

**Draft Meeting Notes:
June 6, 2022 HRFHC Meeting**

Public Forum

Jeff Perkins, Catalpa Lane

The price of his 1955 split-level home is \$380,000. This far exceeds what IHDA has defined as affordable; however, the West Highlands is a working-class neighborhood, so this should actually be considered an affordable price.

He doesn't like the SB Friedman proposal at all. HRFHC, PZC and City Council should try to preserve affordable housing that exists in the City today. They should not allow for single-family homes to be removed and replaced with affordable apartment units by right. City Council approval should always be required, because the City Council directly responds to the voters.

Mike Ryder, DuPage Housing Alliance

Mr. Ryder provided the HRFHC with a position statement on the AHIP program. He supports the program and considers it a step towards addressing affordable housing in Naperville. The program needs defined mechanisms in place to track and monitor affordable units. All income levels should use regional income (not local) to define affordable. Currently only one tier meets this requirement and would help to increase the required 10% affordable units. 20% tax abatement offered by the State of Illinois would not have an implication on other taxing bodies as the abatement is on pre-improvement values.

Agenda Item: Affordable Housing Incentive Program (AHIP)

Chairman Miller introduced the agenda item and indicated that he is looking for Commissioners to provide feedback regarding specific program components of the proposed AHIP.

Providing Incentives By Right

Chairman Miller: as to providing incentives by right, he feels this does not include our very involved public or PZC role. This may have unintended consequences in that voices are not heard.

Commissioner Wilson: has concerns. People paying taxes in Naperville are effectively locked out of providing input.

Commissioner Palm: we need to address affordable housing but he is not in favor of density bonuses. It may impact the aesthetic of the area in which it will be allowed. Automatic granting of incentives without hearing public input is a bad idea. There is no meaningful impact resulting from this ordinance. Density is always the answer that people come up with to address affordable housing, but it's not the type of unit people want to live in. They want an affordable single-family home.

Commissioner Kuhn: would like to preserve residential neighborhoods as they are. She has an issue of mixing large buildings within established single-family neighborhoods. This should be done on a case by case basis.

Commissioner Hawkin: we need to meet the 10% minimum, so it seems density may be needed to help reach this. Not all people are interested in a single-family home – college students, seniors, people with disabilities, etc.

Commissioner Booker: always finds value in resident input and does not support a density bonus by right.

Commissioner Bergeron: clarified that the proposed ordinance would not permit a multi-family building to be constructed in single-family zoning. A developer would need to request rezoning and go through the process to have that request considered. Appreciates public input, but acknowledges that this does have a significant impact (cost, time) on the process. Without assurances that variances will be granted, a developer will not attempt to include these affordable units – it will be too risky and costly. If we want to make an impact in affordable housing in Naperville, some of these elements must be a known quantity.

Councilman Kelly: agrees with statements made by Commissioner Bergeron. Naperville residents have been saying for years that affordable housing is an issue that needs to be addressed. Council considered making the IZO mandatory, but this was not supported by Council. Council directed staff to pursue a voluntary IZO. Kelly believes the voluntary ordinance is a weaker option but it will do something. The incentives proposed were based on extensive study by SB Friedman and included feedback from the development community. Councilman Kelly always supports resident feedback, but notes that there are some developments today that can be built by right if all zoning requirements have been met. All rezonings will require PZC review and CC approval. Councilman Kelly has some concern with possibility of offering an incentive that allows open space to be reduced. Council can always amend this ordinance in the future if it is not working.

Incentives Offered – Setback Reductions

Commissioner Palm: needs to be considered on a case by case basis; does not support broad application.

Chairman Miller: needs resident input considered on a case by case basis.

Commissioner Hawkin: defers to experts as to whether this would be a valuable incentive.

Commissioner Bergeron: if affordable housing is an important problem to solve, we need to create a clear path to attract developers to participate.

Incentives Offered – Lot Coverage

Commissioner Wilson: prefers to start smaller and grow the incentives vs. being very lenient with the incentives and trying to pull them back later.

Commissioner Bergeron: wanted to clarify that developers won't get all incentives. They will get a limited number of incentives based on the % affordable that they are targeting. Also clarified that there is a small percentage of multi-family property in the City and probably a very small percentage of those properties that would be redeveloped.

Commissioner Palm: noted that the ordinance will also apply to residential proposed on commercial property. For lot coverage, only concern would relate to stormwater. We need to ensure that flooding problems are not created as a result of this increase.

Incentives Offered – Parking

Chairman Miller: this again may be appropriate for some projects (seniors) but not others. This should be discretionary.

Commissioner Palm: concerned about both parking reduction, but also increase in traffic resulting from use of Ubers and Lyfts if less on-site parking is available. Would prefer the list of incentives to be tailored to the type of development being proposed, i.e., we may be ok reducing parking for senior housing, but not for workforce housing.

Commissioner Bergeron: agrees with Commissioner Palm on tailoring incentives to type of development. Clarified that conversion of commercial to multi-family would require process and approval.

Incentives Offered – Height Increase

Commissioner Palm: doesn't necessarily have a problem with granting a height variance, but it is dependent on where the property is located as to whether it may be appropriate. The other concern is where height is measured. If there is usable space on the roof (rooftop deck), that would be a concern if height was increased and that was not included in the calculation of height.

Chairman Miller: concerned with height increase by right and potential impact that may have on the neighborhood.

Incentives Offered – Exterior Wall Construction

Chairman Miller: concerned that this will allow cheaper materials and cause long-term maintenance issues. Would prefer this to be discretionary.

Incentives Offered – Park Donation

Chairman Miller: this is a financial incentive to the developer. Believe that if this is approved, it will result in a burden on all other taxing bodies to make up the difference.

Commissioner Wilson: agrees with Chairman Miller's concerns. Also noted that the Park District submitted a letter stating concerns with this incentive.

Councilman Kelly: mixed feelings on this incentive for some of the reasons already stated. However, this financial incentive does reduce the potential for a developer to use the other incentives that have a bigger impact (i.e., density). Councilman Kelly asked staff to provide details about staff's response to Park District's concerns and encouraged staff to continue to have these discussions.

Commissioner Bergeron: there is limited land for the Park District to continue to request with new development. Has less concern about this incentive based on the same points raised by Councilman Kelly.

Commissioner Hawkin: did staff respond to the Park District recommendation regarding a case by case approach? Laff – yes, concerned that this approach is subjective. What will the criteria be for approval?

Incentives Offered – PUD Outdoor Common Open Space

Commissioner Palm: depends on type of development. For example, at IDD development, he would hate to see a reduction in required open space. Prefers tailored incentive package depending on development type.

Chairman Miller: no two projects are the same, so this should be discretionary.

Councilman Kelly: should we consider proximity to park land when determining if open space should be permitted to be reduced?

Commissioner Palm: agrees with Councilman Kelly's ideas.

Concluding Remarks

Chairman Miller: agrees with objectives of ordinance, but does not agree to providing these incentives by right. Could be detrimental.

Commissioner Wilson: ordinance could lead to unintended consequences, flooding, for example.

Commissioner Palm: concurs with what has been said. This doesn't address issues like seniors being able to age in place. With this ordinance, doesn't see how we can get anywhere near the number of units that we need to get to. This will result in a couple of units here and there.

Commissioner Kuhn: we have made little progress in the area of affordable housing. No program will be perfect, but we need to do something to try to make some progress. We need to move forward with having something for the developers to work off of, otherwise we will have no forward movement.

Commissioner Hawkin: thinks this is really exciting. This is the right time to do something on this issue, especially with the high cost of housing. We need to start somewhere. Appreciates that staff is collaborating with other stakeholders.

Commissioner Bergeron: understands Chairman Miller's concern regarding making this by right. Agrees with Commissioner Palm's idea of tailoring the incentives to the development type. We have to move forward with something and give developers a clear path. This is a good step in that direction.

Councilman Kelly: this is a compromise. Clarified that stormwater will not be waived as a result of this program.