



Housing & Homelessness Update

January 19, 2021

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Where we stand

- Immediate response to COVID-19
- Short-term impact & trends
- Long-term impacts & trends





Response to COVID-19 Impact on Homeless

- 327 homeless people (including 70 children) in non-congregate and congregate shelter from March to December - 78% Evanston residents
- 177 people moved into permanent housing between March and December
- 34 households/140 people housed with 12-month leases using rent subsidies with case management support
- 70 individuals in shelters to be housed
- 50 individuals currently unsheltered

Resources for Homeless

Homeless Services Funding March - December 2020	City of Evanston	Connections for the Homeless	Totals
Non-congregate & congregate shelter (Margarita Inn, Hilton Garden Inn, Orrington Hotel, Lake St Church)	\$696,700	\$2,029,006	\$2,725,706
Interfaith Action Emergency Overnight Shelter	\$33,850		\$33,850
Shelter/case management support staff		\$1,478,306	\$1,478,306
Food for shelter residents	\$80,000	\$623,809	\$703,809
Outdoor sanitation facilities	\$12,288		\$12,288
Street outreach/drop-in services	\$78,400	\$721,600	\$800,000
Shelter & Outreach subtotal:	\$901,238	\$4,852,721	\$5,753,959
Rent Assistance to Rehouse Shelter Residents			
Rent assistance for shelter residents	\$715,000	\$540,871	\$1,255,871
Case management staff for rent assistance	\$50,000	\$265,000	\$315,000
Rehousing subtotal:	\$765,000	\$805,871	\$1,570,871
Homeless Services Funding total:	\$1,666,238	\$5,658,592	\$7,324,830

City of Evanston sources include: CDBG-CV, ESG-CV, CDBG, MHB, FEMA, and General/Emergency Assistance

Connections for the Homeless sources include: Cook County, FEMA, McKinney Vento/Continuum of Care, Illinois Department of Human Services, Evanston Community Foundation, and other private funding

Costs for these programs for March 2020 - June 30, 2021; approx. 75% for Evanston residents/25% for northern Cook County.



Short- & Long-term Homeless needs

- Immediate need for overnight and day shelter for 50 individuals
- Year round, 24/7 shelter for 90-100 people, non-congregate and congregate
 - Cost for Margarita Inn facility ~ \$225K/month, \$2.7M annually
 - Potential to reduce operating costs by acquiring a permanent site
- Additional 50-60 Permanent Supportive Housing units
- Additional rent subsidies - shorter-term (Rapid Rehousing, Tenant Based Rental Assistance) and long-term (Housing Choice Vouchers and Project Based Vouchers)



Resources for Unstably-Housed Population

- Rent assistance:
 - \$504,690 for 185 households (Connections); average per HH = \$2,700
 - \$453,107 for 179 households (CoE Emergency Assistance/General Assistance; average per HH = \$2,531
 - 372 Evanston renters applied for Cook County & IHDA programs
 - \$500,000 for estimated 50 households approved 1/11/2021 (CoE CDBG-CV); average per HH estimate = \$9,000
 - \$843M in Rent Assistance for Illinois from the Consolidated Appropriations Act 2021
- Landlord-Tenant services for eviction cases - MTO/LCBH & [Cook County Legal Aid](#)
- Food assistance:
 - \$150,000 in CDBG-CV for pop-up food pantries
 - \$80,000 from Cook County and private donations
 - \$53,000 for James Park Emergency Food Pantry

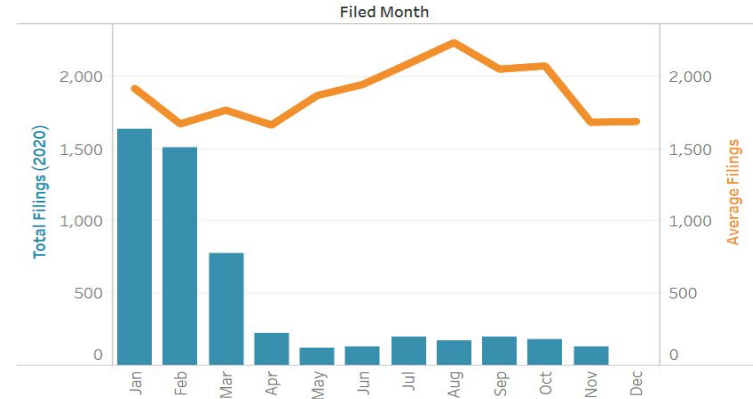
COVID-19 housing issues

Eviction backlog: 21,000 in Chicago
Majority Black areas seeing eviction filing rates
5x higher than majority White areas.

Evictions now the #1 reason for calls to MTO
hotline.

Landlords:

Increased financial pressure on small landlords to sell: loss of lower-priced rentals.
Landlords tightening their screening criteria for tenants.



COVID-19: Inequities in financial impact

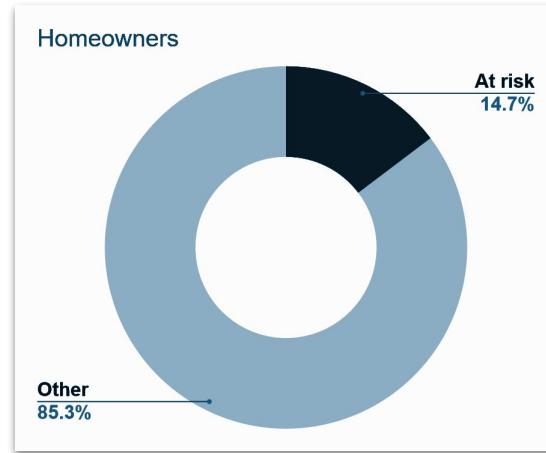
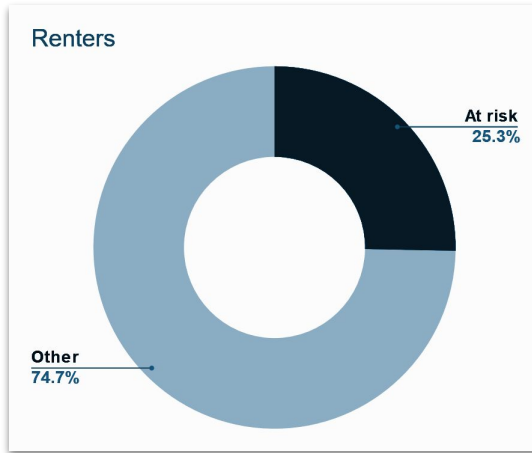
Households who found it very difficult to pay for usual household expenses during the coronavirus pandemic:

27.4% of Black respondents

20% of Hispanic respondents

8% of White respondents

COVID-19 Impact: Renters vs. Homeowners



~ 5,000 Evanston HHs (19.5%) have no, or only slight confidence in ability to pay rent/mortgage.*

**Estimated for Evanston based on the U.S. Census Pulse Survey, week 20 (12/7/20) for the Chicago metro area*



Client-Focused Approach: Housing and Services

- Acknowledge that a return to the pre-COVID “normal” will not address these injustices.
- Ensure an equitable recovery by prioritizing groups most impacted by COVID-19 who also face systemic bias and discrimination
- Build on the the City’s Social Services Core Committee recommendations using a racial equity lens
- Align with 2022 EPLAN that uses the Bay Area Regional Health Inequities Initiative (BARHII) to improve the effectiveness and efficiency of the public health system in Evanston



Planning Approach

Restructure allocation process of CDBG & Mental Health Board funding to:

- Prioritize services for groups most impacted by COVID-19 that also face systemic bias and discrimination
- Fund comprehensive case management to support holistic wellness outcomes for individuals and families
- Provide comprehensive support services in a timely and cost-effective manner by leveraging community resources

Impact on housing and long-term trends



Impact on housing & lifestyle



Home office/Zoom rooms for teleworkers and children in high demand.



Outdoor spaces for safe socializing also in high demand.



Overwhelming demand for bikes, with new habits being formed.

Rental Market factors & changes

Buy Rent Sell Home Loans Agent finder



Zillow Research Data Visuals Buyers/Sellers Renters Policy/Politics Fair Housing Presentations Market R



Renters Staying in Cities and Suburbs Despite Pandemic, Turning Savings into Upgrades

Nationwide:

Renters not moving away from urban centers to suburban areas but moving to upgrade or lower their rent.

Market as a whole headed to a slow down, especially in higher end properties.

More demand for short-term rentals (6 months or less) due to uncertainty.

Rental Market factors & changes

Locally:

-1.2% in Chicago area rents (Sept. 2020).

Rent reduction forecast for Evanston rents in 2021.

Concessions in 1/3 of the listings in the Chicago area.

Students not coming back to off-campus rentals
impacting vacancies and rents.

Smaller buildings: 2-flats, 4 flats, coach houses with
outdoor spaces, currently in high demand.



HOME NEWS COVID-19 ELECTION 2021 EVENTS GOT NEWS? ABOUT WHY SUBSCRIBE

HOME » PANDEMIC HELPS DRIVE DOWN EVANSTON APARTMENT RENTS

REAL ESTATE

Pandemic helps drive down Evanston apartment rents

If you are looking for an apartment in Evanston, now is definitely a "renter's market."

BY JEFF HIRSH ON DECEMBER 23, 2020 - 4:02 PM



An apartment rental office in downtown Evanston.

The coronavirus pandemic and a variety of other economic factors are causing Evanston landlords to lower the rent, offer other incentives, or sometimes both.

Ownership Market

+14% median sale price*: \$450,000

+9.7% price increase - forecast for 2021

*Year over year as of November 2020. Median sale price source: Realtor.com. Forecast from Zillow.



Ownership Market factors

Record-low interest rates

More attractive to buy

Instant offers/
Competitive market

Need to be financially
ready and prepared to
make an offer

Aversion to change

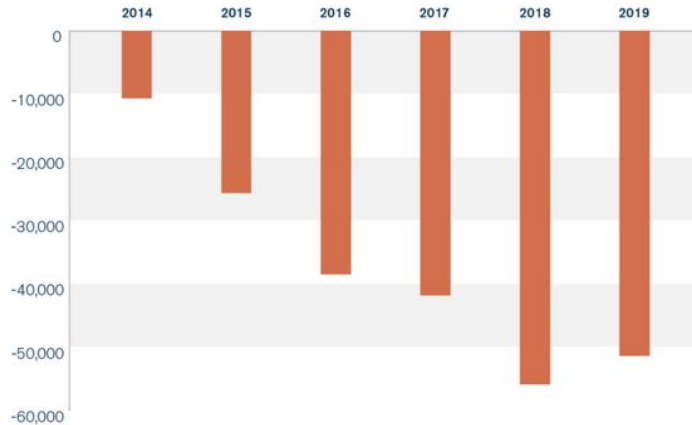
Uncertainty and health
concerns likely to impact
housing changes such as
seniors downsizing,
impacting inventory.

Telework

New opportunities for
middle income households
to buy and relocate to more
affordable areas with more
diverse housing stock.
This could impact our
demographics.

Population shifts

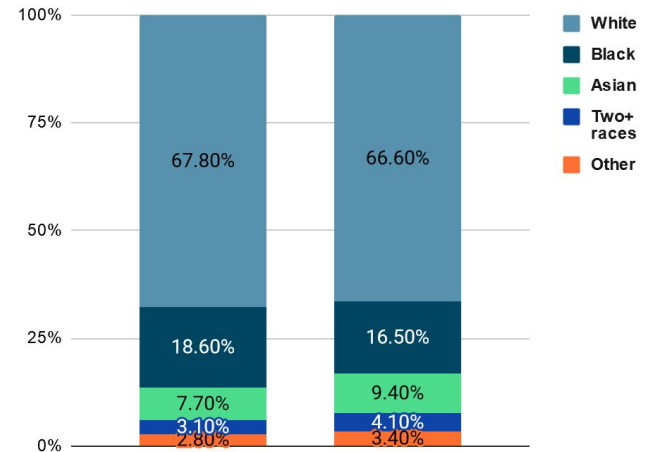
Illinois state population change 2014-2019



Source: U.S. Census Bureau

@illinoispolicy

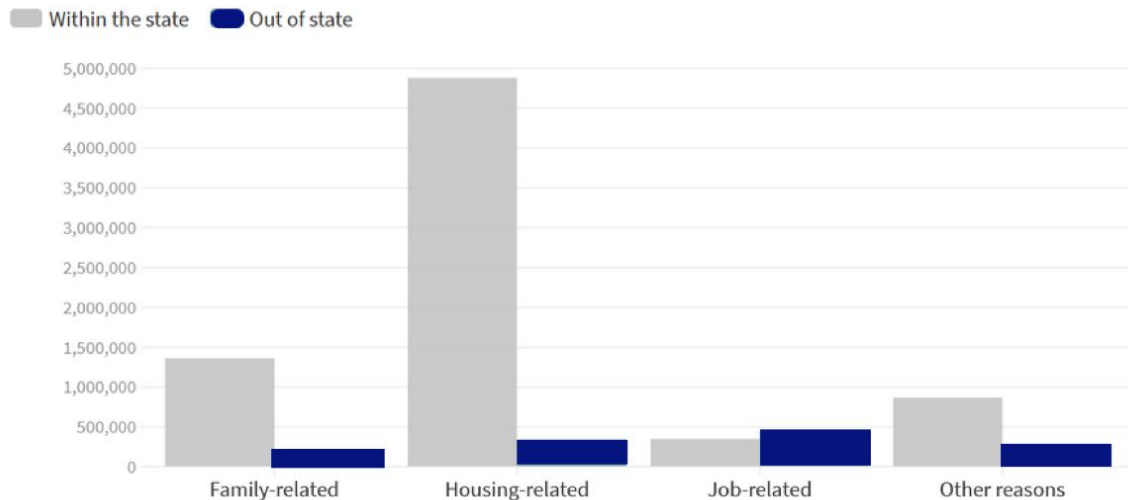
Evanston population by race 2010 & 2019



Source: U.S. Census Bureau, ACS 5 year

Why are people moving in Illinois?

Housing was by far the #1 reason for moving within the state (2009-2019)



Source: [IPUMS-CPS, University of Minnesota](#), analyzed by WBEZ



Long term trends for housing

Walkability

Crucial for both younger and older generations.

Along with biking, walkability will be a major factor in housing decisions.

Outdoor placemaking & adapting the built environment to both modes is important.

Community

Locations fostering a sense of community remains a long term trend despite COVID, especially as telework becomes more common.

Lack of affordability

Lack of affordability and diversity in housing types likely to drive behaviors and demographic changes in our community for the long term.



Outlook: what can we expect?

Increased income inequality

COVID-19 impacting disproportionately lower-income, renters, and BIPOC households.

Greater affordability issues

Low inventory, price increases, and wave of evictions deepening existing issues.

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2020 Actions & Accomplishments

- Funding affordable housing
- Income restricted units in market rate housing
- Expanding housing types
- Homeownership programs



Affordable Housing Funded in 2020

- **1011 Howard Street (Evergreen/CJE)**
 - 60-unit senior housing project
 - \$1.5M of AHF and \$500K of HOME
- **1930 Jackson Avenue (Housing Opportunity Development Corporation)**
 - ADU/coach house
 - \$190K of HOME
 - 1 unit at 60% AMI



Rendering of the Evergreen Development

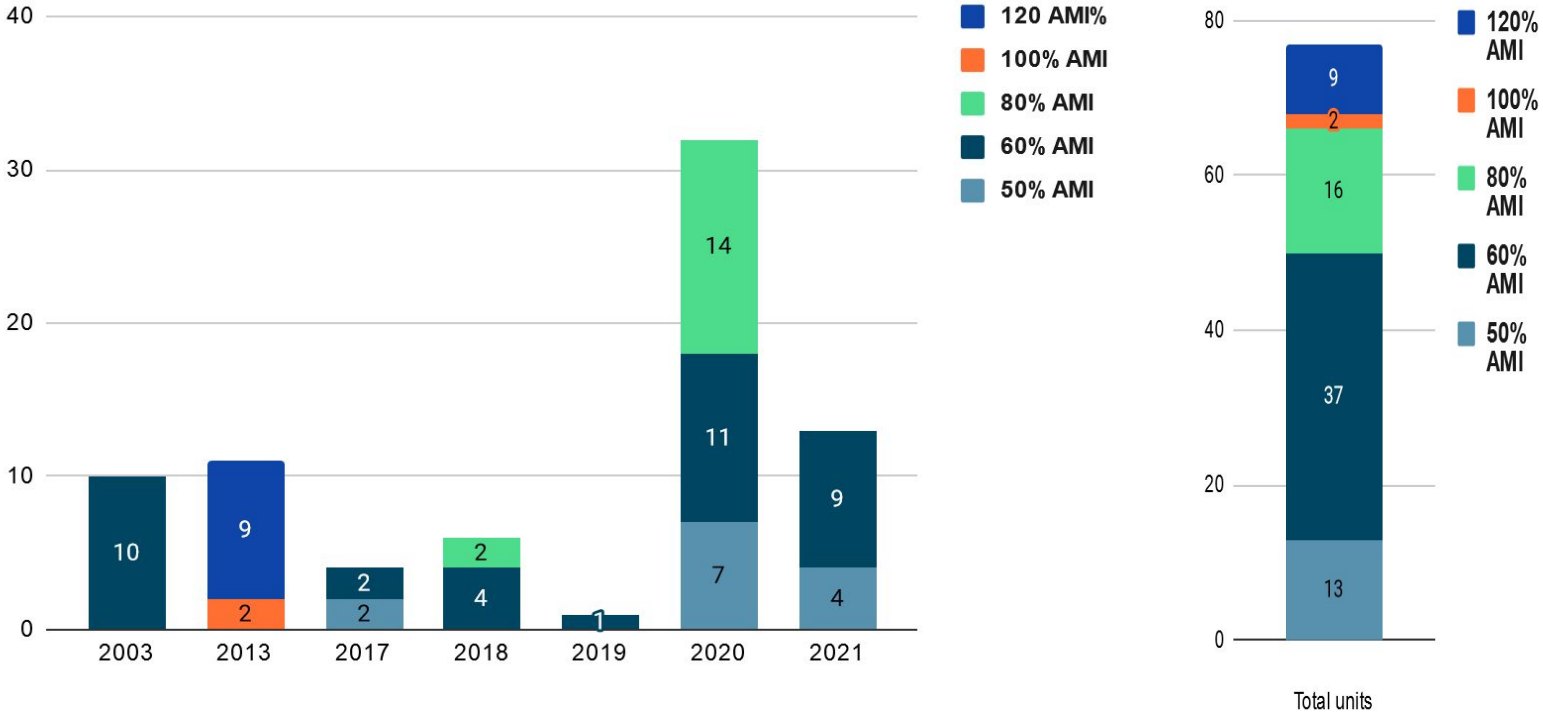
Housing Development in 2020

- **Planned developments approved:**
 - 1555 Ridge Ave.
 - 3 units at 60% AMI
 - \$525K fee in lieu
 - 1900 Sherman (The Emerson)
 - 34 units \leq 50% AMI and 11 units at 80-120% AMI
- **Planned developments submitted:**
 - 718 Main (The Vogue)
 - 12 units at 60% AMI
 - 1012 Chicago Ave.
 - 14 units at 60% AMI
- **Developments in the pipeline**



Rendering of The Emerson Development at 1900 Sherman Ave.

Affordable units in market-rate developments

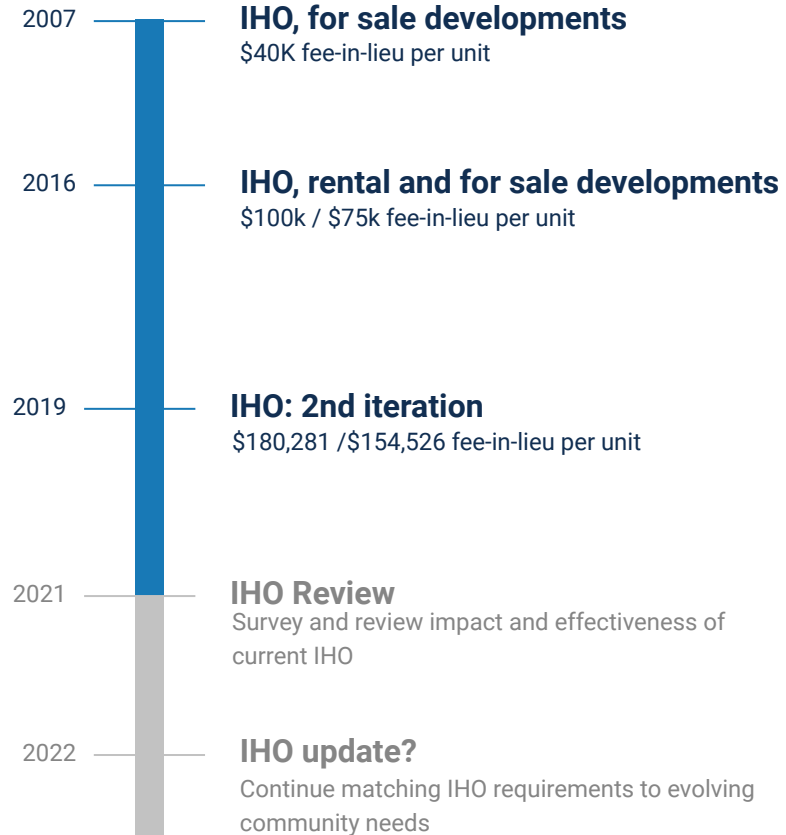


Inclusionary Housing Ordinance (IHO) Updates

Current IHO is generating more
on-site units

Approval process is more efficient with
clear rules in place

32 affordable units were added in 2020
(26 units below 60% AMI)





Accessory Dwelling Unit (ADU) Updates

Increase naturally affordable housing

Integrate affordability in high cost areas of single family zoning

April 2018

Coach house rentals

Revised to clarify that tenants of a coach house may be unrelated to the owners of the principal residential structure

January
2020

ADU regulations and definition changes

Begins to address inequitable opportunities in developing ADUs

September
2020

More ADU types allowed

Regulations now include internal/attached ADUs

2021

ADU facilitation

Expand and maintain homeownership

- ETHS Geometry in Construction
- CPAH managing CDBG Housing Rehab construction in 2021
- First Northern Credit Union financial wellness program
- Outreach on IHDA's down-payment assistance programs
- Reparations program



Next steps...





Balancing immediate and long-term needs

Monitor the evolving nature of the pandemic and recovery and develop creative, flexible responses to changing needs and trends:

- Address immediate and long-term homeless shelter needs
- Restructure CDBG & MHB funding allocation process for external partners
- Seek funding to address rent arrearages/eviction threat for low-income/BIPOC HHs
- Leverage City assets for affordable housing development
- Continue work on small-lot housing and occupancy code
- Review and update IHO in 2022 based on outcomes and current needs
- Identify additional revenue streams for affordable housing
- Monitor \$1.9T American Rescue Plan proposed by incoming administration
- Integrate Affordable Housing planning in a new Comprehensive Plan