



Legislation Text

File #: 19-310, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Consider the recommendation of the Housing Advisory Commission regarding the inclusion of affordable housing within the 5th Avenue Development project

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Allison Laff, AICP, Deputy Director

BOARD/COMMISSION REVIEW:

The Housing Advisory Commission (HAC) voted (6-0) at its February 4, 2019 meeting and formally adopted a position paper (vote 8-0) at the March 4, 2019 meeting. The HAC is recommending the City Council direct the developer to include a minimum of 20% affordable housing, as defined by the Illinois Housing Development Authority (IHDA), in the proposed 5th Avenue Development project.

BACKGROUND:

At the December 4, 2018 meeting, the City Council requested that the HAC provide input regarding the housing component of the 5th Avenue Development project, including answers to the following questions:

- Defining Terms: What is “attainable housing?” What is “affordable housing?”
- Should attainable or affordable housing be a required component of the 5th Avenue Development?
- What level or percentage of attainable/affordable housing should be required?
- Who is the target market for housing in this development?

DISCUSSION:

The HAC convened on February 4, 2019 to discuss the 5th Avenue Development project, as directed by City Council. Following a presentation by City staff and the DuPage Homeless Alliance, the HAC voted (6-0) to recommend that the City Council direct the developer to include a minimum of 20% affordable housing, as defined by the Illinois Housing Development Authority (IHDA)*, into the proposed 5th Avenue Development project. The Commission cited the following reasons as to why this site is ideal for inclusion of affordable housing: 1) the properties are owned by the City; 2) the properties are adjacent to/have access to the train station; 3) housing at this location can address the housing needs of seniors, veterans, young professionals/workforce, and persons with disabilities; and 4) the 20% minimum affordable units can potentially qualify the developer for federal incentive programs.

At the recommendation of the DuPage Homeless Alliance, the HAC further developed the above recommendation into a more complete position paper. The HAC adopted the paper at the March 4, 2019 meeting (vote 8-0).

The position paper, with respect to affordable housing within the 5th Avenue Development project, as well as the minutes from the February 4, 2019 and March 4, 2019 (draft) HAC meetings, are attached for review and reference.

**Per IHDA, affordability is calculated as housing costs (mortgage/taxes or rent/utilities) constituting no greater than 30% of monthly income (80% of the Chicago MSA Average Median Income for owner-occupied units; 60% of Chicago MSA Average Median Income for rental units). For Naperville, an affordable owner-occupied unit can be no greater than \$133,083; an affordable rental unit can be no greater than \$950/month.*

FISCAL IMPACT:

To be determined.