Wind Lake Avenue facade, Right: 13th Street facade

- A new permanent supportive housing property that is home to 91 individuals who were previously homeless and disabled or at high-risk of homelessness
- Combines the adaptive reuse of the old Johnston Medical Center and new construction on an adjacent space
- Blends effective strategies and approaches to address some of society's most pressing issues homelessness, environmental conservation, poverty, and economic development
- Forty-one of the units house individuals who are chronically homeless, very low-income and disabled. The remaining 50 units house very low-income people who are at high-risk for homelessness
- Revitalized a historic building in a south side neighborhood and prominent 6 corners area, the development is featured as a catalytic project in the Near South Neighborhood Plan published by the City's Department of Community Development
- Utilizes Milwaukee-based architects Korb Tredo Architects Inc., general contractor Beyer Construction and Partners with Hope House of Milwaukee for social services provided in the building
- Incorporates City, County, State and Federal funding for development
- Groundbreaking held in May 2009, Residents moved in August 2010, Grand Opening Ceremony November 2010

Mercy Housing Lakefront • 120 South LaSalle Sreet, Suite 1850 • Chicago, Illinois 60603 ● 312.447.4500 ● www.mercyhousing.org

mercy HOUSING
Live in Hope

Building Features

- Combination of rehab and new construction
- Includes a number of green design elements that will increase the building's energy efficiency and support the project's long-term sustainability
- Green design elements include a solar hot water heater, a green roof and an outdoor green space
- Building applied for the U.S. Green Building Council's LEED Gold Certification
- Upper levels feature resident lounges and studio apartments
- The lower level features several common areas, including a laundry room, an exercise room, a computer lab, a resident lounge, resident storage and a community space which will be open for use by neighborhood organizations

Site Plan, by Korb Tredo Architects Inc.

Johnston Center, along Wind Lake Ave

Resident Services

- Hope House, a nonprofit community organization serves as the Milwaukee-based service partner
- Residents will have access to an on-site service team comprised of case workers, a property manager and a 24 –hour front desk clerk, that work together under a blended management model
- This Blended Management approach to housing and services delivery has made MHL a nationally recognized leader in its field
- Resident services include: case management, employment services, education and training and resident leadership training
- These are proven, cost-effective strategies to help extremely vulnerable and at-risk individuals maintain stable housing and move towards economic self-sufficiency

Ogden Manor Apartments

Organizational Information

The DHA Investment Corporation was created in 1987 as a not for profit corporation by the DuPage Housing Authority. The Corporation partnered with Bluestem Housing Partners, a not-for-profit housing developer to create DuPage Ogden Manor Enterprise, LLC to purchase and preserve Ogden Manor Apartments as affordable housing.

Project Information

The past owners of Ogden Manor wish to sell the property and were discussing making it market rate or turning the units into condos. DOME wished to preserve 108 units of existing affordable rental housing at 321-395 W. Ogden Avenue (Ogden and Mill) in Naperville. The seller approached the DuPage Housing Authority as a potential buyer. The property has 80 one-bedroom apartments for seniors in a large three story building; and 19 two-bedroom apartments and 9 three-bedroom apartments in multiple free standing townhouse style buildings. This property provides Project Based Rental Assistance to its residents through an existing contract with HUD. Rents are kept low (at 30% of tenants' income) due to this agreement.

Financing Sources	Position	Amount
IHDA -First Mortgage	1st	11,000,000
IHDA - Trust Fund	2nd	750,000
DuPage HOME Loan	3rd	185834
DuPage HOME Grant	4th - Grant	985,000
FHLB AHP Grant	Grant(s)	594,000
City of Naperville CDBG	Grant(s)	237,467
DHA Investment Corp	Owner's funds	186,408
TOTAL FINANCING:		**13,938,709**

Participant Selection Criteria	
Income Eligibility	*108 households @ <50% MFI
Household Size	Must meet the City of Naperville's Occupancy Standards depending on the size of the unit.
Age Restriction	At least one household member must be age 62 or older for the senior units. There are no age restrictions for the family units
Household Make-up	For the 28 family units, at least one child under the age of 18 must be living in the household. Four of the 28 units will be reserved for homeless families with a disability and incomes <30% MFI.
Rent Ready	*Tenants would pay 30% of their income for rent *The Project Based Housing Choice Voucher would pay remaining rent
Credit Check & Reference	Yes
Preference	Preference will be given to persons on the Housing Authority's waiting list

Senior Housing The DuPage County Consolidated Plan placed medium priority on new rental projects serving seniors making less than 50% MFI. The annual goal was 189 units per year to serve this population. This project saved 80 units of affordable rental housing for seniors.

Housing for Families Rental units with three or more bedrooms are difficult to find in DuPage County. This project saved nine three-bedroom rental units for large families and 19 two-bedroom units for small families.

Phoenix Heights, Waukesha, WI Brownfields Redevelopment

Project Overview:

The Phoenix Heights Subdivision was a 16.6 acre Brownfield redevelopment completed in 2002 that produced 69 units of attached and detached single family homes within close proximity to downtown Waukesha. Phase I consisted of 9 lots that were pre-sold at average sales price of $119,669 and completed in February 2000. Phase II comprised of 17 lots with an average sales price of $126,792 and was completed in Oct. 2000. The average household income of purchasers was slightly under $38,000. By comparison, median price of new construction in Waukesha Co at that time exceeded $250,000 and the median household income exceeded $64,500.

Total # of units: _69___

Key Features:

18 different home styles which range in size from a 1006 square foot ranch home with 2 bedrooms and 1 bath to a 1,669 square foot 2-story home with 4 bedrooms and 2 baths. All homes included attached garages, full basements, high efficiency furnaces and water softeners and were built as visitable units.

AND

Phoenix Heights is compatible to the surrounding neighborhoods in design and amenities. The development is within walking distance to downtown Waukesha, schools, churches, and retail stores and is located on the main bus line. It is located within one of three Neighborhood Revitalization Strategy Areas (NRSA)in the City of Waukesha.

PROJECT/ DEVELOPMENT PARTNERS:

- Owner/developer C-CAP, Inc./Private, non-profit Corporation (CHDO for Waukesha Co)
- City of Waukesha
- Waukesha County
- State of Wisconsin Department of Commerce

PROJECT COST & FINANCING:

- $13.5 Million project costs
- $3.13 Million in public funds
  - $1.48 million in City Tax Incremental Financing
  - $1.87 million in state clean-up funds
  - $415,000 in CDBG funds
    - Site improvements, secondary financing for homebuyers, brownfield clean-up
  - $575,000 in state and HOME funds

Nehemiah Homes Phase I – Springfield, IL
(Calvary Baptist Church and Windsor Homes)

Nehemiah Homes Phase I

Nine local churches (lead by the Calvary Baptist Church) partnered with an experienced local developer (Windsor Homes) to acquire twenty vacant lots in a three block area near the Calvary Baptist Church on the East Side of Springfield. Calvary's non-profit corporation, Nehemiah Expansion, partnered with Windsor Homes, to build twenty single-family homes to be rented to working families at affordable rents. At the end of fifteen years, the families will have the opportunity to purchase the homes and become homeowners. This collaboration between community-based churches and an experienced private-sector developer is part aims to help rebuild and stabilize a neighborhood in need of reinvestment.

Total # of units: 20 single-family homes

The development consists of 20 single-family homes – five (5) two (2) bedroom homes; ten (10) three (3) bedroom homes; and five (5) four (4) bedroom homes. All homes are rented at affordable rents to working families. One (1) home is affordable to households at or below 30% of the Area Median Income (AMI). Four (4) of the homes are affordable to households at or below 40% of the AMI. Eight (8) of the homes are affordable to households at or below 50% of the AMI. And all twenty (20) of the homes are affordable to households at or below 60% of the AMI.

PROJECT COST & FINANCING

Tax Credit Equity (LIHTCs from IHDA)	**$2,700,000**
Illinois Housing Development Authority Trust Fund Loan	**$288,600**
City of Springfield HOME Grant	**$240,000**
State of Illinois DCEO Energy Grant	**$40,000**
Deferred Developer Fee	**$77,500**
Total Project Sources	**$3,346,100**

PROJECT/ DEVELOPMENT PARTNERS:
An affiliate of Nehemiah Expansion formed a tax-credit limited partnership with a Low-Income Housing Tax Credit (LIHTC) investor to own the Project. Nehemiah Expansion's affiliate is the general partner and the LIHTC investor is the limited partner. Windsor served as the co-developer with Nehemiah Expansion. An experienced affordable housing consultant (Pusateri Development) provided assistance to Nehemiah Expansion. The Springfield Housing Authority serves as the management company and provided four (4) project-based rental subsidies for the development.

Nehemiah Home Phase II
(Calvary Baptist Church and Windsor Homes)

Project Overview: Nehemiah Homes Phase II

This is Phase II of the continuing efforts of Calvary and Windsor. They acquired a mix of vacant lots and homes to be demolished on thirty lots in a concentrated area near the Calvary Baptist Church on the East Side of Springfield. Calvary's non-profit corporation, Nehemiah Expansion, partnered with Windsor Homes, to build thirty (30) new construction single-family homes to be rented to working families at affordable rents. At the end of fifteen years, the families will have the opportunity to purchase the homes and become homeowners. This collaboration between community-based churches and an experienced private-sector developer aims to help stabilize the area.

Total # of units: 30
Single-Family Homes

The development consists of 30 single-family homes – twelve (12) two (2) bedroom homes; twelve (12) three (3) bedroom homes; and six (6) four (4) bedroom homes. All homes are rented at affordable rents to working families. Three (3) homes are affordable to households at or below 30% of the Area Median Income (AMI). Fifteen (15) of the homes are affordable to households at or below 50% of the AMI. And all thirty (30) of the homes are affordable to households at or below 60% of the AMI.

PROJECT FINANCING

IHDA TCAP Funds	**$1,000,000**
IHDA Section 1602 Funds	**$4,192,405**
City of Springfield HOME Grant	**$300,000**
State of Illinois DCEO Energy Grant	**$120,750**
FHLB AHP Grant	**$110,519**
Tax Credit Equity	**$8,500**
TOTAL PROJECT SOURCES	**$5,732,174**

PROJECT/ DEVELOPMENT PARTNERS:
An affiliate of Nehemiah Expansion formed a tax-credit limited partnership with an affiliate of Windsor Homes. In the wake of the 2008 financial collapse, the market for LIHTCs had disappeared. IHDA used funding from the Recovery Act to fund the transaction in lieu of tax credit equity from an investor. Nehemiah Expansion's affiliate is the general partner and the affiliate of Windsor Homes is the limited partner (and made a modest equity investment). Windsor also served as the co-developer with Nehemiah Expansion. An experienced affordable housing consultant (Lighten-Gale Group) provided assistance to Nehemiah Expansion. The Springfield Housing Authority serves as the management company and provided six (6) project-based rental subsidies for the development.

Army Staff Sgt. Robert Miller Apartments
111 N. West St, Wheaton, Illinois

Since 2007, Midwest Shelter for Homeless Veterans (MSHV), a not-for-profit corporation, has been providing transitional housing and strong support services for homeless veterans suffering from substance abuse and/or Posttraumatic Stress Disorder (PTSD) through the LCpl. Nicholas Larson Home for Veterans at 119 N. West Street, Wheaton, Illinois. Veterans remain in the transitional housing program for up to two years. This allows them to gain employment, medical and mental health care, a savings account, and the skills needed to live independently.

After graduation from the transitional housing program, the veterans need affordable rental housing located near transportation and jobs. Of the current 35 graduates, they found affordable rental housing in the following housing types: moving in with family, participating DuPage County's Shared Housing Program, one graduate moved into a retirement home, and others found affordable apartments.

Using DuPage County HOME funds ($717,000) and private financing ($102,000), MSHV purchased and is rehabilitating 111 N. West Street in Wheaton.

This site in Wheaton is a perfect location due to its location near MSHV, transportation and jobs. Surrounding site amenities in downtown Wheaton include many retail stores, pharmacy, several restaurants, barber, churches, library, post office, city hall, banks, the Metra train line, and a park within walking distance. MSHV believes these amenities will provide good living environment for tenants that do not own automobiles and employment opportunities.

MSHV will meet the HUD Notice CPD-94-01 definition of Single-Room Occupancy (SRO) units by providing six SROs within the three apartments units being shared by tenants in the following manner:

-Unit #1: Three SROs with three bedrooms for three tenants
-Unit #2: One SRO with one bedroom for one tenant
-Unit #3: Two SROs with two bedrooms for two tenants

PROGRAM SELECTION CRITERIA

MSHV would target six low-income veterans (all <60% AMI). Tenants will most likely be graduates from MSHV's transitional housing program. When entering that program, each resident was a homeless US veteran with substance abuse and/or Post Traumatic Stress Disorder (PTSD). Although any veteran meeting the following requirements would be eligible: An individual US Military Veteran with DD-214, incomes less than 60-30% AMI, able to afford rent, criminal background check with no convictions of sexual crime, no history of violence in last five years, no sex offenders, and must be male and age 18 and older.

ILLINOIS HOUSING
DEVELOPMENT AUTHORITY

401 N. Michigan Avenue
Suite 700
Chicago IL 60611
312.836.5200
312.836.5222 TDD
www.ihda.org

Pat Quinn, *Governor*

The Illinois Building Blocks Pilot Program

Governor Quinn, partnering with Cook County, has launched a new pilot program in six Cook County communities to help return vacant and foreclosed properties to productive use, provide affordable home ownership opportunities to working families, and help existing homeowners access foreclosure prevention resources. The Illinois Building Blocks Pilot Program is a coordinated effort to help stabilize neighborhoods, protect property values and maintain the existing local tax base in Berwyn, Maywood, Park Forest, Riverdale, Chicago Heights and South Holland.

Key Components

Building Blocks addresses the foreclosure crisis in the pilot areas in three ways:

1. Financing to rehabilitate vacant properties. A new revolving loan fund, with $40 million in *Illinois Jobs Now!* capital funds and $10 million from Cook County, will facilitate the acquisition and rehabilitation of vacant properties within the targeted areas.

2. Assistance for homebuyers. Significant financial assistance will be made available for purchasing vacant properties as a primary residence in the targeted areas. To qualify, the vacant property does not need to be one of those rehabbed in the program. The State of Illinois will provide:
   - Grants of $10,000 for down payment and closing cost assistance for up to 500 homebuyers purchasing vacant properties
   - Affordable first position mortgages to qualified buyers to make the cost of purchasing vacant homes in the communities as affordable as possible
   - A lowered FICO score threshold that will allow a greater number of potential homebuyers to qualify

3. Support for existing homeowners. Foreclosure counseling, loan modification programs and other resources targeted throughout the pilot communities to current homeowners to help families avoid foreclosure and keep their homes. Targeted outreach and events will connect these communities to:
   - Qualified, HUD-certified housing counselors, free of charge
   - Financial assistance from the Illinois Hardest Hit program, which provides up to $25,000 in mortgage assistance to qualified homeowners having trouble making mortgage payments due to unemployment or under-employment
   - Legal clinics that offer foreclosure prevention services free of charge

Financing the creation and preservation of affordable housing

- Targeted foreclosure mitigation events with one-on-one counseling, and access to loan servicers who can discuss loan modifications and work-out agreements on the spot.
- Additional information on refinancing options, loan modification options, federal and state resources, including HARP, HAMP and other programs.
- Advice on how to avoid mortgage fraud, job search opportunities, financial planning and other counseling services.

The Illinois Building Blocks Pilot Program will also leverage existing efforts already underway in many of these communities, particularly federally-funded Neighborhood Stabilization Program (NSP) development. Under Governor Quinn, Illinois has committed $58 million in NSP funding to restore nearly 450 foreclosed or vacant housing units in Illinois, creating an estimated 580 jobs.

In addition to federal NSP development, Building Blocks leverages local efforts, ongoing Cook County funding, and regional strategic planning in a comprehensive coordinated approach.

Additional Background

- The Chicago area has the nation's largest inventory of foreclosed homes. As of December 2011, there were 96,996 properties bank owned or in some stage of foreclosure in the Chicago metro area [1]
- On average, homes on the same block as a foreclosed property can drop in value between $8,000 to $10,000.[2]

Abandoned properties burden communities by creating blight and attracting crime. Returning properties to productive use benefits entire communities. For example, the rehabilitation of 500 housing units creates significant impact for local economies, including:

- 200 jobs[3]
- $13.2 million in local business income and wages[4]
- $1.4 million in local taxes[5]
- $8.3 million in income for local businesses generated from real estate-related industries, including construction[6]
- $2.6 million in additional local expenditures to boost local businesses, such as purchase of furniture, appliances and other home items[7]

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[1] RealtyTrac
[2] Federal Reserve Bank of Cleveland
[3] National Association of Realtors, National Association of Home Builders
[4] Ibid
[5] Ibid
[6] Ibid
[7] Ibid

MetropolitanPlanningCouncil

Chicago Regional Housing Choice Initiative

FACT SHEET
metroplanning.org

The Issue

Despite the weak housing market, the availability of affordable homes in areas with good job opportunities and quality schools continues to fall short of demand in metropolitan Chicago.

This "jobs-housing mismatch" poses challenges for families across the region, including the 60,000 Illinois households using Housing Choice Vouchers (HCV) for rental assistance: The Illinois Housing Action Research Project has reported that, among these families, most that have used vouchers to relocate have not "moved up" by improving their access to quality schools, jobs and other opportunities. This is despite the fact that the HCV program is designed to allow families using vouchers, which are valued at Fair Market Rent, to enter the private rental market and access better amenities. What's more, a Metropolitan Planning Council survey of regional PHAs showed that they spend about $1 million each year to facilitate households' moves between jurisdictions, but had little to show for their financial and administrative burdens in terms of family and neighborhood outcomes.

The Solution

These issues do not stop at municipal borders – or Public Housing Authority (PHA) jurisdictions – and are best tackled through coordinated regional planning and policy. Building off local lessons learned through the **Regional Housing Initiative** and the **Portability Pilot** (see reverse), the U.S. Dept. of Housing and Urban Development is funding this new three-year pilot to study the effects of mobility counseling on household outcomes, administrative and financial savings to PHAs, and neighborhood benefits. The pilot has two primary goals: to help 325 families move to areas with better career and educational opportunities, either by using Housing Choice Vouchers or selecting homes in designated mixed-income communities in metropolitan Chicago; and to reduce costs and burdens on public housing authorities.

In addition, the program will:

- Align Housing Choice Voucher allocations with local and regional plans and priorities, including the Metropolitan Mayors Caucus *Housing Endorsement Criteria* and Chicago Metropolitan Agency for Planning's *GO TO 2040* plan for northeastern Illinois;
- Demonstrate the value of creating regional lists for HCV holders;
- Provide a national model for a regional housing collaboration and improved use of national housing resources; and
- Gather research and data to inform future federal housing rental assistance policy and programs.

MPC will provide programmatic oversight, manage the project-based voucher process (through the Regional Housing Initiative), and coordinate referrals for voucher households as they enter the program and move to opportunity areas. Additionally, MPC is working with a technical advisors panel to design and conduct a useful, robust evaluation that can inform future policymaking. Housing Choice Partners, a third-party nonprofit, will help families weigh their options and connect them with useful community and workforce development resources. Thanks to the Preservation Compact, participating properties also will have access to key energy saving and educational resources.

325
families moved to areas with better career and educational opportunities (CHRCI goal)

26%
administrative cost savings (in previous Portability Pilot)

For More Information

Breann Gala
Senior Research Assistant
Metropolitan Planning Council
312.863.6029
bgala@metroplanning.org

Robin Snyderman
Vice President, Community Development
Metropolitan Planning Council
312-863-6007
rsnyderman@metroplanning.org

Precursors of the Chicago Regional Housing Choice Initiative

Regional Housing Initiative

The Regonal Housing Initiative (RHI) is a partnership between seven regional housing authorities in northeastern Illinois, the Illinois Housing Development Authority (IHDA), and Metropolitan Planning Council to encourage the preservation, construction and rehabilitation of multi-family, affordable rental housing across the Chicago region. RHI provides eligible developers of rental homes with a steady source of rental income via operating subsidies, and extra points toward being eligible for IHDA's Low-Income Housing Tax Credit. To date, RHI partners have awarded operating subsidies to more than 300 apartments in 18 successful developments.

Portability Pilot

The Portability Pilot was inspired by an MPC study that found regional public housing authorities inefficiently spend more than $1 million annually assisting households moving between jurisdictions, or "porting." The pilot, administered by Housing Choice Partners, assisted families moving to seek better jobs, schools, or other opportunities. In just 12 months, the pilot helped 300 families move to better locations, while helping housing authorities reduce the financial and administrative burdens associated with porting by 26 percent.

Chicago Regional Housing Choice Initiative Pilot Leaders

- Metropolitan Planning Council
- Housing Choice Partners
- Housing Authority of Cook County
- McHenry County Housing Authority
- Chicago Housing Authority
- Lake County Housing Authority
- Oak Park Housing Authority
- Joliet Housing Authority
- Waukegan Housing Authority

Partner Agencies

- Chicago Metropolitan Agency for Planning
- Workforce Investment Boards of Chicago
- Chicago and Cook County Alliances to End Homelessness

Lead Funder

- U.S. Dept. of Housing and Urban Development