DuPage Housing Alliance's Priorities Regarding SB Friedman's "Toolkit" Items - May 23, 2020

The DuPage Housing Alliance ("Alliance") focus continues to be addressing the need for affordable housing in Naperville. The Alliance has reviewed and discussed in some detail the 22 tools presented by consultant SB Friedman ("Friedman") in its Draft Toolkit in its recently-completed Housing Needs Assessment. This toolkit was presented at the March 2 Housing Advisory Commission (HAC) meeting.

The Alliance, in our review, considered each tool in the context of an increase in affordable housing. We considered the potential impact of each tool, the cost and effort to implement, as well as the time to implement (immediate, intermediate, longer term). It was also apparent that some of the tools were dependent upon or related to other tools. Our objective was to identify the tools that have the highest "cost-impact" payoffs, can be implemented in a reasonable time frame, and can "enable" other of the tools in the longer term.

In our opinion, the following six tools deserve the highest priority of the Housing Advisory Commission, city staff, and the City Council moving forward.

The six priority tools, in the order presented in the toolkit, are as follows:

- <u>Implement an Inclusionary Zoning Ordinance (IZO)</u> This tool is a primary enabler that, simply stated, requires every housing development of a specified size to formally consider including an affordable component during the planning and approval process, or in some way compensate the community if affordable housing is not included. Communities both in our area and across the country have used IZOs effectively. This tool has been at the forefront of discussions with the HAC and some members of City Council and has positive momentum at this time. Given the sizable projects recently approved by the City WITHOUT ANY affordable housing component OR any compensation earmarked for future affordable housing (e.g. Main Street Promenade, Polo Club, Wagner Farm), we see this tool as the most urgent.
- <u>Amend zoning codes to allow for Accessory Dwelling Units</u> This tool is an easy to implement step that allows current housing to be modified to provide an additional affordable unit on the current property (e.g., basement apartments, above garage apartments, etc.).
- <u>Identify areas to (re)zone for residential use</u> Provides potential for more development and, in concert with an IZO, would provide additional affordable housing.
- <u>Establish a Housing Trust Fund</u> This tool provides a holding place for any funds that are dedicated to housing needs, including affordable housing which is currently a major concern for many communities including Naperville. Other tools recommended by Friedman might require funding which could be financed, at least in part, from a Housing Trust Fund. At this point, a developer has already given the city \$200,000 to address affordable housing and a Housing Trust Fund is the logical place for these funds, as well as those obtained from future sources, to reside.
- <u>Create housing-specific staff position(s) within city government</u> Many, if not all, of the tools, will require staff effort to implement and staff effort to operate. Currently there is no staff solely dedicated to housing issues. Many communities have such a position, especially those where housing issues and affordable housing are priorities. Without this position, implementation of many of the tools would take more valuable time.
- Develop working relationships with Affordable Housing Developers Having these relationships has the advantage of encouraging affordable housing development as well as learning what is needed by developers to make that happen. Affordable housing developers can provide experiential expertise on what works and what doesn't work to make affordable housing progress in a community. This is related to the existence of a housing staff person to develop such relationships.

In summary, the Alliance believes that all 22 items have merit. Starting with the above six tools would have a significant impact, at a reasonable cost, in a reasonable timeframe, and would enable the other tools going forward.