

REGIONAL AFFORDABLE HOUSING INITIATIVE

Since its inception in 1999, BPI's Regional Affordable Housing Initiative has sought to address the affordable housing crisis in the Chicago region and the state of Illinois through a variety of legal, policy, and organizing strategies. The RAHI initiative has focused on policy solutions that will preserve and create more affordable housing throughout the Chicago region, with a special emphasis on creating and preserving such housing near jobs and opportunity. BPI focuses its activities in three broad areas: 1) state policy; 2) regional/local policy; and 3) education and outreach. This integrated approach aims to increase affordable housing resources and to remove marketplace barriers that limit affordable housing near jobs and opportunity.

STATE POLICY

BPI promotes policies at the state level that increase resources for affordable housing creation and preservation, reduce barriers to affordable housing development and preservation near jobs and opportunity, and raise the wages of low-income households:

- **Illinois Affordable Housing Planning and Appeal Act.** In the 2003 General Assembly, BPI led the effort to pass the Affordable Housing Planning and Appeal Act, thus making Illinois only the fourth state in the nation to pass a "Builder's Appeal Law." BPI organized a coalition of labor, community, and faith-based organizations, housing advocates, and housing developers and set out to pass a strong law similar to the Builder's Appeal Law in Massachusetts. Despite the strong culture of "local control" in Illinois, the campaign gained tremendous momentum in the legislature. This momentum led to intensive negotiations with the Illinois Municipal League and the passage of an agreed bill. For the first time, the state of Illinois has a law requiring all communities with less than 10% affordable housing (49 affluent suburbs) to plan for and produce affordable housing.

In 2004, BPI successfully led the effort to amend this law in order to give municipalities more time to complete their affordable housing plans and ensure more effective implementation by the Illinois Housing Development Authority (IHDA). Implementation of the new Illinois law is underway. Over 30 affluent suburbs have already submitted affordable housing plans to the state of Illinois with more to follow.

Despite its relatively modest scope, the law has, not surprisingly, generated much controversy in the Chicago suburbs. Responding to this controversy, BPI rallied support from a variety of sources to defend the law and then authored agreed language in the 2005 legislative session to address local concerns while still preserving the intent and spirit of the law. An agreed amendment (SB 966) giving municipalities more flexibility in complying with the law (by allowing them to partner with neighboring towns that have less than 25% affordable housing in order to meet their own requirements under the law) and providing municipalities with more authority to enact local policy strategies passed this year and was signed into law in 2005.

- **Illinois Housing Roundtable:** To improve communication and facilitate policy coordination, BPI, in partnership with Housing Action Illinois, convenes the Illinois Housing Roundtable, a statewide working group of over 200 housing advocates and organizations. Through the Roundtable, BPI has coordinated collective action on a range of housing policy alternatives for consideration in the Illinois General Assembly.

In 2003, these efforts led to three new affordable housing laws, an increase in the state minimum wage and two housing appropriation measures (for homeless prevention and supportive housing). The new affordable housing laws included property tax abatements for landlords in "opportunity areas" who rent to Housing Choice Voucher (HCV) holders; the creation of a statewide Housing Task Force empowered to create Illinois' first statewide housing plan; and the Affordable Housing Planning and Appeal Act, creating a State Housing Appeals Board and

requiring affordable housing plans from communities with less than 10% affordable housing. **In 2004**, Roundtable efforts contributed to the passage of three more affordable housing bills and two additional housing appropriations. **In 2005**, coordinated efforts through the Roundtable led to the passage of the Rental Housing Support Program Act, which will generate over \$30 million annually to fund locally run rental assistance programs that will provide subsidies to landlords who provide affordable apartments to households earning at or below 30% of the Area Median Income.

- **Housing Illinois.** BPI co-chairs Housing Illinois, a coalition of 45 housing organizations, lending institutions, real estate developers, foundations, municipal leaders, and public agencies working to increase the acceptance and availability of affordable housing in the Chicago region. Housing Illinois conducted the most extensive research to date measuring attitudes toward affordable housing in the Chicago region, publishing its findings in *Valuing Housing: Public Perceptions of Affordable Housing in the Chicago Region*. Housing Illinois has now launched a multi-faceted public education campaign to generate popular support for affordable housing initiatives in the region. Housing Illinois is currently running TV ads across the Chicago metropolitan region and has produced public education materials that are being used by community groups, local governments, and developers throughout the region.

REGIONAL / LOCAL POLICY

A number of local municipalities have begun to take steps to preserve and increase their stock of affordable housing. To promote and support action at the municipal level, BPI provides legal and research assistance to community-based organizations and municipal officials regarding effective local affordable housing programs.

- **EVANSTON:** For the past two years, BPI has been working with the Evanston Housing Commission, the Evanston City Council, local residents, and a community Task Force to explore, draft, pass, and implement an inclusionary housing program in Evanston. In December 2003, the Task Force recommended passage of a mandatory inclusionary housing program. In March 2004, the recommended program was presented to the Planning and Development Committee of the Evanston City Council by BPI Staff and Housing Commission members. BPI has worked closely with Evanston residents, city staff, and aldermen to draft an ordinance for an inclusionary housing program. The ordinances are now being discussed, debated and refined by the City Council. BPI will continue to provide the Evanston city staff, Housing Commission, and aldermen with ongoing research and technical assistance.
- **LAKE COUNTY:** For the past two years, BPI has provided research, legal, and policy assistance to Lake County United, a coalition of faith-based organizations in Lake County, a jobs-rich county situated in the Northern part of the Chicago region. With BPI's assistance, Lake County United secured a 67% increase in the county budget for affordable housing. In addition, BPI aided Lake County United in its successful bid to secure affordable homes in a new private development in downtown Libertyville, an affluent Lake County suburb. Fifteen percent of the homes in the Libertyville School Street Site will be affordable. BPI will continue working with Lake County United as they now pursue a mandatory inclusionary zoning ordinance in Libertyville.
- **METROPOLITAN MAYORS CAUCUS:** To assist communities in developing an affordable housing plan, BPI helped the Metropolitan Mayors Caucus develop a model affordable housing plan for compliance with the Affordable Housing Planning and Appeal Act. With the input of three planners from suburban communities, BPI drafted "Model Guidelines for an Inclusionary Zoning Ordinance," a major component of the Model Affordable Housing Plan. Over 30 affluent suburbs have submitted affordable housing plans to the state and a number of them include recommendations for the development of an inclusionary zoning ordinance.

In the fall of 2004, in conjunction with the Metropolitan Mayors Caucus and the Illinois Housing Development Authority, BPI organized three regional training seminars for municipal officials. These seminars provided suburban communities with ideas, technical assistance and guidance in developing local plans and policies to address the need for affordable housing.

- **HIGHLAND PARK:** BPI provided detailed policy and legal research over a two-year period to help Highland Park draft its inclusionary housing ordinance that became law in August 2003—the first of its kind in the Midwest.
- **CHICAGO:** BPI is working closely with Chicago aldermen and housing advocates to enact an inclusionary housing program for the City of Chicago. In December 2003, BPI issued *Inclusionary Housing: A Policy that Works for the City that Works*, a comprehensive study documenting that inclusionary housing programs produce affordable housing without stifling development, harming the local property tax base, or using scarce public resources. In 2004, BPI drafted an inclusionary housing ordinance that was submitted by Aldermen Toni Preckwinkle and Walter Burnett to the Chicago City Council. Twenty-four aldermen (out of 50) have signed on to the ordinance, which requires that all developments of 10 or more units include at least 15% affordable housing. In January of 2005, BPI provided the lead testimony to the Chicago City Council at a hearing on the proposed ordinance. BPI continues to work with the Balanced Development Coalition, the Chicago Rehab Network, and the Fair Development Coalition to pass an inclusionary housing ordinance in Chicago. BPI is also providing legal and policy assistance and support to individual community groups throughout the city as they pressure local aldermen, negotiate with developers, and obtain affordable homes in new private developments through ward-based inclusionary housing policies.
- **ARLINGTON HEIGHTS:** BPI has provided ongoing technical assistance to the Village of Arlington Heights, a community of over 60,000 people in the Northwest suburbs of Chicago. Arlington Heights recently secured 20% affordable condos in a new condominium development. BPI helped city staff draft an appropriate deed restriction for the affordable condos in order to ensure their affordability in perpetuity. In addition, BPI has provided ongoing policy assistance and support to community groups and the city as they rally support for this development and others.
- **DuPage Housing Action Coalition:** BPI serves as the policy expert and organizing consultant for the DuPage Housing Action Coalition, a network of faith-based groups, social service agencies, and concerned citizens who are advocating for policy changes at the state and local level to address the affordable housing crisis in DuPage County. DHAC has successfully secured political support for a number of important legislative initiatives from Republican legislators in DuPage County. In Wheaton, BPI has provided policy research and organizing support to the League of Women Voters and other community groups in this affluent, suburban community in the Western suburbs of the Chicago region. BPI is helping local residents who are working to convince the city council in Wheaton to create an affordable housing trust fund.
- **OTHER COMMUNITIES:** BPI is also providing research and technical assistance to affordable housing efforts getting underway in affluent suburbs such as Wheaton, Downers Grove, and Wilmette. In addition to these communities, BPI staff is providing ad hoc assistance to many communities regarding the Affordable Housing Planning and Appeal Act.

EDUCATING KEY CONSTITUENCIES, TARGETED DECISION MAKERS AND THE PUBLIC

LEADERSHIP TOURS: In October 2003, BPI led a leadership tour for five Illinois state legislators and the Executive Director of the Illinois Housing Development Authority (IHDA) to Massachusetts, providing a first-hand look at the Massachusetts Builder's Appeal Law, responsible for nearly 40,000 affordable homes over the last 30 years. In

December of 2004 and December of 2008, BPI sponsored a tour to five affluent Massachusetts suburbs for two delegations of key suburban elected officials from the Chicago region. This tour illustrated how extremely affluent communities can take local action to create and preserve affordable housing despite high land costs and an expensive real estate market. Furthermore, the tour illustrated that affordable housing can be created and preserved without the use of public tax dollars and in a way that contributes to the character, attractiveness, and quality of life of any community. As a result of the tour, a number of concrete actions have been taken by these elected officials in their own suburbs.

STUDIES AND REPORTS: BPI has published a number of studies and research reports on affordable housing. Among these are:

- ***Opening the Door to Inclusionary Housing/Condensed Version***—serves as a resource for advocates, faith- and community-based groups, and local officials seeking a clear understanding of inclusionary housing policies and options
- ***Opening the Door to Inclusionary Housing/2004 Supplement***—offers updated information and research on inclusionary housing programs and experiences around the country
- ***Eliminating Barriers***—examines artificial constraints that inhibit production of affordable homes and apartments near jobs in the Chicago region and offers policy approaches to remedy the problem.
- ***Inclusionary Housing: A Policy that Works for the City that Works*** – makes the case for inclusionary housing in Chicago and uses experience and study from around the country to answer the two major critiques voiced by the opposition in Chicago to an inclusionary housing program.
- ***A Flawed Look at Inclusionary Zoning***—critiques the Reason Foundation’s conclusions about inclusionary zoning programs and their effect on development in the San Francisco Bay Area.
- ***The Inclusionary Housing Debate: The Effectiveness of Mandatory Programs Over Voluntary Programs (in the APA Publication, Zoning Practice, Sept. 2004)*** – examines the question of whether voluntary or mandatory programs are more effective.
- ***Inclusionary Housing: Proven Success in Large Cities (in the APA Publication, Zoning Practice, Oct. 2004)*** – highlights successfully inclusionary housing programs in large urban centers.
- ***Creating Balanced Communities: Lessons in Affordability from Five Affluent Boston Suburbs*** – examines local policies in five very affluent Boston suburbs to see how communities with high land prices, low-density zoning, and high housing costs can successfully create and preserve affordable housing.
- ***Success in Affordable Housing: The Metro Denver Experience*** – highlights successful local housing programs from four communities in Metro Denver – Boulder, Denver, Longmont, and Lafayette.
- ***A Community Guide to Creating Affordable Housing*** – features 14 case studies of actual developments to show how different local policy tools can be used successfully to create attractive, well-working developments with affordable housing in any community.

NATIONAL INCLUSIONARY ZONING CONFERENCE: BPI, together with the Innovative Housing Institute, the National Housing Conference, and PolicyLink, organized the second National Inclusionary Housing Conference in October 2007.

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