



# Memorandum

To: Housing and Homelessness Commissioners

From: Savannah Clement, Housing Policy and Planning Analyst

Subject: March 7, 2019 HHC Meeting Cover Memo

Date: March 5, 2019

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Attached please find:

- The meeting agenda
- Item 1: Draft minutes of the February 7, 2019 meeting for approval
- Item 2: Housing and Homelessness Commission Bylaws
- Item 4: Affordable Housing Fund documents

We look forward to seeing you on March 7<sup>th</sup>.



## **HOUSING AND HOMELESSNESS COMMISSION**

**Thursday, March 7, 2019**

**7:00 PM**

**Lorraine H. Morton Civic Center, 2100 Ridge, Room 2402**

- 1. CALL TO ORDER / DECLARATION OF QUORUM**
- 2. APPROVAL OF MEETING MINUTES** February 7, 2019
- 3. PUBLIC COMMENT**
- 4. HOUSING & HOMELESSNESS COMMISSION BYLAWS REVISIONS  
DISCUSSION CONTINUED**
- 5. AFFORDABLE HOUSING FUND REVISIONS DISCUSSION CONTINUED**
- 6. ELECTION OF CHAIR AND VICE-CHAIR**
- 7. STAFF REPORTS**
- 8. CHAIR'S REPORT**
- 9. NEW/OTHER BUSINESS**
- 10. ADJOURNMENT**

Next Meeting: April 4, 2019 at 7:00 p.m. in room 2402

**Order & Agenda Items are subject to change.** Information about the Housing and Homelessness Commission is available at: [www.cityofevanston.org/government/agendas-minutes](http://www.cityofevanston.org/government/agendas-minutes). Questions may be directed to Savannah Clement at 847.448.8679.

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*DRAFT*

## MEETING MINUTES

### HOUSING AND HOMELESSNESS COMMISSION

Thursday, February 7, 2019, 7:00 P.M.  
Lorraine H. Morton Civic Center, Room 2402

**Present:** Chair Ellen Cushing, Alderman Eleanor Revelle, Monika Bobo, Larry Donoghue, Noelle Gilbreath, Moika Long, Renee Phillips

**Absent:** N/A

**Staff:** Savannah Clement, Housing Policy and Planning Analyst

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#### **Call to order**

Chair Ellen Cushing called the meeting to order at 7:04 PM with a quorum present.

#### **Approve minutes for January 10, 2019 meeting**

Ald. Revelle moved approval, Larry Donoghue seconded and the motion was approved unanimously.

#### **Public comment**

Doreen Price provided public comment on the demolition tax, and in support of a fund helping people make their homes more resilient to climate change.

Sue Loellbach provided public comment on revisions to the Affordable Housing Fund description.

#### **Housing and Homelessness Commission Bylaws**

Chair Ellen Cushing suggested the Commission work on changing the mission in the bylaws. Commissioners recommended getting rid of Section 3 in Article II. Commissioners had a question about annual reporting, per the bylaws. Staff said that the Commission used to submit an annual report of City Council, but all boards, committees and commissions don't seem to have a current process for reporting. Staff will bring redlined version at next meeting after having Commissioners edit in a Google doc.

#### **Demolition Tax Discussion Continued**

Staff provided a proposal for raising the fee from \$10,000 to \$15,000, and \$3,000 to \$5,000. Alderman Revelle moved approval, Larry Donoghue seconded, and the motion was approved unanimously.

#### **Affordable Housing Fund Revisions Discussion**

Commissioners expressed concerns about actual role of the Commission. Chair Ellen Cushing stated that she will work on updating the AHF description, and will send a Google doc with her updates to the Commission for feedback.

### **Nominations of Chair and Vice-Chair**

Commissioners nominated people for Chair and Vice-Chair:

- Chair: Larry Donoghue, Noelle Gilbreath
- Vice-Chair: Monika Bobo

Commissioners will vote at the March meeting.

### **Staff Reports**

Staff provided updates from the affordable housing quarterly update meeting at City Council on February 4th. The Affordable Housing Plan Steering Committee had to reschedule its first meeting due to the extreme weather, and will now be meeting on February 13th at 7:00 p.m. in the Parasol Room (4900) at the Civic Center.

### **Chair's Report**

Chair Ellen Cushing acknowledged the passing of Adrian Willoughby, executive director of Reba Place Development Corporation.

### **New/Other Business**

No new business.

### **Adjournment**

Ald. Revelle motioned to adjourn, Monika Bobo seconded, and the meeting was adjourned at 8:55 p.m.

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

Respectfully submitted,  
Savannah Clement, Housing Policy and Planning Analyst

# **ADMINISTRATIVE RULES & PROCEDURES**

EVANSTON  
HOUSING & HOMELESSNESS  
COMMISSION  
ADMINISTRATIVE RULES & PROCEDURES

TABLE OF CONTENTS

<i>ARTICLE</i>	<i>DESCRIPTION</i>	<i>PAGE</i>
ARTICLE I .....	Name and Authority .....	1
ARTICLE II .....	Mission .....	1
ARTICLE III .....	Membership .....	2
ARTICLE IV .....	Officers.....	4
ARTICLE V .....	Meetings .....	5
ARTICLE VI.....	Agencies Requesting Funding .....	6
ARTICLE VII.....	Amendments .....	7

**THE HOUSING AND HOMELESSNESS COMMISSION  
OF THE CITY OF EVANSTON**

**ADMINISTRATIVE PROCEDURES AND REGULATIONS**

**ARTICLE I**

**Name and Authority**

- Section 1.** The name of this organization shall be “The Housing and Homelessness Commission of the City of Evanston, Illinois,” hereafter referred to as the “Commission.”
- Section 2.** The establishment of this Commission is provided for in Evanston City Code Title 2, Chapter 4, “Housing and Homelessness Commission.”
- Section 3.** The business of the Commission is conducted in accordance with the Illinois Open Meetings Act; applicable ordinances adopted by the Evanston City Council, including the Housing and Homelessness Ordinance 94-0-17, as amended; the Evanston Human Rights Ordinance 26-O-14, the Fair Housing Ordinance 8-O-12, Chapter 6 of the Municipal Code; City Code Section 1-10-1, et seq., and these Bylaws. Where Evanston ordinances conflict with these Bylaws, the former shall prevail pursuant to Evanston’s home rule authority.

**ARTICLE II**

**Mission**

- Section 1.** The Evanston Housing and Homelessness Commission is a public body established by City ordinance. The Commission’s mission is to protect and promote the public health, safety, and welfare of Evanston residents by providing for the planning, expansion, maintenance, conversion and rehabilitation of Evanston’s housing stock and to be responsive to needs for change in housing related matters to the end of maintaining a diverse residential environment and to conserve property values within the community and to combat homelessness. It is further found that the Commission is necessary to monitor and maintain compliance with fair housing and other protections afforded to any individual with a disability or who is a member of a protected class.
- Section 2.** The Commission is a policy and recommending body responsible for developing funding recommendations for agencies that request funding in the form of grants or loans from the City for programs that offer needed services for people who are homeless or at high risk of becoming homeless, affordable housing development and preservation, and other housing-related programs and services for Evanston

residents. These programs and services shall be accessible and responsive to community needs and shall be available to qualified low-, moderate- and middle-income Evanston residents.

**Section 3.** *Method of Funding:* The Commission provides funding recommendations on the City's federal entitlement grants – HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG) – as well as the City's Affordable Housing Fund. Funding recommendations made by the Commission will be reviewed by Planning and Development or Human Services Committees and approved by City Council. Recommendations must be made for programs and services that align with City Council goals.

**Section 4.** The Commission shall promote human rights and fair housing, as well as access to safe, quality affordable housing for Evanston residents.

## **ARTICLE III**

### **Membership**

**Section 1. Members**

A. The Mayor shall appoint nine (9) Evanston residents to serve as members of the Commission.

B. In appointing new members to the Commission, the Mayor will consider knowledge, familiarity, and/or experience with local housing issues, homelessness and affordable housing issues, different housing populations in Evanston including seniors, the different types of housing stock in Evanston, renter and homeowner housing issues, and housing development and financing for public and private sectors. At least one (1) member of the Commission must be an alderman. All members must be residents of the City of Evanston. Term of Office: Commission members are appointed to three (3) year terms by the Mayor with the advice and consent of the City Council. Non-aldermanic members may serve for not more than two (2) full terms.

C. Vacancies and Removal

1. If a Commission member fails to attend two (2) regular Commission meetings without a reasonable cause in a calendar year, or otherwise neglects his or her duties as a Commission member, the Chairperson, with the assent of the Commission, may recommend to the Mayor that the seat be declared vacant.

2. Any vacancy shall be filled by the Mayor as soon as possible.

3. A member of the Commission may be removed by the Mayor for absenteeism, neglect of duty, misconduct or malfeasance in office, after



being given a written statement of the charges and an opportunity to refute them at a hearing with the Mayor.

## **Section 2. Powers and Duties**

In carrying out its responsibilities, the Commission must:

- A. Evaluate and recommend tools to expand or maintain affordable housing to the Planning and Development Committee;
- B. Evaluate and recommend tools to expand or maintain housing programs and services for people experiencing homelessness to the Human Services Committee.
- C. Provide recommendations on the use of the City's Affordable Housing Fund dollars to the Planning and Development Committee;
- D. Provide recommendations on the use of the City's HOME Investment Partnerships Program ("HOME") funds to the Planning and Development Committee;
- E. Provide recommendations on the use of the City's Emergency Shelter Grant Program ("ESG") funds to the Human Services Committee;
- F. Provide guidance on the implementation of the City's Inclusionary Housing Ordinance;
- G. Submit an annual report to City Council on the goals, activities and accomplishments of the Commission; and
- H. Create subcommittees, as necessary, in furtherance of the Commission's purpose.

## **Section 3. Conflicts of Interest**

All members of the Commission agree to abide by all duties and obligations imposed on Commission members in the City's Code of Ethics in City Code Title 1, Chapter 10, "Board of Ethics." The Board of Ethics' supplemental policy is intended to clarify and prevent the personal interests of Commission members from interfering with the performance of their duties or from resulting in personal or political gain at the expense of the Commission or Evanston taxpayers.

The Commission strives to maintain the highest ethical standards to avoid conflicts of interest. All members of the Commission shall act in good faith in all relationships touching upon their responsibilities to the Commission and shall avoid any conflict of interest.

For the purpose of this policy, the definitions found in the City of Evanston's Code of Ethics in City Code Title 1, Chapter 10, "Board of Ethics," shall apply.

Supplemental Policy:

1. Each member of the Commission shall disclose to the Commission in writing each City-funded entity to which the Commission member contributes a sum of money greater than one thousand dollars (\$1,000.00) in any calendar year.
2. Each member of the Commission shall recuse himself from voting on any matter in which that member has an apparent or actual conflict of interest.

**Section 4. Expenses**

All appointed members of the Commission shall serve as such without compensation. Expenses incurred by any member in the performance of official duties may be reimbursed in accordance with procedures established by the City of Evanston.

## **ARTICLE IV**

### **Officers**

**Section 1. Elected Officers**

The elected officers of the Commission shall consist of a Chairperson and a Vice-Chairperson.

**Section 2. Election of Officers**

A. In January of each year, the Commission shall nominate candidates for the Chair and Vice-Chair positions.

B. The Commission shall prepare a slate of candidates for each office, to be presented at the February meeting.

C. Any Commission member may make additional nominations at the February meeting, with the consent of the nominee, prior to any vote.

- C. Commission members shall elect officers by voting upon the slate of candidates and any additional nominees by no later than the March meeting.

**Section 3. Terms of Office**

The Chairperson and Vice-Chairperson shall be elected for one-year terms from April 1 to March 31. No member shall serve more than three consecutive one-year terms in each office.

**Section 4. Vacancies**

A vacancy in any office shall be filled by a vote of the Commission at the next regular meeting following the occurrence of the vacancy. The officer is elected for the duration of the unexpired term.

**Section 5. Duties of Officers**

- A. The Chairperson shall assure that the policies, programs and orders of the Commission are carried out.
- B. The Chairperson shall preside at all meetings of the Commission. The Vice-Chairperson shall preside in the Chairperson's absence.
- C. The Chairperson shall be responsible for calling meetings of the Commission pursuant to the Open Meetings Act and for assuring an agenda for each meeting.
- D. The Chairperson may appoint committees to consist of two members for specific tasks.

**ARTICLE V**

**Meetings**

**Section 1. Regular and Special Meetings**

- A. Regular meetings shall be held on the first Thursday of each month at 7:00 P.M. in the Civic Center, 2100 Ridge Avenue, unless such day shall be a legal holiday observed by the City or another conflict exists, in which case the regular meeting shall be held at such other time as the Commission may decide.
- B. Special meetings shall be held upon the request of the members of the Commission.
- C. Notice of all regular and special meetings of the Commission shall be communicated to the members at least one week before the meeting by action at a previous meeting, or by mail, email, or by telephone.

- D. Meetings shall be open to the public in accordance with the ordinance of the City of Evanston and the Open Meetings Act.
- E. Notice of all regular and special meetings of the Commission shall be communicated to the public by publication of an agenda in accordance with the Open Meetings Act.

**Section 2. Quorum**

A majority of the members of the Commission constitutes a quorum for the transaction of business.

**Section 3. Voting**

At any meeting at which a quorum is present, the affirmative vote of the majority of the members present shall carry any issue. The Chairperson is a voting member of the Commission and may vote on any issue.

**Section 4. Parliamentary Procedure**

Unless inconsistent with these Bylaws or otherwise decided by the Commission, all meetings shall be conducted in accordance with *Robert's Rules of Order Newly Revised* (Tenth Edition).

## **ARTICLE VI**

### **Agencies Requesting Funding**

**Section 1. Guidelines for Applicants Requesting Funds from the Affordable Housing Fund, HOME Program, and/or the Emergency Solutions Grant**

Non-profit agencies are eligible to apply for funding for affordable housing and other social housing- and homelessness-related programs that serve at-risk Evanston residents. Individuals may not apply to the Commission for direct assistance. All applicants shall submit an application for funding to the City of Evanston. A representative of each agency shall be required to attend public meetings associated with the funding process. City staff will review applications and make recommendations to the Commission for funding. The Commission shall review the application and make its recommendation for funding for consideration by the Planning and Development Committee and City Council.

## **ARTICLE VII**

### **Amendments**

**Section 1.** These Bylaws may be amended at any meeting of the Commission by the affirmative vote of a majority of members in office. Written notice of proposed

amendment(s) shall be given to all members at least two weeks prior to the meeting at which the amendment(s) is/are to be considered.

**Section 2.** Any proposed amendment(s) to the Bylaws shall be included in the meeting packet at which they will be voted upon.

**Section 3.** The City Manager shall be advised of any changes in these Bylaws.

**Section 4.** The Commission shall review its Bylaws annually.

CHAPTER 18 - AFFORDABLE HOUSING DEMOLITION TAX AND AFFORDABLE HOUSING FUND

SECTION:

4-18-1. - PURPOSE.

The purpose of this Chapter is to provide a source of funding for the creation, maintenance, and improvement of safe and decent affordable housing in the City of Evanston in order to enhance preservation and maintenance of the City's cultural and economic diversity.

(Ord. No. 139-0-05; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012)

4-18-2. - DEFINITIONS.

For the purposes of administering this Chapter:

<p>AFFORDABLE HOUSING FUND.</p>	<p>The fund established by City Council which can only receive and expend monies dedicated to the creation, preservation, maintenance, and improvement of affordable housing for households whose income is one hundred percent (100%) or less of area median income, with no less than sixty percent (60%) of all monies reserved for households that earn less than eighty percent (80%) of area median income. The City Manager or his/her designee may implement programs including, but not limited to: down payment and/or rental assistance; building rehabilitation and/or construction loans; property acquisition and disposition; and grants to nonprofit organizations that serve households that earn less than one hundred percent (100%) of area median income. Said programs shall be administered in accord with guidelines generated by the Evanston Housing and Homelessness Commission, reviewed by the Planning and Development Committee and/or Human Services Committee of the City Council, and approved by the City Council.</p>
<p>AFFORDABLE HOUSING, OWNER OCCUPIED.</p>	<p>Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost of the mortgage payment and relevant expenses (a calculation of property taxes, homeowner's insurance, and, when applicable, condominium or homeowner association fees) of owner occupied dwelling units shall not exceed thirty three percent (33%) of the relevant household's gross annual household income (the total income of all adults over eighteen (18) years of age in the household).</p>
<p>AFFORDABLE HOUSING, RENTAL.</p>	<p>Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost (including a utility allotment and adjustment for household size) of rental dwelling units shall not exceed thirty percent (30%) of the relevant household's gross annual household income (the total income of all</p>

	adults over eighteen (18) years of age in said household).
APPLICANT.	Any individual who applies for a building demolition permit under this code.
AREA MEDIAN INCOME.	The median income level for the Chicago primary metropolitan statistical area, as established and defined in the annual schedule published by the secretary of the United States department of housing and urban development and adjusted for household size.
DEMOLITION.	The removal or destruction of a structure or building in whole or in part to the extent of fifty percent (50%) or more of such structure or building as it existed prior to the commencement of such act or process.
DEMOLITION STRUCTURE.	The building or structure to be demolished.
DIRECTOR.	The director of the Evanston Community and Economic Development Department.
DWELLING UNIT.	A room or group of contiguous rooms that include facilities used or intended to be used for living, sleeping, cooking and eating, and that are arranged, designed, or intended for use exclusively as living quarters.
RELEVANT HOUSEHOLD.	A low or moderate income household whose total income does not exceed the relevant percent of median income for the Chicago primary metropolitan statistical area Chicago area, as established and defined in the annual schedule published by the secretary of housing and urban development, and adjusted for household size. A low income household has income that does not exceed eighty percent (80%) of HUD area median income. A moderate income household has income that does not exceed one hundred percent (100%) of the HUD area median income.
REPLACEMENT STRUCTURE.	Any building or structure replacing the demolition structure.
RESIDENTIAL STRUCTURE.	Any building or structure containing dwelling units.
RESIDENTIAL STRUCTURE,	A detached residential building containing three (3) or more dwelling units, including what is commonly known as an apartment building, but not including

MULTI-FAMILY.	group, row, or townhouses, excluding a hotel, motel, boarding house, rooming house, dormitory, nursing home, mobile home, institution, or retirement home or community.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY ATTACHED (Group, Row, Or Townhouses).	Three (3) or more dwelling units joined side by side.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY ATTACHED, TWO-FAMILY.	A residential building containing not more than two (2) dwelling units entirely surrounded by open space on the same lot.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY DETACHED.	A residential building containing not more than one dwelling unit entirely surrounded by open space on the same lot.

(Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012; Ord. No. 61-O-12, § 2, 10-8-2012)

4-18-3. - TAX IMPOSED.

(A) Amount Of Tax. Any person granted a permit under this code for demolition of a residential structure shall pay an affordable housing demolition tax of: 1) ten thousand dollars (\$10,000.00) for the demolition of any single-family detached residential structure, or 2) for the demolition of any multi-family, single-family attached, or two-family residential structure, either ten thousand dollars (\$10,000.00) or three thousand dollars (\$3,000.00) for each unit in the structure, whichever amount is more. The tax imposed pursuant to this Subsection shall be in addition to the demolition permit fee established from time to time by the City Council and all other applicable fees and charges. Payment of the tax, unless deferred as provided in Section 4 of this Chapter, shall be due upon issuance of a demolition permit by the department, and is a condition to the validity of the permit. The City shall have a lien against the property which was the subject of the demolition permit until applicable tax obligations imposed by this Chapter are satisfied. The funds received by the City for the amount imposed pursuant to this Subsection shall be dedicated to achievement of the affordable housing goals and objectives as set forth in Section 1 of this Chapter. The demolition tax funds received pursuant to the tax imposed by this Chapter shall be deposited directly into the affordable housing fund.

(Ord. No. 40-0-07)



- (B) Specific Applicability Rules. Notwithstanding the general requirement set forth in Subsection (A) of this Section, the tax shall not apply under the following circumstances. This Subsection, however, shall not affect an applicant's obligation to pay the demolition permit fee.
1. If the applicant and the City enter into an agreement for the provision of "affordable housing" as defined in Section 2 of this Chapter in conjunction with the demolition that would otherwise be the subject of Subsection (A) of this Section. Any such agreement shall require prior City Council approval and shall specifically set forth the applicability of this Subsection.
  2. If the Director determines, pursuant to regulations enacted by the City Council, that the building or structure replacing the building or structure that is the subject of the demolition permit constitutes "affordable housing" as defined in Section 2 of this Chapter.
  3. If the director or any other city department head, or their respective designees, orders a demolition for any reason, including, but not limited to, nuisance, public safety, or fire hazard, this tax shall not apply, regardless of whether the demolition work is performed by a public or private entity.
- (C) General Applicability: Imposition of the tax provided for by subsection (A) of this section shall not apply to any demolition for which a perfected application for the demolition permit was on file with the city on or before the effective date hereof.

(Ord. No. 139-0-05)

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-3)), 1-23-2012)

#### 4-18-4. - TAX DEFERRAL OPTION.

- (A) A person who has been the record title holder or beneficiary of a land trust (collectively, "record title holder") and occupant of a residential structure for three (3) consecutive years, and who files or causes to be filed an application for a demolition permit for that structure, may opt for deferral of the tax, as provided in this Subsection 4-18-4(A) or (B). In the event the demolition permit is for a multi-unit structure, the person may only defer that portion of the demolition tax attributable to his/her own dwelling unit. The demolition permit fee must be paid at the time of application. The person shall make application for deferral of the tax to the Director on a form provided for that purpose and available from the Building Permit Desk. To qualify for the deferral, the person shall provide documentation to establish that all real estate taxes on the subject property have been paid in full as of the date of application for the permit; that any and all City liens and judgments recorded on the subject property have been satisfied; and that the person has been the record title holder and occupant of the subject structure for three (3) consecutive years prior to the date of application for the permit. Documentation the Director may require to establish the person's qualification for the tax deferral option may include, but shall not be limited to, income tax records and proof of voter registration. If the Director determines that the person qualifies for the deferral option, he/she shall cause a lien to be recorded against the property with the Cook County Recorder in the amount of the tax to be deferred, to which shall be added the applicable recordation fee. Except as provided in Section 4-18-4(C), the lien shall not bear interest. The Director may, upon written request of the person, subordinate the lien to any mortgage the person may have or seek on the property. Among the factors the Director may consider in determining whether or not to grant the subordination request is whether the value of the property is adequate to ensure payment of the City's lien, and that all real estate taxes have been paid.
- (B) Deferral of the Tax in the case of Recycling/Reuse of Materials. Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the materials generated by the demolition of a structure will be recycled and/or reused, may apply for a deferral of the tax. Evidence of such recycling/reuse shall be furnished to the Director in writing, and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.

- (C) Deferral of the Tax in the case that the subject property is no longer a buildable parcel. Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the lot/parcel in question is no longer buildable under the City's ordinance may apply for a deferral of the tax. Evidence of such change in property characteristics must be furnished to the Director in writing and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.
- (D) Release of lien.
- (1) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B), or (C) and who has been the record title holder and occupant for three (3) consecutive years after issuance of a Final Certificate of Occupancy for the replacement structure may apply for release of the lien by making application therefor to the Director on a form provided for that purpose and available from the Building Permit Desk. Documentation the Director may require to establish the person's qualification for the release of lien may include, but shall not be limited to, income tax records and proof of voter registration for the years in question. If the Director determines that the person qualifies for the release, he/she shall provide the person with a recordable release of lien no later than thirty (30) days after he/she determines that the person qualifies for the release.
  - (2) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B) or (C) who sells the subject property prior to the expiration of the three (3)-consecutive-year period after issuance of the Final Certificate of Occupancy shall, as a condition to the City's release of the lien, pay the tax due, to which shall be added interest at the annualized Money Market Index rate published by the Government Finance Officers Association.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 62-0-11, § 2, 8-8-2011; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-4)), 1-23-2012)

#### 4-18-5. - STABILITY INCENTIVE.

When the tax was paid at the time of permit issuance as provided for in subsection 3(A) of this chapter, a person who has been the record title owner and occupant of a residential property demolished subsequent to the effective date of this chapter ("preexisting structure") for all of the three (3) years immediately preceding the date of the application for demolition ("prepermit period"), and remains the record titleholder and occupant of the property for three (3) consecutive years beginning immediately after the date on which the certificate of occupancy for the new residential structure is issued, may qualify for a monetary stability incentive in an amount equal to the demolition tax paid on the issuance of the permit for demolition of the preexisting structure, provided, however, that only persons whose real estate taxes on the property are paid in full at the time of application for stability incentive may apply for the incentive.

Application for the stability incentive payment shall be made to the director on a form provided for that purpose and available from the building permit desk. The person must provide the director of Community and Economic Development with such documentation as he/she may require to establish that the owner qualifies for the payment under the requirements of this section. Such documentation may include, but is not limited to, income tax returns and proof of voter registration for the years in question. The city shall pay qualifying persons an amount equal to the demolition tax, if any, imposed pursuant to this chapter on the issuance of the permit for the preexisting structure, less the amount of any liens recorded by the city against the subject property, including, but not limited to, liens for judgments entered in cases adjudicated in the city's Division Of Administrative Adjudication, no later than thirty (30) days after the Director of Community and Economic Development determines that an owner qualifies for the stability incentive.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-5)), 1-23-2012)

4-18-6. - SEVERABILITY.

The provisions, sections, and subsections of this chapter shall be deemed separable, and the invalidity of any portion of this chapter shall not affect the validity of the remainder.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-6)), 1-23-2012)

CHAPTER 18 - AFFORDABLE HOUSING ~~DEMOLITION TAX AND AFFORDABLE HOUSING~~-FUND

SECTION:

4-18-1. - PURPOSE.

The purpose of ~~this Chapter~~ the Affordable Housing Fund is to provide funding for the planning, expansion, maintenance, conservation, and rehabilitation of Evanston's housing stock and to be responsive to needs for change in housing-related matters to the end of maintaining a diverse residential environment and to conserve property values within the community and to combat homelessness. ~~provide a source of funding for the creation, maintenance, and improvement of safe and decent affordable housing in the City of Evanston in order to enhance preservation and maintenance of the City's cultural and economic diversity.~~

(Ord. No. 139-0-05; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012)

4-18-2. - DEFINITIONS.

For the purposes of administering this Chapter:

AFFORDABLE HOUSING FUND.	<p>The fund established by City Council which can only receive and expend monies dedicated to the creation, preservation, maintenance, and improvement of affordable housing for households whose income is one hundred <u>twenty</u> percent (<del>100</del><u>120</u>%) or less of area median income, <del>Priority uses with no less than sixty percent (60%)</del> of all monies reserved for households that earn less than eighty percent (80%) of area median income <u>will be based on the City's Consolidated Plan that identifies housing needs and strategies to address them and is approved by City Council.</u> The City Manager or his/her designee may implement <del>programs-activities</del> including, but not limited to:</p> <p><u>Housing development projects funded by loans or grants including, but not limited to, acquisition, pre-development costs; construction of new housing units; rehabilitation of existing units; adaptive re-use of non-residential buildings for housing; construction or renovation of shelters and/or transitional housing.</u></p> <p><u>Housing programs and services funded by grants that are implemented by nonprofits or City staff that serve households whose incomes do not exceed 120% of the area median income including, but not limited to: grants or loans to homebuyers in the form of down payment and/or closing cost assistance; homebuyer/credit counseling; home maintenance and management for new homeowners; rental assistance; landlord-tenant services; landlord training and education; building rehabilitation and/or construction loans; property acquisition and disposition; homesharing programs; and case management and other needed services to enable households to access housing or shelter and/or</u></p>
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	<p><u>maintain their housing and grants to nonprofit organizations that serve households that earn less than one hundred percent (100%) of area median income.</u></p> <p><u>Funds may also be used to fund staffing and other costs required to administer and manage funded activities, monitor compliance with affordable housing requirements, and assess and report outcomes and effectiveness at meeting City housing related goals.</u></p> <p>Said <u>projects and</u> programs shall be administered in accord with guidelines generated by the Evanston Housing and Homelessness Commission, reviewed by the Planning and Development Committee and/or Human Services Committee of the City Council, and approved by the City Council.</p>
AFFORDABLE HOUSING, OWNER OCCUPIED.	Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost of the mortgage <u>payment principal and interest</u> and relevant expenses (a calculation of property taxes, homeowner's insurance, <u>private mortgage insurance</u> and, when applicable, condominium or homeowner association fees) of owner occupied dwelling units shall not exceed thirty <u>three one</u> percent ( <u>3331</u> %) of the relevant household's gross annual household income (the total income of all adults over eighteen (18) years of age in the household).
AFFORDABLE HOUSING, RENTAL.	Decent, safe, sanitary housing that is affordable to "relevant households" as defined herein. The cost (including a utility allotment and adjustment for household size) of rental dwelling units shall not exceed thirty percent (30%) of the relevant household's gross annual household income (the total income of all adults over eighteen (18) years of age in said household).
<u>APPLICANT.</u>	<u>Any individual who applies for a building demolition permit under this code.</u>
AREA MEDIAN INCOME.	The median income level for the Chicago primary metropolitan statistical area, as established and defined in the annual schedule published by the secretary of the United States department of housing and urban development and adjusted for household size.
<u>DEMOLITION.</u>	<u>The removal or destruction of a structure or building in whole or in part to the extent of fifty percent (50%) or more of such structure or building as it existed prior to the commencement of such act or process.</u>
<u>DEMOLITION</u>	<u>The building or structure to be demolished.</u>

**Comment [FS1]:** Move to Demolition Tax section

**Comment [FS2]:** Move to Demolition tax section

**Comment [FS3]:** Move to demolition tax section

STRUCTURE.	
DIRECTOR.	The director of the Evanston Community <del>and Economic</del> Development Department <u>or his/her designee, or of any successor agency, unless otherwise indicated.</u>
DWELLING UNIT.	A room or group of contiguous rooms that include facilities used or intended to be used for living, sleeping, cooking and eating, and that are arranged, designed, or intended for use <u>exclusively as living quarters.</u>
RELEVANT HOUSEHOLD.	A low <del>or</del> , moderate, <u>or middle</u> income household whose total income does not exceed the relevant percent of median income for the Chicago primary metropolitan statistical area Chicago area, as established and defined in the annual schedule published by the secretary of housing and urban development, and adjusted for household size. A low income household has income that does not exceed <u>eighty-fifty percent (8050%)</u> of HUD area median income; <del>a</del> moderate income household has income that does not exceed <u>eighty percent (80%) of HUD area median income, and a middle income household has income that does not exceed</u> one hundred <u>twenty</u> percent ( <del>100120</del> %) of the HUD area median income.
REPLACEMENT STRUCTURE.	Any building or <u>structure</u> replacing the demolition structure.
RESIDENTIAL STRUCTURE.	Any building or structure containing dwelling units.
RESIDENTIAL STRUCTURE, MULTI-FAMILY.	A detached residential building containing three (3) or more dwelling units, including what is commonly known as an apartment building, but not including group, row, or townhouses, excluding a hotel, motel, boarding house, rooming house, dormitory, nursing home, mobile home, <del>, or institution, or retirement home or community.</del>
RESIDENTIAL STRUCTURE, SINGLE-FAMILY ATTACHED (Group, Row, Or Townhouses).	Three (3) or more dwelling units joined side by side.
RESIDENTIAL	A residential building containing not more than two (2) dwelling units entirely

**Comment [FS4]:** Separate definitions for Community Development Department and Director?

**Comment [FS5]:** Expand to include live-work spaces?

**Comment [FS6]:** Move to demolition tax section

STRUCTURE, SINGLE-FAMILY ATTACHED, TWO- FAMILY.	surrounded by open space on the same lot.
RESIDENTIAL STRUCTURE, SINGLE-FAMILY DETACHED.	A residential building containing not more than one dwelling unit entirely surrounded by open space on the same lot.

(Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-1)), 1-23-2012; Ord. No. 61-O-12, § 2, 10-8-2012)

SOURCES OF FUNDING FOR THE AFFORDABLE HOUSING FUND

DEMOLITION TAX (or Fee?)

4-18-3. - ~~TAX IMPOSED.~~

**Comment [FS7]:** Check with Legal about use of fee instead of tax

(A) Amount Of Tax. Any person granted a permit under this code for demolition of a residential structure shall pay an affordable housing demolition tax of: 1) ten thousand dollars (\$10,000.00) for the demolition of any single-family detached residential structure, or 2) for the demolition of any multi-family, single-family attached, or two-family residential structure, either ten thousand dollars (\$10,000.00) or three thousand dollars (\$3,000.00) for each unit in the structure, whichever amount is more. The tax imposed pursuant to this Subsection shall be in addition to the demolition permit fee established from time to time by the City Council and all other applicable fees and charges. Payment of the tax, unless deferred as provided in Section 4 of this Chapter, shall be due upon issuance of a demolition permit by the department, and is a condition to the validity of the permit. The City shall have a lien against the property which was the subject of the demolition permit until applicable tax obligations imposed by this Chapter are satisfied. The funds received by the City for the amount imposed pursuant to this Subsection shall be dedicated to achievement of the affordable housing goals and objectives as set forth in Section 1 of this Chapter. The demolition tax funds received pursuant to the tax imposed by this Chapter shall be deposited directly into the affordable housing fund.

(Ord. No. 40-0-07)

(B) Specific Applicability Rules. Notwithstanding the general requirement set forth in Subsection (A) of this Section, the tax shall not apply under the following circumstances. This Subsection, however, shall not affect an applicant's obligation to pay the demolition permit fee.

1. If the applicant and the City enter into an agreement for the provision of "affordable housing" as defined in Section 2 of this Chapter in conjunction with the demolition that would otherwise be the subject of Subsection (A) of this Section. Any such agreement shall require prior City Council approval and shall specifically set forth the applicability of this Subsection.

2. If the Director determines, pursuant to regulations enacted by the City Council, that the building or structure replacing the building or structure that is the subject of the demolition permit constitutes "affordable housing" as defined in Section 2 of this Chapter.
  3. If the director or any other city department head, or their respective designees, orders a demolition for any reason, including, but not limited to, nuisance, public safety, or fire hazard, this tax shall not apply, regardless of whether the demolition work is performed by a public or private entity.
- (C) General Applicability: Imposition of the tax provided for by subsection (A) of this section shall not apply to any demolition for which a perfected application for the demolition permit was on file with the city on or before the effective date hereof.

(Ord. No. 139-0-05)

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-3)), 1-23-2012)

4-18-4. - TAX DEFERRAL OPTION.

- (A) A person who has been the record title holder or beneficiary of a land trust (collectively, "record title holder") and occupant of a residential structure for three (3) consecutive years, and who files or causes to be filed an application for a demolition permit for that structure, may opt for deferral of the tax, as provided in this Subsection 4-18-4(A) or (B). In the event the demolition permit is for a multi-unit structure, the person may only defer that portion of the demolition tax attributable to his/her own dwelling unit. The demolition permit fee must be paid at the time of application. The person shall make application for deferral of the tax to the Director on a form provided for that purpose and available from the Building Permit Desk. To qualify for the deferral, the person shall provide documentation to establish that all real estate taxes on the subject property have been paid in full as of the date of application for the permit; that any and all City liens and judgments recorded on the subject property have been satisfied; and that the person has been the record title holder and occupant of the subject structure for three (3) consecutive years prior to the date of application for the permit. Documentation the Director may require to establish the person's qualification for the tax deferral option may include, but shall not be limited to, income tax records and proof of voter registration. If the Director determines that the person qualifies for the deferral option, he/she shall cause a lien to be recorded against the property with the Cook County Recorder in the amount of the tax to be deferred, to which shall be added the applicable recordation fee. Except as provided in Section 4-18-4(C), the lien shall not bear interest. The Director may, upon written request of the person, subordinate the lien to any mortgage the person may have or seek on the property. Among the factors the Director may consider in determining whether or not to grant the subordination request is whether the value of the property is adequate to ensure payment of the City's lien, and that all real estate taxes have been paid.
- (B) **Deferral of the Tax in the case of Recycling/Reuse of Materials.** Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the materials generated by the demolition of a structure will be recycled and/or reused, may apply for a deferral of the tax. Evidence of such recycling/reuse shall be furnished to the Director in writing, and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.
- (C) Deferral of the Tax in the case that the subject property is no longer a buildable parcel. Any applicant who applies for a demolition permit and seeks to defer the demolition tax by reason that the lot/parcel in question is no longer buildable under the City's ordinance may apply for a deferral of the tax. Evidence of such change in property characteristics must be furnished to the Director in writing and the Director shall determine if the applicant qualifies for this deferral option. All requirements for the application for the deferral and the release of lien as provided for in this Section 4-18-4 of this chapter shall apply.

**Comment [F58]:** Review with Legal in light of Cook County requirements for diversion of demolition materials from landfills.



(D) Release of lien.

- (1) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B), or (C) and who has been the record title holder and occupant for three (3) consecutive years after issuance of a Final Certificate of Occupancy for the replacement structure may apply for release of the lien by making application therefor to the Director on a form provided for that purpose and available from the Building Permit Desk. Documentation the Director may require to establish the person's qualification for the release of lien may include, but shall not be limited to, income tax records and proof of voter registration for the years in question. If the Director determines that the person qualifies for the release, he/she shall provide the person with a recordable release of lien no later than thirty (30) days after he/she determines that the person qualifies for the release.
- (2) A person who exercised the tax deferral option provided for in Section 4-18-4(A), (B) or (C) who sells the subject property prior to the expiration of the three (3)-consecutive-year period after issuance of the Final Certificate of Occupancy shall, as a condition to the City's release of the lien, pay the tax due, to which shall be added interest at the annualized Money Market Index rate published by the Government Finance Officers Association.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 62-0-11, § 2, 8-8-2011; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-4)), 1-23-2012)

4-18-5. - STABILITY INCENTIVE.

When the tax was paid at the time of permit issuance as provided for in subsection 3(A) of this chapter, a person who has been the record title owner and occupant of a residential property demolished subsequent to the effective date of this chapter ("preexisting structure") for all of the three (3) years immediately preceding the date of the application for demolition ("prepermit period"), and remains the record titleholder and occupant of the property for three (3) consecutive years beginning immediately after the date on which the certificate of occupancy for the new residential structure is issued, may qualify for a monetary stability incentive in an amount equal to the demolition tax paid on the issuance of the permit for demolition of the preexisting structure, provided, however, that only persons whose real estate taxes on the property are paid in full at the time of application for stability incentive may apply for the incentive.

Application for the stability incentive payment shall be made to the director on a form provided for that purpose and available from the building permit desk. The person must provide the director of Community ~~and Economic~~ Development with such documentation as he/she may require to establish that the owner qualifies for the payment under the requirements of this section. Such documentation may include, but is not limited to, income tax returns and proof of voter registration for the years in question. The city shall pay qualifying persons an amount equal to the demolition tax, if any, imposed pursuant to this chapter on the issuance of the permit for the preexisting structure, less the amount of any liens recorded by the city against the subject property, including, but not limited to, liens for judgments entered in cases adjudicated in the city's Division Of Administrative Adjudication, no later than thirty (30) days after the Director of Community ~~and Economic~~ Development determines that an owner qualifies for the stability incentive.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-5)), 1-23-2012)

4-18-6. - SEVERABILITY.

The provisions, sections, and subsections of this chapter shall be deemed separable, and the invalidity of any portion of this chapter shall not affect the validity of the remainder.

(Ord. No. 139-0-05; Ord. No. 40-0-07; Ord. No. 8-0-12, (48-0-11(exh. A, § 4-18-6)), 1-23-2012)

DEVELOPER CONTRIBUTIONS

Including, but not limited to, fees in lieu paid in compliance with the Inclusionary Housing Ordinance, fees for affordable housing negotiated in planned development agreements, and impact fees that may be assessed on development projects not covered by the inclusionary housing ordinance.

OTHER

Including, but not limited to, real estate transfer tax fees, hotel/motel taxes, a percentage of property taxes, or other sources as approved by City Council.