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City of Evanston

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Exhibit A - Executive Summary
City of Evanston

Background

With a population of 78,000, the City of Evanston stretches four miles along Lake Michigan's western shoreline just north of Chicago. Evanston is a highly-dense, nearly built-out community, with few vacant parcels and no opportunity for large-scale annexation or land acquisition. Its 7.8 square miles include vibrant residential neighborhoods, thriving business districts, and varied recreational facilities and offerings. Interspersed throughout the community are over 290 acres of parks, including five public swimming beaches, athletic fields, and bicycling and jogging trails. Evanston is located 12 miles from downtown Chicago and provides access to a variety of jobs, excellent public transportation via Metra UP-North and the CTA Purple Line, and is highly walkable and bikeable. Evanston is home to Northwestern University, NorthShore University HealthSystem Evanston Hospital, Ascension Saint Francis Hospital, Rotary International headquarters, and two highly regarded school districts.

Despite Evanston's significant location and amenities, housing production has been limited in part by the adoption of early land use controls and the first zoning code in Illinois in the 1920s – an effort to maintain Evanston's verdant suburban character. Evanston's historic development patterns predate exclusionary zoning practices and these neighborhoods are inexorably linked with the City's identity. They represent vibrant human-centered environments and a rich juxtaposition and diversity in residential densities, socio-economic strata, and housing choice that remain desirable but are not replicable under current land use controls. More restrictive zoning, including single units on large lots has resulted in housing demand that far outweighs the supply – creating significant affordability and displacement pressures and eroding the existing attainable housing stock and starter homes.

Generational Opportunity

Between 2023 and 2025 the City is undertaking a generational opportunity to develop a new Comprehensive Plan and Zoning Code and update its Inclusionary Housing Ordinance – all critical initiatives that will position Evanston to grow, be more inclusive, more affordable, more resilient, and less economically and racially segregated. These efforts will advance the City's goals and objectives around the creation of sustainable, vibrant, and human-centered places – places that prioritize people, walkability, and alternative and mass transportation over cars – vibrant human experiences and attainable housing over parking – authentic, compatible, and varied architecture over commodified and isolating development patterns – and sustainable use of city-owned assets that provide publicly controlled, significant opportunity sites to develop lasting and meaningful primarily affordable housing.

Through implementation of the new Comprehensive Plan and Zoning Code, the City of Evanston expects to streamline entitlement and permitting processes, encourage production of additional and diverse market-driven attainable housing, add much-needed density to support our business districts, City services, public transit, and schools, and capitalize on newly-created market rate

development to contribute more affordable units through our Inclusionary Housing Ordinance. To amplify these opportunities and expedite meaningful progress toward our affordable housing goals, the City has identified key barriers that must be addressed and the associated strategies and activities that will provide transformative outcomes to strengthen Evanston and build a more vibrant and resilient community – but lacks the capacity to implement them on its own.

Strategy

The City of Evanston has identified three significant barriers to affordable housing production and preservation, and has proposed associated strategies to mitigate or remove them through this grant. First, limited funding limits the success of housing preservation policies and the implementation of strategic anti-displacement programs. We propose expanding financial and staff capacity for existing programs that have demonstrated success to meet our residents' needs. Second, the City has complex entitlement and permitting processes that stifle development, and lacks housing data that would enable the strategic use of limited resources where they will have the most impact. We propose streamlining affordable housing entitlement and permitting processes, collecting and analyzing comprehensive housing data and the development potential of opportunity sites to drive decision making and agile implementation of housing production strategies. Finally, the City of Evanston is reactive to changes in local understandings of affordable housing, land disposition, development proposals, and market conditions. We propose proactive and strategic dialogue and ongoing partnerships with community-based organizations, affordable housing developers, and landowners to not only preserve and produce affordable housing, but to leverage impactful and strategic investment of City resources.

Summary

Addressing these barriers through our proposed activities will provide opportunities for low- and moderate-income households to enjoy the same privileges, freedoms, and health enjoyed by higher-income households that come with access to decent, suitable, and affordable housing. The activities directly fund the production of new, primarily affordable housing units, streamline and incentivize housing production, implement an equitable public participation process, and develop data-driven decision making tools for long-term planning and investment. The City of Evanston has a local and regional obligation to address these barriers and our shared housing crisis. The City's location near jobs and public transit, history of progressive housing policies, and shared and determined vision for the future, combined with Evanston's community capital and political will, positions the City to leverage housing production and housing preservation strategies to have the most impact and to provide a significant and immediate return on this investment.

**Exhibit B - Threshold Requirements and Other Submission Requirements
City of Evanston**

Threshold Requirements

1. Resolution of Civil Rights Matters: The City does not have unresolved civil rights matters.
2. Timely Submission of Applications: This application shall be submitted before the deadline on 11/6/2023.
3. Eligible Applicant: the City of Evanston is an eligible applicant as a city government, as listed under section III A.02 of the Notice of Funding Opportunity.
4. Number of Applications: The City of Evanston is submitting only one grant application.

Additional Eligibility and Requirements

- The City of Evanston will comply with all the eligibility requirements for applicants and recipients of HUD Financial Assistance Programs.
- Code of conduct: The City of Evanston will submit its latest version of its code of conduct to HUD.
- Limited English Proficiency (LEP): The City has a Language Access Policy to ensure that all City services are accessible to LEP residents.
- Physical Accessibility: All meetings held in person will be held in facilities that are physically accessible to persons with disabilities. Meetings will also be available through video conferencing for remote access when possible.
- Environmental Reviews: The City of Evanston will comply with applicable environmental requirements related to this grant.
- 424-CBW Budget Form: The 424-CBW budget form is included in this application.
- Certification Regarding Lobbying: This certification is included in this application.
- Disclosure of Lobbying Activities (SF-LLL): This form is included in the application.

**Exhibit C - Need
City of Evanston**

Describe your efforts so far to identify, address, mitigate, or remove barriers to affordable housing production and preservation.

Past Activities

Especially in the past five years, the City of Evanston has implemented policies and programs to address the housing needs of low- and moderate-income residents by increasing the supply of and access to safe, decent, and affordable housing. Innovative activities have recently been implemented to advance environmental and restorative justice. Some have demonstrated success, uncovered additional barriers, or require additional resources to maximize their impact.

Inclusionary Housing Ordinance (2007, 2016, 2019)

Impact: 175 units produced

Annual Impact: 11 units produced

Population: 50% - 120% AMI

In 2007, the City of Evanston acknowledged the private market was not developing housing affordable to low- and moderate-income households and approved an Inclusionary Housing Ordinance (IHO) to address this. The ordinance applied only to condominium developments, but was revised in 2016 to include rental development and condo deconversions as well. The current IHO, effective in 2019, requires qualifying residential developments to have 10% of units affordable, rental units for households \leq 60% AMI and ownership \leq 100% AMI, or pay a fee-in-lieu of \$154,526 - \$270,422 per unit to the Affordable Housing Fund discussed below.

The IHO and pre-IHO developer agreements have created 175 rental units affordable to households with incomes between 50% and 120% AMI in market-rate developments, providing affordable housing options in high opportunity areas.

Affordable Housing Fund (2006)

Impact: 125 units produced, 150 units preserved, 100 households retained

Annual Impact: 7 units produced, 9 units preserved, 6 households retained

Population: 30% - 100% AMI

The Affordable Housing Fund (AHF) supports housing development and acquisition and rehab of housing for households with incomes at or below 100% AMI. The AHF provides soft funding to leverage Low Income Housing Tax Credits (LIHTC) for affordable housing production, contributes to acquisition and rehab projects, in conjunction with CDBG and HOME entitlement funds, and supports landlord-tenant services and management of the Inclusionary Housing Ordinance (IHO) centralized waitlist.

Revenue is currently limited, \$200,000 - \$500,000 annually, from a housing demolition tax indexed to the CPI, fees-in-lieu of on-site inclusionary units, and developer contributions for projects not covered by the IHO. Major developments funded include a 32-unit LIHTC development and a 33-unit development, both with 1 - 3 bedrooms and a 60-unit LIHTC senior development.

Community Land Trust (2012)

Impact: 8 units produced, 13 units preserved

Annual Impact: 1 unit produced, 1 unit preserved

Population: 50% - 120% AMI

Since 2015, the City of Evanston has partnered with Community Partners for Affordable Housing (CPAH) and Evanston Township High School's (ETHS) Geometry in Construction course to develop eight permanently affordable single-family homes for households with incomes at or below 120% AMI. Homes are entered into CPAH's Land Trust and provide homeownership opportunities for qualified homebuyers who are priced out of homeownership by the high cost of Evanston's housing. The City acquires and donates the land, ETHS constructs and CPAH sells the home to a qualifying household for a fraction of its assessed value.

CPAH and the City also collaborated on a \$1,500,000 grant from the Illinois Attorney General's Office funded by the bank foreclosure settlement, to acquire and rehab ten housing units, two ownership and eight rental, that are also in CPAH's Land Trust. HOME and AHF funds have also been used to acquire and rehab three additional permanently affordable units.

Restorative Housing Program (2019)

Impact: TBD

Annual Impact: TBD

Population: Qualified Black residents and descendants

This program acknowledges historical harms to Black residents due to exclusionary City zoning policy between 1919 and 1969. Black residents during that time, and their direct descendants, are eligible for the Restorative Housing Program, which provides \$25,000 for down payment/closing cost assistance, home rehabilitation or mortgage assistance. These payments address the wealth and opportunity gaps caused by the City's exclusionary zoning. This program is funded by the City's 3% cannabis tax and Real Estate Transfer Tax. The City committed \$10,000,000 to this program, has distributed over \$1,000,000 as of August 2023 and will distribute approximately \$1,000,000 per year for nine more years.

Accessory Dwelling Units (2020)

Impact: 43 units produced

Annual Impact: 14 units produced

Population: No income restrictions

In 2020, the City amended its zoning code to allow the construction of one attached, detached, or internal accessory dwelling unit (ADU) per residential lot with no parking requirements. ADUs do not have affordability requirements but result in smaller units, particularly in high-cost, single-family neighborhoods. In partnership with the Evanston Development Cooperative, a local green construction co-op, the City co-developed a guidebook to help interested parties to understand the ADU code and navigate the ADU permitting process. Over 40 ADUs have been built in the last three years, a significant increase from past years, but barriers still remain, including capital required, particularly for detached ADUs, a complex permitting process, and financing costs which make it difficult particularly for low- to moderate-income households to construct and/or rent ADUs in Evanston.

Efficiency Homes (2021)

Impact: TBD

Annual Impact: TBD

Population: No income restrictions

To increase infill development and add density, the City amended its zoning code to allow the development of modest homes on small and irregular lots previously classified as unbuildable. Additionally, flexibility is afforded by reducing setback requirements that traditionally prioritize open space over housing production and density. Development of this code anticipates the creation of additional housing choice, offers the possibility of attainable homeownership in highly desirable locations, and creates opportunities for detached single-unit housing at attainable rents. The City has identified approximately 35 vacant or underutilized parcels less than 3,300 square feet in size that are buildable under the revised zoning, and has seen interest by developers to advance these concepts. However, barriers remain, including lack of site control and the high cost of financing, making success largely dependent on market conditions and consumer interest in non-traditional housing types.

Guaranteed Income Pilot Program (2022)

Impact: TBD

Annual Impact: TBD

Population: < 50% AMI

This one-year pilot, developed by Northwestern University in collaboration with the City of Evanston, provides income-eligible residents with \$500 monthly payments. Payments were made to approximately 50 residents in three categories: 18-24 year-olds, 62+ year-olds and undocumented residents. The program provided financial stability to economically vulnerable residents, including those who were housing insecure and disproportionately harmed by the COVID-19 pandemic.

The 12-month pilot period is almost complete and researchers will evaluate how the additional income was used by recipients and make data-driven policy adjustments for future programs to more effectively support vulnerable populations.

EPLAN: Evanston Project for the Local Assessment of Needs (2022 - 2026)

Impact: TBD

Annual Impact: TBD

Population: < 80% AMI

The 2022 EPLAN, a 5-year strategic plan developed by the City's state-certified health department, prioritizes upstream social, systemic, and structural factors that impact health and wellbeing, such as access to safe and affordable housing, living wages, high-quality, affordable childcare and access to healthy foods.

The EPLAN identified a clear and consistent pattern of racial and neighborhood-level inequity. While Evanston's city-level data indicates a high level of health and wellbeing, there are clear geographic patterns of concentrated health, wealth, and advantage, as well as concentrated disadvantage, disinvestment, and poor health.

Department of Housing and Urban Development Entitlement Funding (2022)

Impact: 60 units produced, 3 units preserved, 8 households retained

Annual Impact: NA

Population: 30% - 80% AMI

Since their inception, the City has received Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG) funds providing decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income households. These three sources provide critical funding for multiple programs and projects:

HOME - In 2022, eight families with school age children achieved housing stability with Tenant-Based Rental Assistance. In 2020, the City provided \$1.5M in gap funding from HOME and Affordable Housing Fund dollars for a 60-unit LIHTC senior development. This development was completed and achieved full occupancy in 2022.

ESG - In 2022, the City provided support to a 48-room non-congregate shelter and a domestic violence shelter, street outreach to unhoused residents, and prevention and rapid rehousing.

CDBG - In 2022, the City funded multiple capital improvement projects, home rehabilitations, and public services. Projects included alley paving projects mitigating flooding and improving City services, sidewalk improvements, and lighting in public parks in Low/Moderate Income neighborhoods. Three units of housing were rehabbed to address life safety issues and code violations. Funds also supported meal delivery to homebound seniors and persons with disabilities, out-of-school programming for low income families and domestic violence services.

Adaptive Use Code (2023)

Impact: TBD

Annual Impact: TBD

Population: No income restrictions

An amendment to the Zoning Code in 2023 created flexibility in land use regulations to facilitate the reuse of both historic and non-historic properties, most commonly large buildings of assembly and institutional or industrial uses that have significant reuse potential as housing. The modifications remove common barriers to adaptive use, offset rehabilitation costs, and increase overall project feasibility. Adaptive use is now an eligible special use in all zoning districts, and qualifying projects are not subject to off-street parking and loading requirements, or maximum residential density requirements.

Allowing flexibility in the adaptive use of existing structures achieves climate resilience goals through retention of embodied energy, diversion of landfill waste, and a reduction in carbon footprint associated with new construction. Adaptive use further achieves affordable housing production and subsidized rent structures made possible by combining state and federal Low-Income Housing Tax Credits with state and federal Rehabilitation Credits – creating diverse housing typologies and uses that retain human-scaled built fabric associated with Evanston’s identity and its residents collective memories of place.

Summary

The City’s past activities demonstrate Evanston is willing and able to experiment and advance contemporary policies and initiatives in an effort to meet some of the most pressing challenges of our time. This, combined with expanding City services and obligations, financial and budgetary

challenges, and unfunded capital improvements and facility needs, requires innovative and comprehensive approaches to housing production and increased density so Evanston can be home to those who wish to live here. Through the work summarized above, as well as new activities and policy changes, the City of Evanston can simultaneously increase affordability, preserve existing naturally occurring affordable housing and expand anti-displacement measures.

Do you have acute demand for affordable housing? What are your remaining affordable housing needs and how do you know?

Acute Demand

The proposed activities in this application will exclusively serve the City of Evanston, a priority geography as determined by HUD’s PRO Housing Priority Geography threshold calculations. As a highly desirable community, Evanston has a strong housing market, leading to rising rents, significant cost burden, and constant displacement pressure. New rental housing has not kept up with demand and, other than affordable units created by the Inclusionary Housing Ordinance, most new rental units are unaffordable to low- and moderate-income households. These market forces continue to challenge the City’s ability to maintain its historic character as a racially and economically diverse community.

Housing Cost Burden

Although Evanston’s median income (\$87,345) is greater than Cook County (\$72,121) and the United States (\$69,021), its share of cost burdened renter households is higher: at 47.4%, 44.8% and 46.0%, respectively.¹ Housing cost burden is even more pervasive among low- and moderate-income households.

Though an Evanston household earning the 2023 HUD 100% AMI for Cook County, \$88,300 for a two-person household, can afford Evanston’s median monthly rent (\$1,526), this masks the housing cost burden of low- and moderate-income households.² Over 68% of Evanston renter households earning <\$75,000 and over 60% of homeowner households earning <\$75,000 are housing cost burdened.³ These housing cost burdens disproportionately impact people of color, whose median incomes are well below the citywide median.

¹ U.S. Census, 2017-2021 American Community Survey 5-Year Estimates (S1903, B25070)

² U.S. Census, 2017-2021 American Community Survey 5-Year Estimates (B25064, S1903)

³ Policy Map, U.S. Census, 2017-2021 American Community Survey 5-Year Estimates

Figure 1: Median Household Income by Race and Ethnicity⁴

Race and Ethnicity	Total	Black or African American	Asian	Hispanic or Latino, of any race	White, Non-Hispanic
Median Income	\$87,345	\$55,292	\$67,628	\$69,396	\$108,176

The housing cost burdens described above are even more acute for Evanston’s households earning at or below 30% and 60% AMI.

And with a median home value of \$410,600, and less than 15% of owner-occupied units valued at or below \$200,000, it is particularly difficult for a low- or moderate-income household to consider homeownership within Evanston.⁵ Based on current interest rates, a 20% down payment (no PMI), no HOA fees, and average Cook County property taxes, purchasing the median Evanston home would cost \$3,417 in monthly mortgage payments, affordable only to households earning over \$137,000.⁶

Displacement Pressures

Since the onset of the COVID-19 pandemic, Evanston rents have dramatically increased. From 2015 - 2020, rents increased 2.6 - 6.2% annually, but from 2021 - 2023, rents have increased 5.1 - 11.8%, leading to increased evictions, lease non-renewals, and homelessness, especially after the eviction moratorium ended in Illinois in October 2021.⁷

According to Connections for the Homeless, an Evanston-based community organization, as of October 2023, 150+ households remain waitlisted for Emergency Rental Assistance. In the first half of 2023, 32 evictions and 39 early lease terminations were reported to the City’s Landlord-Tenant Hotline, on target to meet 2022 year-end totals. Additionally, Evanston’s three emergency shelters have served 44% more people to date in 2023 than in all of 2022.

Housing Stock

About 37% of Evanston’s housing stock are attached and detached single-family homes. About 38% are multi-family buildings of 10 or more units. The remaining 25% of units are 2-9 unit residential buildings. Over 50% of housing units were built before 1950 and the current zoning code makes it difficult to build housing typologies that are more affordable to low- and moderate-income households, such as three-flats.⁸ Meanwhile, Evanston’s aging housing stock is

⁴ U.S. Census, 2017-2021 American Community Survey 5-Year Estimates (S1903)

⁵ U.S. Census, 2017-2021 American Community Survey 5-Year Estimates (DP04)

⁶ Fannie Mae Mortgage Calculator, [fanniemae.gov](https://www.fanniemae.com)

⁷ Zillow, ZORI (Smoothed) ALI Homes Plus Multifamily Time Series (\$), 09/2023

⁸ U.S. Census, 2017-2021 American Community Survey 5-Year Estimates (DP04)

expensive to maintain and rehabilitate to age-in-place, especially for low- and moderate-income residents.

Summary

As one of Cook County’s most transit rich, economically prosperous, and vibrant places to live, work, and play, Evanston’s rising housing costs and displacement pressures will not subside on their own. Sustained, intentional, and strategic initiatives are needed to address this crisis that disproportionately impacts Evanston’s low- to moderate-income families and people of color.

What key barriers still exist and need to be addressed to produce and preserve more affordable housing?

Key Barriers

Based on stakeholder feedback, public participation, data analysis, program evaluation, racial and economic equity, and return on investment, the City of Evanston has identified three significant barriers to displacement, housing preservation and housing production:

Barrier 1: Underresourced preservation and anti-displacement programs
Barrier 2: Burdensome entitlement and permitting processes and insufficient data
Barrier 3: Reactive policies, initiatives and investments

Barrier 1: Underresourced preservation and anti-displacement programs

Impact: Increased housing instability and displacement

Housing displacement pressures are strong in Evanston – the City desperately needs an influx of capital to immediately stem the tide of families being priced out of our community.

For example, the proposed Housing Provider Mitigation Fund would reduce the perceived risk of renting to tenants with a Housing Choice Voucher, lower credit score or lower rent-to-income ratio and provide relocation assistance to those seeking housing due to no fault non-renewal of leases. With no funding source identified at this time, this program will have no impact. The City’s Housing Rehabilitation Program, funded with CDBG dollars, provides affordable home rehab financing to low- to moderate-income households and owners of rental property occupied by low- to moderate-income households. There are families on a waitlist that the City is currently unable to serve.

Though the City allows accessory dwelling unit (ADU) construction and production has significantly increased in the past three years, without financial assistance, it is difficult for low- to moderate-income households to construct and/or rent ADUs in Evanston. Additionally, the City has strategically acquired property to preserve and/or develop affordable housing. However, without additional funding, this housing preservation mechanism's impact will be limited.

Without additional funding, City initiatives, including the above programs, will continue to have a limited impact on increasing housing stability and decreasing displacement in Evanston.

Barrier 2: Burdensome entitlement and permitting processes and insufficient data

Impact: Decreased housing preservation and production

The City of Evanston's current Comprehensive Plan was developed in 2000, just a modest update to the 1972 Comprehensive Plan. Similarly, the current Zoning Code was adopted in the early 1990s. For decades, the City of Evanston has been basing development decisions on an extremely outdated document and implementing a litany of asystematic, one-off amendments. In 2021, Joining Forces for Affordable Housing, an Evanston-based housing advocacy organization, and ZoneCo found many examples of Evanston's Zoning Code contributing to social or economic inequity and/or increased housing costs.⁹ The City of Evanston is now fully committed, financially and contractually, to a multi-year generational opportunity to adopt a new Comprehensive Plan and equitable Zoning Code, starting in 2024.

The City of Evanston has significant housing data deficiencies that prevent data-driven planning and policy development to support housing preservation and production. For example, naturally occurring affordable housing (NOAH) stock is decreasing and the City does not have a detailed understanding of where it is located. This greatly hinders the City's ability to strategically direct resources to preserve affordability and prevent displacement.

Another major obstacle is the City's complex permitting process. Property owners have shared that the requirements are onerous and expensive and it is difficult to navigate the process. These fears have led to deferred maintenance, disrepair and displacement. Meanwhile, partially due to Evanston's low Planned Development thresholds (24+ units), affordable housing developers contend with significant delays and added costs, including cumbersome submission requirements and duplicative public hearings.

Without streamlined processes and data-driven strategies, the City will continue to limit housing preservation and production in Evanston.

⁹ ZoneCo, Equity Zoning Diagnostic - Initial Observations, 11/2021

Barrier 3: Reactive policies, initiatives and investments**Impact:** Decreased housing preservation, production; Increased displacement

Local opposition to affordable housing production significantly delays construction, reduces project scope and density, leads to unnecessary costs, such as off-street parking, and ultimately exacerbates the City's housing shortage. This diminishes the City's overall development reputation, leading to less market-rate development as well. The current participatory process privileges adjacent property owners concerns over benefits to low- and moderate-income households, as well as to the city overall. Common concerns include neighborhood character, crime, substandard housing, absentee landlords, property values, parking and traffic. And last-minute attempts by the City to maintain housing affordability often result in reduced return on investment or are unsuccessful.

Business as usual, reactive policies, initiatives and investments, will continue to have a limited impact on increasing housing preservation and production and decreasing displacement in Evanston.

**Exhibit D - Soundness of Approach
City of Evanston**

What is your vision?

Vision Statement

By 2029, the City of Evanston has eliminated or reduced three key barriers to affordable housing preservation and production. Through diversified funding sources and a strategic data-driven approach, the City has advanced progressive housing-forward policies and initiatives. Highlights include a newly adopted Comprehensive Plan and equitable Zoning Code, streamlined affordable housing approvals, increased accessory dwelling unit (ADU) production and city-owned assets successfully converted to iconic affordable housing developments. The City regularly partners with nonprofit community organizations, centers most-impacted community members, and solicits feedback early and often.

These efforts have meaningfully increased housing preservation and production, stabilized low-to moderate-income households and maintained the economic and racial diversity that defines Evanston and makes it such an attractive community.

Proposed Activities

Strategy 1: Fund Preservation and Anti-Displacement Programs Barrier 1: Underresourced preservation and anti-displacement programs	
Activity 1.1	Anti-Displacement Programs
Activity 1.2	Accessory Dwelling Unit (ADU) Financing and Technical Assistance
Activity 1.3	Property Acquisition Fund
Strategy 2: Streamlined Processes and Data-driven Strategies Barrier 2: Burdensome entitlement and permitting processes and insufficient data	
Activity 2.1	Comprehensive Plan, Zoning Code and Housing Database
Activity 2.2	Streamlined Housing Approvals and Entitlement and Permitting Guide
Strategy 3: Proactive Partnerships and Stakeholder Engagement Barrier 3: Reactive policies, initiatives and investments	
Activity 3.1	“This is Affordable Housing” Social Marketing Campaign
Activity 3.2	Equitable Community Engagement
Activity 3.3	Strategic Opportunity Site Initiative

Strategy 1: Fund Preservation and Anti-Displacement Programs

Barrier 1: Underresourced preservation and anti-displacement programs

Activity 1.1 Anti-Displacement Programs

Initial Benefit Year: 2024	Annual Impact: 30 households retained	Population (AMI): < 30% and < 80%
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Housing Rehabilitation Program: The City of Evanston’s Housing Rehabilitation program, funded with CDBG dollars, provides affordable rehab financing for low- to moderate-income homeowners, and owners of rental property occupied by low- to moderate-income households. This program brings substandard housing up to code and makes life-safety repairs that enable families to afford to remain in their homes, reducing the likelihood of displacement from high pressure by developers seeking to purchase and demolish modest homes and build high-end housing. By expanding this program, the City can cost-effectively increase the number of affordable units preserved, residents retained, and residential properties improved. With families on the City’s waitlist, there is an unmet need that we can quickly address.

Housing Provider Mitigation Fund: A housing provider mitigation fund that covers housing providers costs associated with damages, rent nonpayment, and non-typical operational costs and provides relocation assistance to tenants experiencing no-fault eviction or lease non-renewal. This will reduce the perceived risk of renting to tenants with Housing Choice Vouchers, lower credit scores or lower rent-to-income ratios and ultimately improve housing access and stability for low-income households in Evanston. Elements of the fund will include a program handbook, housing provider and tenant eligibility criteria, housing provider recruitment, development of a lease rider, a claims process for housing providers seeking reimbursements for tenants costs or tenant relocation assistance, and as-needed technical support. Depending on staff capacity, the program may be implemented by a nonprofit partner..

Affordable Housing Subsidy and Affordable Refugee Housing: Evanston’s inaugural Participatory Budgeting process concluded in October 2023, when 6,565 residents selected seven winning projects, one of the best participatory budgeting turnouts in United States history. Even more impressive, a substantial portion of participants had not interacted with the City of Evanston in the past year. Starting in 2024, two of the winning projects, Affordable Housing Subsidy and Affordable Refugee Housing, will provide significant housing support for Evanston residents with substantial housing needs.

The Affordable Housing Subsidy initiative, similar to project-based vouchers, will provide housing subsidies for rental housing, reducing rental prices for low-income households, and providing long-term relief to Evanston’s underhoused residents. Meanwhile the Affordable Refugee Housing initiative will assist Evanston residents seeking asylum, holding refugee status, or grantees of Temporary Protected Status (TPS) with obtaining legal housing. Through a partnership with a resettlement and workforce development organization, this initiative can create self-sustaining housing for current and future migrants.

Activity 1.2 Accessory Dwelling Unit (ADU) Financing and Technical Assistance		
Initial Benefit Year: 2026	Annual Impact: 5 households retained, 10 units produced	Population (AMI): < 60% and < 120%

Since 2021, 43 accessory dwelling units (ADUs) have been built in primarily high-income Evanston neighborhoods. While this is a meaningful increase in smaller housing units, there is little evidence that these units are affordable to low- to moderate-income households.

ADU Development in Low- to Moderate-Income Neighborhoods: In low- to moderate-income areas, ADUs are an untapped housing preservation and production tool. ADU development can provide a new revenue stream for low- to moderate-income homeowners that can be reinvested into their homes or help them age in place. It can also increase housing diversity in low- to moderate-income neighborhoods. To facilitate this, the City will establish a forgivable loan program for income-qualifying homeowners to assist with ADU design and construction.

ADU Development in High-Income Neighborhoods: In high-income neighborhoods, ADUs are an opportunity to provide affordable homes to low- to moderate-income households. To facilitate this, the City will establish a forgivable loan program to any homeowner who commits to a minimum period of rental affordability, limited to low- and moderate-income tenants (at or below 80% AMI).

Through this activity, the City will also provide additional resources to guide first-time housing providers through the rental process, including tenant income certification and screening. The City will also publicize the recent HUD policy change allowing lenders to count income from ADUs during mortgage underwriting.

Activity 1.3 Property Acquisition Fund		
Initial Benefit Year: 2025	Annual Impact: 10 households retained, 20 units produced	Population (AMI): < 80%

The high cost of land is a significant barrier to affordable housing development in Evanston. When combined with restrictive zoning, particularly in high-income neighborhoods, the result is often cost-prohibitive housing to provide an adequate rate of return on developer investments. To mitigate this, the City will develop a property acquisition fund to compete with market-rate developers to purchase properties for rehabilitation or redevelopment. Priority will be given to land located near existing publicly held opportunity sites to expand housing production potential near transit stations and in neighborhoods where land costs are rapidly increasing.

The City will donate sites to Community Partners for Affordable Housing’s Land Trust and other affordable housing developers to leverage financing for affordable housing production through the Illinois Affordable Housing Tax Credit program. Facilitating the purchase of properties throughout Evanston will help build inclusive neighborhoods and reverse current patterns of economic segregation.

<p>Strategy 2: Streamlined processes and data-driven strategies Barrier 2: Burdensome entitlement and permitting processes and insufficient data</p>

Activity 2.1 Comprehensive Plan, Zoning Code and Housing Database		
Initial Benefit Year: 2025	Annual Impact: 5 households retained, 10 units produced, 5 units preserved	Population (AMI): All and < 80%

Comprehensive Plan and Zoning Code: In 2024, the City of Evanston, in collaboration with Evanston community members, will begin work on a new Comprehensive Plan and Zoning Code. The new Comprehensive Plan will become the community’s consensus and vision for Evanston’s future and serve as a guidebook for implementation for City staff, appointed and elected officials, as well as local and regional organizations. The City’s new Zoning Code will be the most important tool to implement that vision by creating land use and development strategies that incentivize development to create a more vibrant, equitable, inclusive, and resilient future for our City. This is a generational opportunity for the City of Evanston.

The adoption of the Comprehensive Plan and Zoning Code in 2025 will remove significant barriers to both affordable and market-rate housing production. It will set the stage for streamlined entitlement and permitting processes, particularly for primarily affordable housing, and allow for a greater diversity of housing typologies. The City of Evanston is fully committed, financially and contractually, to develop and adopt a new Comprehensive Plan and equitable Zoning Code.

Housing Conditions Database: The City’s Comprehensive Plan and Zoning Code commitment includes a small amount of funding for a mapping and data tool. Through this grant opportunity, we plan to expand the scope of that tool to gather and share local housing conditions data. Ultimately, this will lead to more data-driven decision-making by the City, partners, and local organizations to combat displacement and increase housing preservation.

Data will include residential housing conditions, naturally occurring affordable housing (NOAH), potential public- and privately-owned opportunity sites, as well as eviction, lease non-renewal, and displacement data from community partners. This user-friendly database will primarily serve City staff and integrate with other City of Evanston housing and mapping software and systems. A public-facing component will democratize the data, increasing the impact of our investment.

This enhanced database and mapping tool will also help the City prioritize infrastructure improvements that advance housing priorities, support anti-displacement initiatives and catalyze strategic public-private partnerships with affordable housing developers.

Activity 2.2 Streamlined Housing Approvals and Entitlement and Permitting Guide		
Initial Benefit Year: 2026	Annual Impact: 5 households retained, 25 units produced, 5 units preserved	Population (AMI): < 60% and < 120%

Streamlined Affordable Housing Entitlement Process: Partially due to Evanston’s low Planned Development threshold (24+ units), affordable housing developers contend with significant delays and added costs, including cumbersome submission requirements and duplicative public hearings. To remove these significant barriers to housing production, the City will create a separate entitlement process or affordable housing overlay for primarily affordable housing developments. Additionally, the City will seek to increase density allowances, provide flexibility in dimensional standards, remove parking minimums, and allow for multi-family developments where they are currently not allowed.

Step-by-step Permitting Guide: For smaller projects, the City will develop a resource guide providing step-by-step instructions for navigating common housing rehab permit processes, including accessory dwelling units (ADUs) and efficiency homes, as well as how to use the City’s online permit portal. The guide will explain terms and requirements in plain language, include sample text of required documentation, and lists of design professionals who have successfully completed similar projects in Evanston.

Strategy 3: Proactive Partnerships and Stakeholder Engagement
Barrier 3: Reactive policies, initiatives and investments

Activity 3.1 “This is Affordable Housing” Social Marketing Campaign		
Initial Benefit Year: 2025	Annual Impact: 10 households retained, 10 units produced, 10 units preserved	Population (AMI): < 80% and all

Community Outreach: Successful housing preservation and production programs require building a local ethic that advances the importance of housing that’s affordable to all our residents through effective education, advocacy, and collaboration between the City, housing advocates, partner organizations, developers and residents. A comprehensive, targeted, and consistent campaign, across a multitude of platforms and mediums will be developed to reach new audiences as well as existing stakeholders. Messaging will follow best practices of social marketing and narrative storytelling, focus on Evanston’s housing needs, highlight voices of people who are housing insecure, and start from a place of abundance. The campaign seeks to proactively dispel common misconceptions, and form new partnerships and strengthen existing ones, and ultimately increase housing preservation and production.

Housing Typology Pattern Book: Evanston has a rich history of diverse housing options, many of which can be affordable to low- and moderate-income households. However, the current Zoning Code presents significant barriers to their development today. Though the City’s updated Zoning Code will reduce and/or eliminate these barriers, the City knows more will need to be done. Therefore, the City will produce a pattern book, documenting examples of naturally occurring affordable housing and missing middle typologies, including duplexes, four-plexes, townhomes, rowhomes, and courtyard and cottage court buildings.

This resource will illustrate that these structures currently exist in Evanston and developing more will expand housing choice while maintaining community character. This resource will increase

the production of new, varied, and dense housing types that provide affordable rental and homeownership opportunities. The City will also use this resource to implement and leverage small-scale affordable housing production on smaller or underutilized city-owned properties.

Opportunity Site Development Scenarios: An accompanying resource will provide housing development scenarios and massing studies for opportunity sites. These scenarios and renderings will be used to gather input in community conversations to inform and guide marketing of the sites to potential development partners. These scenarios will take into consideration how to maximize a site's housing potential while remaining contextual with surrounding development patterns. The scenarios will be specific enough to be impactful and general enough to be used in various neighborhoods and for future opportunity site conversations.

Activity 3.2 Equitable Community Engagement		
Initial Benefit Year: 2024	Annual Impact: 10 households retained, 5 units preserved	Population (AMI): < 50% and < 80%

Neighborhood Engagement: The City of Evanston will conduct regular conversations with community members most impacted by the lack of affordable housing. City staff will attend neighborhood meetings, block parties, and youth sports events, meeting residents where they are at, rather than expecting them to visit Evanston’s Civic Center. Frequent communication, not specifically connected to a planning process or a development proposal, will be a significant change for the City, and a needed change. Over time, this initiative should lead to greater trust in City government, stronger community partnerships, better neighborhood-level data, more engaged residents, more diverse voices, the centering of those most impacted, and ultimately more progressive and impactful housing outcomes.

Tenant’s Right to Purchase: As part of the City’s equitable, proactive and ongoing engagement, the City will increase awareness of a tenant’s right to purchase prior to a condominium conversion. This is a strong housing stability and preservation ordinance, yet is unlikely to be acted upon without tenant knowledge and organizing, at the very least. As a result of our outreach and publicity, qualifying tenants will be better prepared to make an offer to purchase, preserving naturally occurring affordable housing and reducing tenant turnover and displacement.

Activity 3.3 Strategic Opportunity Site Initiative		
Initial Benefit Year: 2026	Annual Impact: 5 households retained, 10 units produced	Population (AMI): < 80%

Opportunity Site Prioritization: The City of Evanston is participating in the Government Finance Officers Association’s “Putting Assets to Work” initiative. This initiative will help the City prioritize the conversion of publicly-owned assets into affordable housing. However, a comprehensive inventory of all opportunity sites, regardless of ownership, is needed.

The City will perform a data-driven analysis, ranking opportunity sites by their ability to catalyze significant housing production. Factors will include zoning, potential units, transit access, walkability, nearby amenities, site control, and infrastructure needs. This will enable the City to prioritize capital improvements, act nimbly when opportunities arise, and develop a strategic plan for opportunity site acquisition and affordable housing development.

Strategic Capital Improvement Plan: The City will prioritize infrastructure and capital improvement needed to facilitate housing production. Improvements may address water mains, electrical service, stormwater and sewers, accessibility, active transportation, alleys, sidewalks, roads, parks, open space, and brownfield remediation.

Opportunity Site Marketing and Affordable Housing Development: The City will prepare a Request for Expression of Interest (REI) for opportunity sites with significant housing development potential. REIs will include site conditions, affordability requirements and a list of key considerations and request letters of interest, with proposed uses, potential partners, funding sources and preliminary plans. This City-led process will lead to greater community support, strategic actions based on City Council goals, increased interest in opportunity sites, creative partnership opportunities, and ultimately housing production primarily for low- and moderate-income households..

What is your geographic scope?

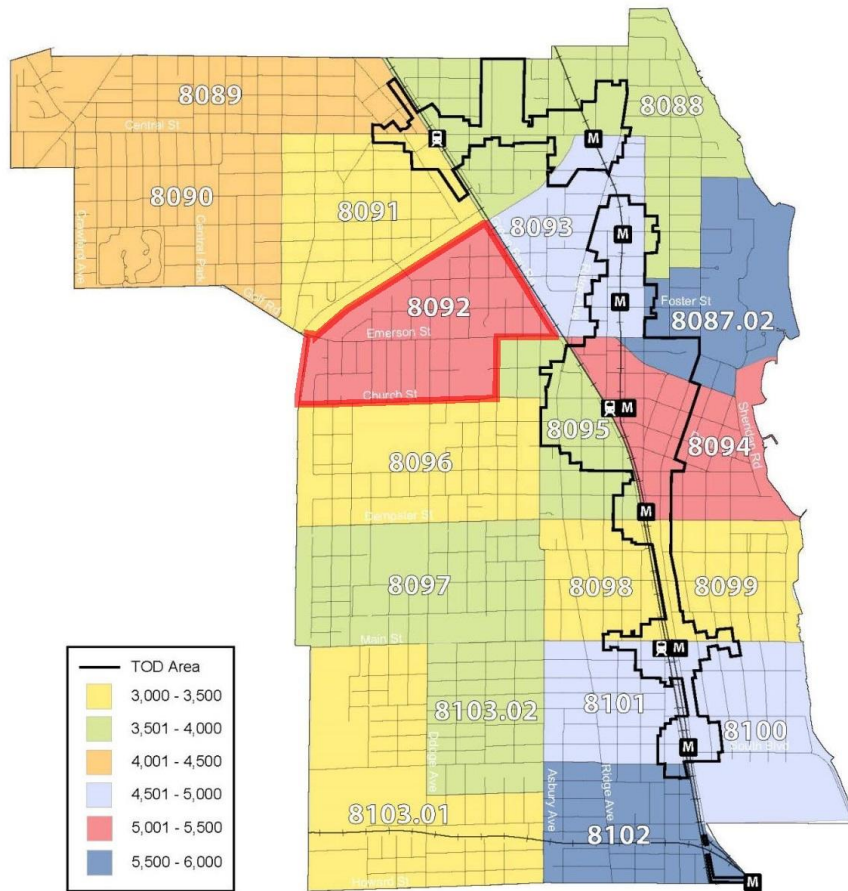
Geographic Scope

As a HUD-designated priority geography, the geographic scope encompasses the entire City of Evanston with proposed activities intended to benefit low- and moderate-income households, while providing widespread positive impact. While the City of Evanston will not limit activities to certain neighborhoods or target activities in particular census tracts, we recognize that residents’ needs vary greatly by geography within Evanston.

High-income neighborhoods, including those near Evanston's ten Metra and CTA stations, contain access to jobs throughout the region and vibrant business districts with walkable amenities including grocery stores, pharmacies, entertainment and shopping, parks and open space, and miles of beaches along Lake Michigan. These neighborhoods contain few housing options for low- and moderate-income households. Affordable housing production in high-income neighborhoods is a critical strategy to pursue racial and economic diversity, provide greater opportunity to low- and moderate-income households, increase housing options, and reduce both housing and transportation costs.

Low- and moderate-income neighborhoods, including those impacted by decades of restrictive zoning policies, have received significantly less private and public investment. While generally less proximate to Evanston's Metra and CTA stations, these neighborhoods also contain significant amenities including grocery stores, pharmacies, shopping, schools and parks and open space. These areas simultaneously have significant infrastructure and capital improvement needs and are at risk of gentrification and displacement. Housing preservation and anti-displacement programs are essential strategies to maintain naturally occurring affordable housing (NOAH), protect against the displacement of low- and moderate-income households, and build off of the communities current assets.

Figure 2: Evanston Transit Oriented Development Areas¹⁰



Who are your key stakeholders? How are you engaging them?

The City of Evanston greatly values input from residents and community groups. This application is stronger because of stakeholder and public involvement in identifying the City’s most pressing affordable housing barriers and the strategies needed to eliminate or reduce them. In addition to consulting with public housing agencies, affordable housing developers and social service providers, the City particularly encouraged feedback from low- and moderate-income residents, including those with unmet housing needs, non-English speakers, persons with disabilities and seniors.

Stakeholder and public participation in this application meaningfully impacted the final application including the following ways:

¹⁰ City of Evanston and U.S. Census, American Community Survey 2017-2021

Figure 2: Impact of Stakeholder and Community Feedback

Feedback	Forum	Result
More assistance needed for affordable ownership	Councilmembers	Expanded activities with homeowner supports
Robust engagement will have lasting effects beyond the grant period	Stakeholders	Greater focus on and budget for community engagement
> 70% agreed with the City’s draft barriers > 80% agreed with the City’s draft strategies	Feedback Form	Minimal changes to the barriers and strategies
Barrier 1 was deemed most important Strategy 1 was deemed most important	Feedback Form	Reallocated to contain > 50% of budget

Stakeholder Engagement Strategy

In recent years, the City’s engagement efforts have repeatedly identified affordable housing as a major barrier to quality of life in Evanston. Recent initiatives include the Fair Housing Plan (2019), the Evanston Project for the Local Assessment of Needs (2022) and the City’s Participatory Budgeting campaign (2023). A key component of these efforts were partnerships with community organizations to amplify the voices of community members who often go unheard, canvassing public events and hosting roundtables. Given these meaningful and recent community touchpoints, the City incorporated this feedback early in the development of this application.

The City also implemented a rapid stakeholder engagement strategy. The City invited 100+ local and regional stakeholders to discuss their barriers and recommended strategies to address them and provided stakeholders with a publicity kit, including multi-lingual fliers, sample newsletter and social language, and links to the many opportunities for feedback. These partnerships, especially affordable housing owners and managers, enabled the City to meet people where they were at and receive feedback more representative of Evanston’s population.

Public Participation Strategy

Participation by the public was paramount to our proposal to remove barriers to affordable housing. As mentioned above, a primary method was partnerships with community organizations.

The City of Evanston created a PRO Housing webpage focused on soliciting public feedback. The website includes background info on the grant opportunity, the City’s draft strategy, an executive summary, the draft application, resource links, and, during the public comment period, multiple opportunities to provide feedback:

- Daytime Open House (in-person and virtual)
- Evening Open House (in-person and virtual)
- Feedback Form (digital and print)
- Email

PRO Housing publicity included a press release, multiple city newsletters, ward newsletters, fliers at local businesses, and articles in local newspapers. Even though the FY 23 PRO Housing grant necessitated an accelerated timeline, over 200 community members participated in PRO Housing conversations, resulting in 177 public comments, as seen in Appendix A.

Continued Outreach

The City of Evanston will maintain the PRO Housing Grant webpage for the duration of the grant cycle and continue to provide opportunities for collaboration and feedback on our strategies and activities to eliminate barriers to affordable housing production and preservation. And through Activity 3.2 Equitable Community Engagement, the City will have increased and more in-depth conversations with stakeholders and community members about affordable housing preservation and production.

Advancing Racial Equity

Evanston prides itself and thrives on its racial and ethnic diversity, summarized below:

Figure 3: Evanston Race and Ethnicity¹¹

Race and Ethnicity	White	Black or African American	Hispanic or Latino, of any race	Asian	Other or Multiple Races
Population (%)	58.5%	15.8%	11.8%	9.0%	5.0%

U.S. Census and Comprehensive Housing Affordability Strategy (CHAS) data demonstrate significant racial disparities in income and housing cost burden. These are key factors that have contributed to the exodus of Evanston’s Black residents, which fell from 16,412 in 2000 to 12,642 today, a 23% reduction.¹² The City of Evanston is committed to ensuring that households of color benefit from each of the proposed activities.

Barriers to proposed activities include underrepresentation in community engagement and outreach initiatives, inadequate marketing strategies, burdensome relief processes, and lack of access to capital. The City can mitigate these barriers by implementing affirmative marketing

¹¹ U.S. Census, 2017-2021 American Community Survey 5-Year Estimates

¹² U.S. Census, 2000 Census, 2017-2021 American Community Survey 5-Year Estimates

strategies, as described below, acknowledging that resource guarding is associated with historical practices of racial exclusion, and contract with community organizations who have strong ties within Evanston's communities of color.

Affirmative Marketing

Evanston will affirmatively market PRO Housing activities to community members that have historically been excluded or underrepresented, including residents of color, those with limited English proficiency, people with disabilities, and low- and moderate-income households.

The City will publicize new programs, initiatives, opportunities, and meetings via City of Evanston e-News, social media, community events and recreational facilities and partnerships with Evanston's broad network of community organizations. Print and digital materials will be in both Spanish and English, and accommodations will be made for other needs upon request. When feasible, in recognition of people's time and contributions, stipends will be provided to community members for their participation.

How does your proposal align with requirements to affirmatively further fair housing?

Commitment to Affirmatively Further Fair Housing

The City of Evanston is committed to affirmatively furthering fair housing by addressing historic inequities, considering lived experience, promptly responding to community feedback and developing measurable practices to increase fair housing. Evanston's economic and racial diversity is core to our culture and history. Despite this, there is a clear and consistent pattern of racial and geographic inequity in Evanston. While much of Evanston's city-level data indicates a high level of health, this is not experienced evenly throughout the community.

The proposed activities support economic security, opportunity, and housing choice for low- and moderate-income residents and improve infrastructure in low- and moderate-income neighborhoods. Housing preservation and anti-displacement activities will help stabilize existing housing stock and neighborhood fabric and create opportunities for building generational wealth. To maintain and increase racial and economic diversity, affordable housing production will be prioritized in high-income neighborhoods and transit-rich areas.

The City of Evanston will meet and seek to exceed our fair housing obligations by using a racial equity lens and collecting and analyzing more granular data.

What are your budget and timeline proposals?

Budget

The activities described within this application will require a total of \$19,061,334 over the length of the grant period. The attached HUD 424-CBW form provides a detailed budget. The following table summarizes the funding sources:

Figure 4: FY 23 PRO Housing Budget, by funding source

Funding Source		Percent Share
HUD (PRO Housing)	\$10,000,000	52%
Leveraged Funds	\$9,061,334	48%
City of Evanston	\$2,575,025	14%
Other HUD (CDBG)	\$3,438,970	18%
Other Federal (ARPA)	\$3,047,340	16%
Total Cost	\$19,061,334	100%

The following table summarizes program expenses by strategy and activity:

Figure 5: FY 23 PRO Housing Budget, by strategy and activity

	Strategy/Activity	Budget (millions)	%
Strategy 1	Fund Preservation and Anti-Displacement	\$10.3	54
Activity 1.1	Anti-Displacement Programs	\$4.3	23
Activity 1.2	Accessory Dwelling Unit Financing and Assistance	\$2.6	14
Activity 1.3	Property Acquisition Fund	\$3.4	18
Strategy 2	Streamlined Processes and Data-Driven Strategies	\$2.4	13
Activity 2.1	Comprehensive Plan, Zoning Code, Housing Database	\$1.3	7
Activity 2.2	Streamlined Housing Approvals and Process Guides	\$1.1	6
Strategy 3	Proactive Partnerships and Stakeholder Engagement	\$6.2	32
Activity 3.1	“This is Affordable Housing” Social Marketing	\$0.5	3
Activity 3.2	Equitable Community Engagement Initiative	\$0.9	5
Activity 3.3	Strategic Opportunity Site Initiative	\$4.8	25
	TOTAL	\$19.1	

Through data analysis, stakeholder conversations, community feedback, racial equity screening, and prioritization of high-impact activities, the City of Evanston coalesced around three strategies and eight corresponding activities. If HUD allocates only a percentage of the requested funds, unfortunately the impact will be reduced. And each activity HUD funds will lead to a meaningful reduction of barriers to affordable housing preservation and production in Evanston.

Timeline

The City of Evanston data collection, planning, policy and program development and financing activities will take some time to set in motion. Outreach, communication and engagement activities will begin sooner and continue throughout the term of the award. The timeline for each proposed activity follows. Blue cells convey the development stage, green cells the implementation + impact phase and red cells show impact having ended.

Figure 6: Timeline, annual, by activity

Activity	2024	2025	2026	2027	2028	2029
1.1 Anti-Displacement	Implementation and Impact					
1.2 ADU Financing	Program Development		Implementation and Impact			
1.3 Acquisition Fund	Program Development		Implementation and Impact			
2.1 Comp Plan, Zoning	Program Development		Implementation and Impact			
2.2 Streamlining, Guide	Program Development		Implementation and Impact			
3.1 Social Marketing	Implementation and Impact					
3.2 Engagement	Implementation and Impact					
3.3 Opportunity Sites	Program Development		Implementation and Impact			

**Exhibit E - Capacity
City of Evanston**

What capacity do you and your Partner(s) have? What is your staffing plan?

Our Capacity

The City of Evanston has the capacity necessary to fulfill the obligations of this grant including implementation of the proposed activities, quality assurance and oversight, and reporting measures – creating accountable benchmarks for achieving predicted outcomes.

Lead Entity

This grant application was written by staff of the City’s Community Development Department, the lead entity responsible for this grant including its implementation and quality assurance. Authors include Uri Pachter, Senior Housing Planner, Cade Sterling, City Planner and Historic Preservation Specialist, Lindsey Wade, Housing and Economic Development Analyst, Marion Johnson, Housing and Grants Supervisor, Elizabeth Williams, Interim Housing and Grants Manager, and Sarah Flax, Community Development Director. The department is responsible for the administration and execution of all building, inspection, planning, zoning, and historic preservation activities. The department also manages affordable housing initiatives and other related programs funded with federal and local grants focused on low- and moderate-income residents. The department comprises three divisions: Housing and Grants, Planning and Zoning, and Building and Inspection Services.

Experience and Quality Assurance

The Community Development Department has significant experience managing grants of substantial size and implementing similar activities. The Planning and Zoning Division oversees and manages consultant and staff-led planning and engagement initiatives including the development and adoption of a Preservation Plan and associated survey and documentation efforts in 2023, and past downtown, neighborhood, and corridor plans developed since 2008.

The Housing and Grants Division provides oversight, administration, and reporting of the City’s Community Development Block Grant, HOME Investment Partnership, and Emergency Solutions Grant funds through annual performance and evaluation reports. The department has successfully managed \$43 million of ARPA funds, \$1.3 million of HOME-ARP, \$3 million of CARES Act funds (CDBG and ESG), and \$18.2 million of Neighborhood Stabilization 2 Program funding. The Housing and Community Development Committee and the Social Services Committee provide oversight to the division as well.

The City will manage the grant funding and assure timely and quality completion of the proposed activities. Upon award, the City will initiate an implementation and quality assurance plan, in addition to the PRO Housing Action Plan. This plan will create accountable benchmarks for each activity's implementation and establish lead and support roles within the Community Development Department as well as other City departments. Stakeholder engagement during the

creation of the plan will simultaneously add capacity and critical review of product delivery to assure it meets residents' needs while fulfilling the obligations of the grant.

Legal Authority and Leadership Capacity

The City of Evanston is a Council Manager form of government with a City Manager and City Council comprising nine elected council members and a mayor. Pursuant to Article VII of the Illinois Constitution of 1970, the City of Evanston is a home-rule municipality granting us broad authority to implement all proposed activities, stating “powers and functions of home rule units shall be construed liberally”¹³ and was written “with intention that home rule units be given the broadest powers possible.”¹⁴ The Illinois Municipal Code also grants municipalities the power to establish zoning regulations and to promulgate rules and regulations that protect the public health, safety, and welfare of its residents.¹⁵

The City's leadership is committed to advancing affordable housing and progressive housing forward policies through City Council's Strategic Goals, chairing and participation in related committees and regularly engaging their constituents on neighborhood implementation.

Experience Promoting Racial Equity

Evanston has a history of promoting racial equity through policies and funds, an Equity and Empowerment Commission, and a Department of Organizational Performance and Equity.

Established in 2018, the Equity and Empowerment Commission seeks to identify and eradicate inequities in City services, programs, human resource practices, and decision-making processes. The commission has successfully passed a number of policies that address systemic barriers to eliminating racism. In 2019, the City developed the Restorative Housing Program to distribute funds to individuals and their descendants who were harmed by redlining in Evanston between 1919 - 1969. And the City's growing Department of Organizational Performance and Equity monitors and audits decision making, policy creation, and public processes to evaluate their impacts on racial equity.

Staffing Plan

As seen in the table below, the Housing and Grants Division will lead Strategy 1: Fund Preservation and Anti-Displacement and the Planning and Zoning Division will lead Strategy 2: Streamlined Processes and Data-Driven Strategies and Strategy 3: Proactive Partnerships and Stakeholder Engagement. Critical support will be provided by both divisions and other Community Development staff on each of the proposed activities.

¹³ Constitution of the State of Illinois, Article VII, Section (6)a

¹⁴ Scandron v. City of Des Plaines, 153 Ill.2d 164

¹⁵ Illinois Municipal Code, Division 13, 65 ILCS 5/11-13-1 et seq.

Figure 7: Staffing Lead, by strategy and activity

	Strategy/Activity	Lead
Strategy 1	Fund Preservation and Anti-Displacement	Housing/Grants
Activity 1.1	Anti-Displacement Programs	Housing/Grants
Activity 1.2	Accessory Dwelling Unit Financing and Assistance	Housing/Grants
Activity 1.3	Property Acquisition Fund	Housing/Grants
Strategy 2	Streamlined Processes and Data-Driven Strategies	Planning/Zoning
Activity 2.1	Comprehensive Plan, Zoning Code, Housing Database	Planning/Zoning
Activity 2.2	Streamlined Housing Approvals and Process Guides	Planning/Zoning
Strategy 3	Proactive Partnerships and Stakeholder Engagement	Planning/Zoning
Activity 3.1	“This is Affordable Housing” Social Marketing	Housing/Grants
Activity 3.2	Equitable Community Engagement Initiative	Planning/Zoning
Activity 3.3	Strategic Opportunity Site Initiative	Planning/Zoning

Support Staff

The City will work interdepartmentally to increase capacity, create efficiencies and accountability and ultimately expand our reach and impact. Full-time staff from the following departments and divisions will provide additional key support: Communications, Economic Development, Finance, Health and Human Services, Information Technology, Law, Organizational Performance and Equity, Parks and Recreation, Public Works, Sustainability, Transportation and Mobility, Youth and Family Services.

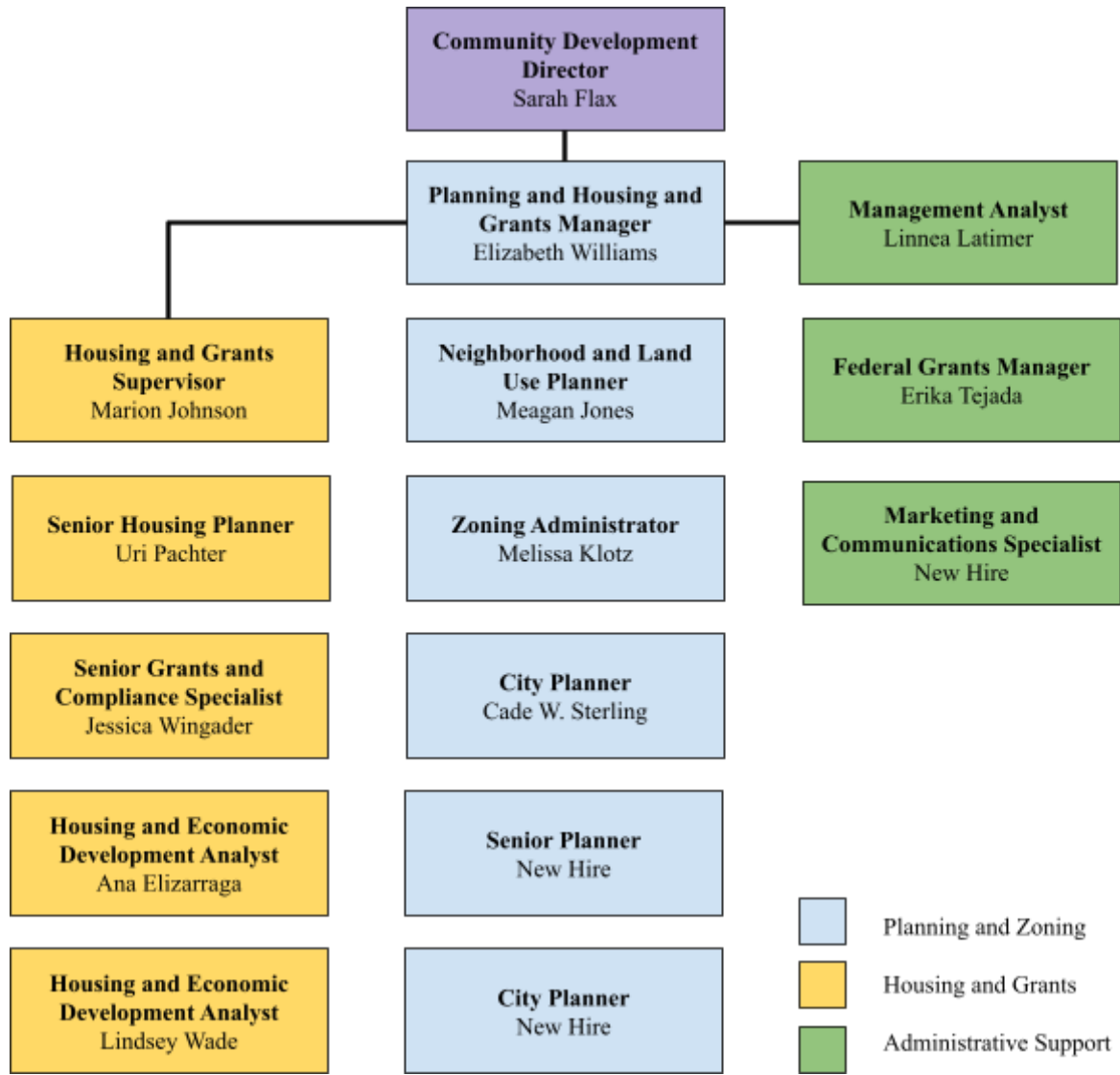
Additional Staff

Given the above staffing, the City of Evanston is still lacking the capacity needed to carry out the proposed activities. Three additional full-time staff are needed to develop and manage the many new and expanded programs proposed above. Specifically, a Marketing and Communications Coordinator in the Community Development Department and two Planners, one senior, in the Planning and Zoning Division.

Key Personnel

An organizational chart of the Community Development Department highlighting key FY 23 PRO Housing personnel, including the Housing and Grants Division and the Planning and Zoning Division, follows:

Figure 7: Organizational Chart of Community Development Department



**Exhibit F - Leverage
City of Evanston**

Are you leveraging other funding or non-financial contributions?

Leverage

The City of Evanston is leveraging significant funds – \$9,061,335, or over 90% of the City’s requested funds – to support the proposed activities outlined above. Funding sources, amounts, activities and a list of documentation are provided below. Leverage documentation has been submitted per the terms of the NOFO.

Figure 8: Leverage Sources

Activity	Program - Source	Amount	Documentation
1.1, 3.3	Affordable Housing and Livable Communities - CDBG	\$3,438,970	1a COE Commitment Letter 1b CD Commitment Letter 1c 2020-2024 Consolidated Plan
1.1	Affordable Housing Subsidy and Affordable Refugee Housing (PB Evanston) - ARPA	\$1,497,340	2a COE Commitment Letter 2b City Council Action 2c City Council Memo
All	Staff Time - General Fund	\$850,025	3a COE Commitment Letter 3b CD Commitment Letter
1.3, 3.3	Affordable Housing Fund - Affordable Housing Fund	\$1,600,000	4a COE Commitment Letter 4b CD Commitment Letter 4c Code of Ordinances 4d Current Fund Balance
1.1	One-Stop Shop Housing Retrofit Program (Green Homes Evanston) - ARPA	\$800,000	5a COE Commitment Letter 5b City Council Action
2.1	Comprehensive Plan/Zoning Code - ARPA	\$750,000	6a COE Commitment Letter 6b City Council Action
3.3	Putting Assets to Work - General Fund	\$125,000	7a COE Commitment Letter 7b City Council Action
	Total	\$9,061,335	

**Exhibit G - Long-term Effect
City of Evanston**

What permanent, long-term effects will your proposal have and what outcomes do you expect?

Long Term Effect

The City will continue to measure success based on three metrics: households retained, housing units produced and housing units preserved. The City will collect data on income, race and ethnicity, disability, and language spoken at home to confirm that low- and moderate-income households are the primary recipients and course-correct to affirmatively market our activities.

Figure 9: Anticipated Outcomes, by activity

Activity	Initial Benefit	Households Retained	Units Produced	Units Preserved	Post-Grant Impact
1.1 Annual	2024	30	-	-	Retention
Subtotal		180	-	-	
1.2 Annual	2026	5	10	-	NA
Subtotal		20	40	-	
1.3 Annual	2025	10	20	-	Retention, Production
Subtotal		50	100	-	
2.1 Annual	2025	5	10	5	All
Subtotal		25	50	25	
2.2 Annual	2026	5	25	5	All
Subtotal		20	100	20	
3.1 Annual	2025	10	10	10	All
Subtotal		50	50	50	
3.2 Annual	2024	10	-	5	Retention, Preservation
Subtotal		60	-	30	
3.3 Annual	2026	5	10	-	All
Subtotal		20	40	-	
Annual		80	85	25	
Total		420	370	125	

Measures of Success

The above table outlines the City's anticipated annual outcomes in each of the three metrics: households retained, housing units produced and housing units preserved. Since the benefits of each activity will begin in various years (2024 - 2026), outcomes for each activity are calculated annually and in total over the course of the grant period. Through FY 23 PRO Housing grant funds and the City of Evanston's leveraged funds, we project 420 households retained, 370 housing units produced, and 125 housing units preserved. This is a significant return on investment and this calculation does not take into account the significant benefits that will accrue to low- and moderate-income households in 2030 and beyond.

Expected Outcomes

The proposed activities are expected to result in increased housing production across Evanston, expanded housing choice via as-of-right new housing typologies, affordable housing on opportunity sites in high-income neighborhoods. Naturally occurring affordable housing (NOAH) will be identified, actively managed, and supported and expanded anti-displacement programs will allow low- to moderate-income households and people to remain Evanston residents.

This will help to reverse historic trends of health and opportunity gaps, support Evanston's many vibrant neighborhoods, schools and rich tapestry of business, art, and industry. Success sets an expectation that housing matters in Evanston. The way our City functions and for whom it functions matters. Design, arts and culture, preservation, economic development, affordable housing, and sustainability are not competing goals, rather they together support a lasting sense of place and community.

Evanston believes this approach can be a model for similarly sized, built-out legacy cities, creating a strategic path toward more human-scaled, inclusive, and resilient communities across the country.