

DuPage Housing Alliance Position Statement on the Proposed Naperville Voluntary Affordable Housing Program

Given the well-documented shortage of affordable housing in Naperville, ANY steps toward reducing such shortage must be applauded and encouraged.

The DuPage Housing Alliance (“the Alliance”) continues to believe that a mandatory inclusionary zoning ordinance (IZO) is the most effective mechanism to reduce our shortfall.

As there is obviously not sufficient political will on the current City Council to enact a mandatory ordinance, we believe that the incentive-based approach embodied in the efforts of consultant SB Friedman, and Duncan Associates, is very commendable, and worthy of support. However, we do have some recommendations as to how it might be improved.

At a minimum, having this ordinance on the books should, hopefully, cause the inclusion of affordable housing units to be topical at the BEGINNING of the development process, and not deferred until the eleventh hour thereof as has too often been the case in our city.

There are various “tiers”, or “targets” of “affordability” in the ordinance, included at Council’s direction to address so-called “workforce” housing needs. It must be noted, however, that only ONE of the tiers in the ordinance (“Regional Rental”) satisfies the definition of “affordable housing” applied by the U.S. Department of Housing and Urban Development (HUD) and the Illinois Housing Development Authority (IHDA). Notably, it is THAT tier, and only that tier, which would qualify for federal Low Income Housing Tax Credits (LIHTCs) administered by IHDA. These are appealing incentives that could help any developer finance a given project.

Nevertheless, we believe that this ordinance should be given a fair chance to be successful.

Our recommendations to help assure its success essentially come down to including provisions within the ordinance itself to make sure that:

- 1) the impacts of the ordinance on the future development of units falling within the different housing tiers are carefully tracked;
- 2) developer reactions to its provisions are carefully monitored;
- 3) progress toward the city’s affordable housing goals is measured at regular intervals; and,
- 4) the feedback on all the foregoing fronts is evaluated at those regular intervals to see what changes or improvements might be made to the incentives in the ordinance to increase the desired positive outcomes.

The more transparent the city can be in pursuit of all the above endeavors the better.

Further, it may be helpful if amendments were made to the proposed ordinance to allay rampant fears, which were very evident in both the Human Rights and Fair Housing Commission and Planning & Zoning Commission public hearings, that the incentive plan could somehow result in higher-than-surrounding-density housing being developed in the middle of existing, established single-family home neighborhoods.

In conclusion, we certainly do not see the proposed ordinance as ideal. However, if improved before passage to make sure that it is a “living document”, i.e., one which is

- 1) revisited by Staff and Council regularly to make sure the incentives are having the desired effect on developers and the stock of affordable housing in Naperville, and,
- 2) adjusted accordingly where it is not,

we think it can be a very important step forward for the City in addressing its affordable housing shortfall.