



Plan Commission

1225 Cedar Lane
Northbrook, IL 60062
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Plan Commission

~ Minutes ~

Debbie Ford
(847) 664-4013

Tuesday, September 15, 2020

7:30 PM

Board Room

1. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Steven Elisco	Commissioner	Remote	
Jeff Sandler	Commissioner	Absent	
Jeremy Melnick	Commissioner	Remote	
Mark DeBartolo	Commissioner	Remote	
Ihab Riad	Commissioner	Remote	
Allen Morgen	Commissioner	Remote	
Amy Torf	Commissioner	Remote	
Laura Collins	Commissioner	Remote	
Marcia Franklin	Chairman	Remote	
Tom Poupard	Director	Present	
Michaela Kohlstedt	Deputy Director	Remote	
Stewart Weiss	Village Attorney	Remote	
Swati Pandey	Senior Planner	Remote	

2. MINUTES APPROVAL - September 1, 2020

A. Plan Commission - Plan Commission - Sep 1, 2020 7:30 PM

Commissioner Elisco moved to approve the minutes and seconded by Commissioner Morgen; all were in favor.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Steven Elisco, Commissioner
SECONDER:	Allen Morgen, Commissioner
AYES:	Elisco, Melnick, DeBartolo, Riad, Morgen, Torf, Collins, Franklin
ABSENT:	Sandler

3. COMMUNITY PLANNING REPORT

Tom Poupard, Director of Development & Planning Services reported the Board reviewed a preliminary application for a property located at 310 Anthony Trail, located in Sky Harbor Industrial Park. The tenant is requesting approval to operate a semi-truck sales facility. The applicant will be selling trucks, which will be stored on five parking spaces. The Board has no concerns approving the applicants request and this will be reviewed by the Plan Commission in a month. Furthermore, the Board also reviewed a series of amendments to Municipal Code regarding supporting components of the affordable housing ordinance that will be reviewed in greater detail this evening.

4. HEAR FROM THE AUDIENCE

None.

5. REVIEW OF NEW APPLICATIONS

- A. **PCD NO. 20-08 - AFFORDABLE HOUSING - ZONING CODE & COMPREHENSIVE PLAN AMENDMENTS** This is an application by the President and Board of Trustees of the Village of Northbrook to consider: (A) Amending the existing goals and strategies of various Elements of the Northbrook Comprehensive Plan (2010), as amended, concerning affordable housing in the Village of Northbrook; and (B) To add a new Part III to Article IX entitled "Inclusionary Housing", and amend related sections of the Northbrook Zoning Code (1988), as amended, as required for the purposes of defining terms and establishing standards and procedures for reviewing and authorizing development applications to comply with the inclusionary housing requirements established by this proposed amendment.

Tom Poupard, Director of Development & Planning Services was sworn in as a witness. He discussed the affordable housing plan that was first adopted and the Northbrook comprehensive plan. He noted how the State Affordable Housing Act required each Illinois community to have at least 10% of their housing stock available as affordable housing. On August 10, 2004, IHDA sent a letter to the Village of Northbrook informing the Village that only 5.3% of their housing stock were affordable units. As a home rule community, compliance with the State Act is not mandatory for Northbrook. In 2005, the Village of Northbrook adopted an affordable housing plan which required 15% of all new housing units be affordable or increase the supply of affordable housing units by 3%. The 2010 Comprehensive Plan recognized the issue of affordable housing but did not outline a strategy to address the need.

The Village adopted a series of zoning code amendments over the years to increase affordable housing stock. The data for Northbrook shows a great gap between home prices and income still exists. Based on the most recent State data, the Village has increased its affordable housing stock to 5.7%.

The Board of Trustees has begun working with Staff on some parallel amendments to the Municipal Code: Affordable Housing Trust Fund, Demolition Tax and the amount of the "fee in lieu" of providing affordable housing.

As part of the policy framework, the Village staff is suggesting a series of language changes to the Comprehensive Plan. He briefly described the wording changes.

The Zoning Code amendments would then be a means of implementing both the Comprehensive Plan and the Affordable Housing Plan. He noted that in the long-term, the Village would establish a Housing Commission to manage the Affordable Housing Trust Fund and review housing proposals in great detail. In the short-term, the Plan Commission is being asked to serve that role. The Board requested 15% of the total number of units be affordable units. Developments of five (5) units or less are completely exempt. Single family subdivisions of 19 units or less can simply pay the fee in lieu. Subdivisions of 20 or more and multi-family developments of six units or more are expected to provide on-site units, but have options available, if the Village approves them.

Commissioner Morgen asked how the Village will insure developers will not try to avoid the affordable housing requirements. Mr. Poupard responded they added language to the code amendments to prevent developers from performing phased developments.

Village Attorney Stewart Weiss commented they will also review how other communities have put safeguards in place to address phased developments. He noted there are not many open space development areas in Northbrook, so large developments will be the exception.

Commissioner Morgen asked how they will clarify how the affordable housing bonus works. Mr. Poupard explained how he had received feedback from the development community expressing concern over the math required to compute the number of affordable units when it is not simply based on the number of market rate units, but the total units. Village Attorney Mr. Weiss responded we do not want there to be a continuous mathematical loop of re-computation and will include explanatory foot notes and examples.

Commissioner Torf expressed concern regarding the mathematical fairness. Mr. Poupard responded the Board is trying to avoid developers from simply using the fee in lieu.

Village Attorney Mr. Weiss discussed the affordable housing models. The code recognizes two types of affordable units: rental units and owner-occupied units. They created several income tiers specific to both types. He described the following table:

Affordable Rental Units	Proportion of Included Units	Eligible Income Tier	Maximum Housing Expenses For Eligible Income Tiers
	1/3 (33.33%)	<u>Tier A</u> : Households with income less than 50% of AMI	Attainable to household with income equal to or greater than 45% AMI
	1/3 (33.33%)	<u>Tier B</u> : Households with income equal to or greater than 50% AMI but less than 80% AMI	Attainable to household with income equal to or greater than 65% AMI
	1/3 (33.33%)	<u>Tier C</u> : Households with income equal to or greater than 80% AMI but not exceeding 100% AMI	Attainable to household with income equal to or greater than 80% AMI
If three or less units offered	100%	Households with income less than 80% AMI	Attainable to household with income equal to or greater than 65% AMI
Affordable Owner-Occupied Units	Proportion of Included Units	Eligible Income Tier	Maximum Housing Expense for Eligible Income Tiers
	1/2 (50%)	<u>Tier 1</u> : Households with income less than 80% AMI	Attainable to household with income equal to or greater than 65% AMI
	1/2 (50%)	<u>Tier 2</u> : Households with	Attainable to household with

		income equal to or greater than 80% AMI but less than 120% AMI.	income equal to or greater than 80% AMI
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The percentages vary based on discussions had with the Chicago Partners for Affordable Housing (CPAH). In addition, the Village drafted language to preserve affordable housing stock when there is a future ownership change.

Commissioner Morgen asked what the monthly rent is for Tier A. Village Attorney Mr. Weiss responded page 45 of the packet shows monthly rent examples based on 60% AMI.

Commissioner Morgen asked if affordable units are required if a developer simply renovates a building. Village Attorney Mr. Weiss responded if the project does not increase the number of dwelling units it will not be required.

Commissioner Morgen asked if the developer is unable to find qualified tenants to meet a certain tier, can they change to a different tier level. Mr. Poupart responded the developer will need to seek relief from the agreement.

Robert Anthony of CPAH described how he conferred with the staff and Village Attorney on the tiers. He commented tier levels can cause a challenge for developers. The developers have issues renting out units at the highest tier compared to the lowest tier. He has never seen a time when a developer had issues finding qualified tenant at the lower levels - those are in the highest demand regionally.

Commissioner Riad requested clarification on the income levels. Mr. Poupart responded they included the State income affordability levels, which does not correspond to the tiers. They plan on using the State data to create the three-tier rental and two-tier ownership numbers for Northbrook. He said that for the next hearing they will provide numbers that correlate to the tiers in the draft amendment, not just the overall state standard.

Commissioner Riad asked what an affordable housing unit will sell for in Northbrook. Village Attorney Mr. Weiss responded page 39 in the packet shows the income level and household size.

Commissioner Torf asked how they decide what tiers are used in a specific development. Mr. Poupart responded that as developments are approved, they will specify the housing tiers. He said he expects there may be some negotiation involved. He gave there example of the development recently approved in Highland Park that had a mix of on-site units at specific income levels, combined with a fee in lieu.

Commissioner Riad requested clarification regarding developers offering their affordable housing unit on an offsite premise. Village Attorney Mr. Weiss responded that is an option for developers built into the code. Mr. Poupart added that the first choice is on-site units. Any other approach must be approved by the Board. The Village would look at where the units are to be located and make sure there is not an over concentration of units in one neighborhood. The Village does not have to accept the off-site proposal.

Commissioner Riad asked if developers can create a duplex in a single-family subdivision. Mr. Poupard responded yes.

Commissioner Riad asked if they have a target audience. Mr. Poupard responded the Board would like to generally increase diversity in Northbrook. There was no particular profile that was desired.

Commissioner Melnick asked how this will help increase diversity. Mr. Poupard responded the Board did not agree with policies taken in other communities where the affordable units can only be for existing residents. The Board wants to remove barriers to entering Northbrook.

Commissioner Riad said he would prefer that the affordable housing be available to residents of Northbrook only.

Commissioner Elisco requested clarification on how the ordinance would impact expanding the senior housing at Crestwood Place. Mr. Poupard responded the senior housing is not governed by ordinance and therefore it will not impact Crestwood.

Mr. Poupard discussed the other code sections. The ordinance includes incentives for developers who plan on creating an affordable development in Northbrook. They will be adding design flexibility to compliment the neighborhood.

He went through some historical data on what has been approved in Northbrook over the years. Since 2005, the Village has approved 19 subdivisions and only two of the single-family subdivisions were large enough to qualify for on-site units (Timbers Edge and Anets Woods). The average lot size was 6.6 units.

Furthermore, the Village approved 9 multi-family developments since 2005. The average multifamily development had 150.8 units.

He provided the details of several recent multi-family development projects taking place in Northbrook, large and small.

Village Attorney Mr. Weiss commented they plan on creating a separate Housing Commission. However, the Plan Commission will be responsible for reviewing affordable housing projects in Northbrook until the Housing Commission is created. They will be creating standards for the Commission to use when evaluating applications and the Board will take final action on plans reviewed by the Commission.

Chairman Franklin commented they will need more information from the Board when a new development is proposed and it is unclear how the process will work. During the preliminary Board review will the basics of a housing plan be approved? She noted the affordable housing will not be the Plan Commissions responsibility once the Housing Commission is created. She asked what the next step is in the process. Mr. Poupard responded he will be working with the Village Attorney to complete drafting the few sections of the code that need work. Staff will also be providing more details on the income and price levels that correspond to the "tiers" in the draft code. Finally, they will be creating the upper limits in the code regarding design

flexibility on building coverage and heights.

Commissioner Collins requested information on how municipalities have limited future affordability to owners who buy affordable housing units. Mr. Poupard responded he will create an overview on how different communities have addressed the resale and renting of affordable units.

Chairman Franklin asked if there are any subletting restrictions. Mr. Poupard responded they have restrictions on subletting of units and will describe that.

Commissioner Elisco discussed a sublease scenario. Village Attorney Mr. Weiss responded they will provide the Commission with the covenants and lease restrictions.

Commissioner Riad asked what happens when the owner of the affordable home passes away. Robert Anthony responded their surviving family can live in the home if they income qualify or sell the home at a restricted price to an income qualified family.

Commissioner Torf requested information on the qualification process and deed restrictions. She asked how they can prevent developers from creating a part of town that is an affordable housing only community. Mr. Poupard said they will describe how a group such as CPAH will help with oversight.

Chairman Franklin stated she disagrees with individuals renting apartments being able to just stay in affordable unit forever. She asked if there could be a re-qualification process. She suggested performing a rental review every five years.

Commissioner Elisco asked if the HOAs in the community will be responsible for enforcing the affordable housing rules.

Village Attorney Mr. Weiss commented he will provide the Commission with a life cycle development.

Chairman Franklin requested clarification on the evaluation factors for qualifying applicants. She said seniors in particular have large assets and low incomes. Is that who should be taking the affordable units?

Commissioner Elisco asked if the Village staff will be making changes to the Affordable Housing Plan. Mr. Poupard responded they will be updating the Affordable Housing Plan too, but that does not require a public hearing

Chairman Franklin asked for public comment.

Joe Roth with the Northshore Barrington Association of Realtors, 450 Skokie Blvd, Northbrook, expressed concern regarding the costs presented in the affordable housing proposal. They would like more flexibility and a package with cost offsets. Their goal is to prevent a shortage of middle-income housing. He noted the proposed Demolition Tax is not appropriate. Furthermore, he shared information on the declining housing market in Northbrook.

Mr. Poupard requested that Joe Roth email him the comments made so they can be included in the packet for the next hearing.

Chairman Franklin asked to continue the public hearing to the next Plan Commission meeting scheduled on October 20, 2020, moved by Commissioner Elisco, seconded by Commissioner Morgen; the motion passes.

6. OLD BUSINESS

7. NEW BUSINESS

A. Letter From Village President - Commission Role

Letter from Village President - Commission Role

Tom Poupard, Director of Development & Planning Services discussed the letter from the Village President regarding the Board of Trustees initiatives. It was agreed that the matter would be discussed further at the next meeting.

8. ADJOURN

Commissioner Elisco made a motion, seconded by Commissioner DeBartolo to adjourn. On voice vote, a motion to adjourn passed unanimously. Adjourned at 10:05 p.m.