

#### **MEETING MINUTES**

#### HOUSING AND HOMELESSNESS COMMISSION

Thursday, January 11, 2018, 6:00 P.M. Lorraine H. Morton Civic Center, Room 2402

Present: Vice-Chair Geri Palmer, Suzanne Calder, Sidney Caselberry, Sandra Hill,

Alderman Eleanor Revelle

Absent: Chair Ellen Cushing, Noelle Gilbreath, Kyle Lauterhahn, Moika Long

Staff: Sarah Flax, Housing and Grants Administrator; Savannah Clement, Housing

Policy and Planning Analyst

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#### Call to order

Vice-Chair Geri Palmer called the meeting to order at 6:08 PM with a quorum present.

# Approve minutes of December 7, 2017 meeting

Sue Calder moved for approval, Sandra Hill seconded and the motion was approved unanimously.

#### **Public comment**

No public comment.

# **Review Affordable Housing White Paper strategies**

Sue Calder asked for Evanston's median income. Sarah Flax explained that the City does not use an Evanston-specific median income for housing programs; the City uses Chicago Metro Area median income.

On January 29th, City Council will have its first quarterly update meeting on affordable housing. Staff will provide a presentation on work plan progress to date at this meeting. All of the affordable housing referral items from the October 30, 2017 City Council meeting will remain on their respective committee agendas in order to have consistent updates.

# Accessory Dwelling Units (ADU)

Staff is conducting more research and trying to get a handle on how many ADUs currently exist in Evanston. There will be more discussion on ADUs at the January 29th City Council meeting, and action items in February. Durango, CO, implemented an amnesty program for its illegally rented ADUs. The City could use Durango's program as a model in order to allow the City to inspect existing units and bring them up to code. Staff is also looking into garden apartments; more information will be provided with ADU memos.

Vice-Chair Geri Palmer and Sandra Hill asked about the amount of density allowed in neighborhoods; staff needs to evaluate to see what could be allowed. The City needs to look at what would fit within the community. The City has a lot of legal nonconforming lots/buildings and different lot sizes. Staff is trying to get an estimate on how many accessory dwelling units are actually in the city currently. Vice-Chair Palmer asked how ADUs fit in with affordable housing. Ald. Revelle explained it just requires a change in ordinance and no cost to the City. She explained that Ald. Suffredin said residents in his ward are interested because it would provide extra income for a senior to stay in their home. Allowing the rental of ADUs would increase the housing stock in Evanston, and provide households with opportunities to rent in areas where there is very little available rental housing.

### **Small Lot Houses**

The staff homeownership memo for the January 8th Administrative and Public Works Committee meeting included the idea of creating smaller lots for smaller homes. The City is looking at a specific lot as a pilot. Proposed housing on smaller lots would be reviewed individually in order to ensure the design is in alignment with the neighborhood and specific lot. Sue Calder asked how many vacant lots there are in Evanston. Sarah Flax said she doesn't know but there are not many. Sarah said there are several interesting parcels that are vacant, though. The City is also exploring expanding its partnership with ETHS Geometry in Construction to build small lot homes and/or ADUs.

## Three Unrelated Occupancy Rule

Staff is putting together a white paper on rooming houses. Rooming houses are a more affordable option for very low income people. The rooming houses research will be reviewed and discussed at the January 29th City Council meeting.

#### Inclusionary Housing Ordinance Subcommittee

The IHO Subcommittee will examine several different possible changes to the ordinance. The Subcommittee's first meeting is January 17th. The Real Estate Transfer Tax (RETT) will be examined, but state law mandates a referendum to increase it. Sue Calder worked on the City's last referendum to increase the RETT, but that didn't pass. She noted that the efforts to get the referendum passed started late, and provided too little time to get support. Sue pointed out that the City Manager said that the new housing programs need to be sustainable (at the January 8th City Council meeting); she feels impact fees would help with that.

# Paths to Homeownership

Staff is putting together a memo on the City's past programs for the January 22nd Administrative and Public Works meeting. Sarah Flax noted the City's past Down Payment Assistance Program used HOME funds; due to federal regulations, it was very onerous and did not work well. Sarah said the City can promote existing programs at external agencies, and develop small scale homes that are more affordable. Sarah also mentioned that land trusts can be used to ensure long-term affordability.

## Landlord Rehabilitation Assistance Program

Staff is putting together a memo with an outline for a program, to be discussed at the January 22nd Administrative and Public Works Committee.

## Rental Assistance Program

The City has not received any funding from developer contributions into the Affordable Housing Fund. However, between now and when the City does receive these funds, staff will evaluate Alderman Rainey's proposal and develop program specifics. The program would include move-in costs in addition to a rental subsidy, for three years. Sue Calder is concerned about the subsidies being for market rate units. Sue noted TBRA has wraparound services to help households become self-sufficient. Sue is also concerned that the program won't be sustainable. Sarah Flax noted that one of the eligibility requirements for the program is that people have to have a job, but she is not sure if Alderman Rainey's program will also include wraparound services. Ald. Revelle asked about McKinney-Vento and referrals from the school districts. Sue explained that Connections for the Homeless gets referrals from school districts for TBRA. Sue noted that case management is vital for these types of programs to succeed.

#### Landlord Mitigation Fund

City Council and staff are not currently working on establishing a landlord mitigation fund at this time. However, Joining Forces for Affordable Housing and the Alliance to End Homelessness in Suburban Cook County are looking into this and doing landlord outreach.

Ald. Revelle suggested developing some measurable goals to evaluate progress with the affordable housing work plan. She said this could also help determine where to allocate resources. Sue Calder noted targets/goals need to be modest because it takes a long time and a lot of money to move things forward.

Staff will send City Council memos to Commission. Staff will also be developing an affordable housing page on the City's website to provide ongoing updates on the work.

## **Inclusionary Housing Ordinance waitlist policies and procedures**

Sarah Flax explained the value of having a centralized waitlist for residents - it provides a more streamlined process for accessing affordable housing. Additionally, having Community Partners for Affordable Housing (CPAH) income qualify tenants takes work off developers and helps with compliance monitoring. Sarah explained that households will have to self-report their income on the pre-application. If their income is close to the eligible levels, the household will then be put on the waitlist. When units open, CPAH will contact people on the waitlist to conduct a full income certification.

Affordable housing developers and property managers won't have to take people off this waitlist, but market rate developers with affordable units can, as well as small landlords

with affordable units. Tenants will be income qualified but property management companies will be able to pick from a pool of qualified tenants based on their tenant selection procedures. Staff and CPAH will caution developers on requirements such as high credit scores that may preclude low income tenants from being able to rent their apartments.

Ald. Revelle asked about Emerson Square's waitlist. Sarah explained there are a few different waitlists for the different funding sources in the project. Ald. Revelle asked how staff and CPAH will handle a lot of interest in the IHO waitlist. Amy Kaufman, Associate Director of CPAH, said her thought is not to cut off the waiting list if it gets too many people, because different units are appropriate for different households. She said that also helps with getting units filled quicker. Amy noted that people with little or no income will not be put on waiting list, but CPAH will refer them to other resources and organizations. CPAH does tell people to call back if income has changed, but will put people on the waitlist if their income is close the threshold.

CPAH is doing income qualifications for market rate buildings with affordable units that were pre IHO.

The City's IHO policies and procedures are going to be more lenient than HUD regulations with regard to increasing rent or not renewing leases when income increases. Staff is also talking to developers about fixed or floating units for when household incomes go up.

Sue Calder asked about ADA accessibility for the affordable units. The City's current ordinance does not require that.

Staff is looking to start process of pre application and opening waitlist soon.

Sue Calder asked about re-certifications. Amy Kaufman said that about 75 days before a household's lease is up, CPAH reaches out to property managers about recertifications. CPAH only checks income at re-certs, not debt. So far in Highland Park, this process has been seamless. Developers also don't have to take or renew tenants.

Ald. Revelle asked about if information will be available at the Civic Center or library, other city facilities. Amy said CPAH does an event at the library when units are available. She said the pre-application is also available online, and the library has it, as well. However, CPAH won't go promote the affordable units and waitlist if there aren't any units available. CPAH would like to have access to the hospitals with regard to promoting affordable housing to their employees. Sue Calder said she might have a contact at Presence that she could send Amy. The hospitals have said that if they let any organization in, then have to let them all in and don't want to do that. Ald. Revelle said she will try to talk to NorthShore about this, as well.

The City is also looking at employer-assisted housing programs and partnerships with big employers such as Northwestern University and the hospitals. Northwestern had an employer-assisted housing program in the past when the City was implementing its NSP2 program.

Currently, CPAH has about 14 rental units in Evanston and about 149 people on the waitlist. CPAH will merge its waitlist with the City's IHO interested parties list.

Sue Calder asked if CPAH provides services for its clients. Amy Kaufman said clients can participate in CPAH's financial literacy classes, but since residents in market rate buildings aren't paying rent to CPAH, there is less contact with them. CPAH does try to do as much outreach as possible. Amy said CPAH will also help find resources for tenants that may be struggling to pay rent, such as referring them to Connections for the Homeless. The City's 311 is also really good at referring people to City and other outside resources.

Dependent students are not eligible for affordable units. However, independent students could be. This is in alignment with the HUD Part 5 income certification process.

The IHO Policies and Procedures is a final draft that staff wanted to get the Commission's feedback on. No action is required by the Commission. Policies and procedures are also typically an administrative function.

#### **New/other business**

No new business.

#### Staff reports

No staff reports.

#### Adjournment

Alderman Revelle motioned for adjournment, Sandra Hill seconded, and the motion was unanimously approved. The meeting was adjourned at 8:10 p.m.

The next scheduled meeting of the commission is Thursday, February 1, at 7:00 p.m. in room 2402.

Respectfully submitted, Savannah Clement, Housing Policy and Planning Analyst