

MINUTES OF THE PLAN COMMISSION
September 18, 2023

The regular meeting of the Plan Commission was called to order by Chairman Eric Steffe at 7:01 p.m. at the Libertyville Civic Center, 135 W. Church Street.

Members present: Chairman Eric Steffe, Gregory Wheeler, Amy Flores, Walter Oakley, Thomas Rankin, and Aaron Zych.

Members absent: Richard Pyter.

A quorum was established.

Village Staff present: Ashley Engelmann, Deputy Village Administrator; John Spoden, Director of Community Development; and David Smith, Senior Planner.

Others present: Hart Passman, Village Attorney.

Commissioner Wheeler moved, seconded by Commissioner Flores, to approve the March 8, 2023, Plan Commission meeting minutes.

Motion carried 6 - 0.

Commissioner Wheeler moved, seconded by Commissioner Flores, to approve the August 28, 2023, Plan Commission meeting minutes.

Motion carried 6 - 0.

OLD BUSINESS: None.

NEW BUSINESS:

PC 23-12 Village of Libertyville, Applicant

Request is for a Text Amendment to the Libertyville Zoning Code in order to include regulations for Attainable Housing.

Mr. John Spoden, Director of Community Development, introduced the request for the Text Amendment to the Zoning Code relative to regulating Attainable Housing in the Village of Libertyville. Mr. Spoden stated that the Village has been debating the merits of affordable, attainable, workforce or inclusionary housing for the past two decades and now it is finally up for public debate which is wonderful. Mr. Spoden thanked the Human Relations Commission and Chair Starr for all of their hard work on the draft Attainable Housing Ordinance. He stated that the Human Relations Commission worked hard for the past two years to put together the draft ordinance that is before the Plan Commission tonight. Mr. Spoden also thanked Deputy Village Administrator Ashley Engelmann for all of her work in staffing the Human Relations Commission

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(HRC) and for all of her hard work in supporting the HRC in the development of the final draft ordinance.

Ms. Ashley Engelmann, Deputy Village Administrator, presented the proposed draft ordinance amending the Village of Libertyville Zoning Code to establish attainable housing requirements via a pre-recorded presentation. The following script represents the pre-recorded presentation:

Slide 2

The purpose of this evening's public hearing is to review a draft Ordinance which would regulate attainable housing within the Village. If approved, the Ordinance would become a new chapter within the Village's Zoning Code, therefore a public hearing is required to amend the text of the Zoning Code.

Slide 3

As part of the discussion we will review the legislative process that has taken place so far and what is still required for the ordinance to become a new chapter in the Zoning Code. We will also discuss what the Illinois Affordable Housing Planning and Appeals Act is, how attainable housing is addressed within the Village's comprehensive plan, what the elements of the draft ordinance are and the roles and responsibilities of the various Village boards and commissions as they relate to the Ordinance.

Slide 4

By way of background, in 2019, the Human Relations Commission or "HRC" was asked by then Mayor Weppeler to develop an Attainable Housing Ordinance. Over the next several years the HRC held over 20 meetings to develop a draft Ordinance to be reviewed by the Plan Commission for public hearing. In May of 2021 a draft Ordinance was voted on by the HRC. Subsequently, throughout 2021 several meetings were held with the Village Board to provide them with an overview of the draft Ordinance.

Slide 5

In 2022 workshops were held between the HRC and Plan Commission to get a better understanding of the Ordinance and development of it prior to holding the public hearing on the draft Ordinance. In 2023, two final joint workshops were held to review certain sections of the draft Ordinance. This evening is the next step in the process which is the required public hearing on the draft Ordinance. It is possible that multiple public hearings may occur. Once the hearings are completed a recommendation from the Plan Commission will be forwarded to the Village Board for final consideration.

Slide 6

An attainable housing Ordinance is designed to provide housing opportunities for people at a variety of income levels. In residential construction developments projects that are of a certain size or type are considered "covered developments" under the Ordinance and are subject to the requirements of the Ordinance such as requiring developers of the projects to sell or rent a portion of the new units at rent or sales prices that are affordable to certain income levels.

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Individuals who may live in attainable housing units include healthcare workers, teachers, retail, and restaurant workers, etc. It also requires that those individuals have incomes below 120% of the area median income. (ex: in 2023, for a household of 1 that would be below \$92,760)

Slide 7

What is the Illinois Affordable Housing Planning and Appeals Act and how does it impact municipalities? The Act is a State Law that was signed into effect in 2003. It requires that municipalities have at least 10% of their housing stock affordable. Every five years the Illinois Department of Public Housing re-evaluates each community's affordability and assigns a percentage. This was last completed in 2018. At that time Libertyville was at 15.4%. Communities that are under the required 10% must submit a plan to the IDPH which either requires that new developments have 15% of their housing stock affordable or that they will have a minimum increase of 3% in affordability within their community. Communities are also required to hold a public hearing on affordable housing plans.

Slide 8

How does the attainable housing ordinance relate to the Village's comprehensive plan, which was recently updated in 2021. The plan is a vision through 2030. We will walk through sections of the plan that address attainable housing within the community.

Slide 9

As part of the comprehensive plan process residential market data was examined. Based on 2018 Illinois Housing Development Authority data, housing units that are owned in Libertyville were generally considered affordable to owners, however 22% of the units were considered unaffordable or severely unaffordable. Rental units were identified as being unaffordable to approximately 40% of renters with 17% of renters spending more than 50% of their income on housing costs. Under IDHA guidelines a unit is considered affordable to a homeowner if 30% or less of their income is spent on housing costs.

Slide 10

The plan found that given that the community is built out with limited green space left for residential development there may be a greater need for a more diverse housing stock to accommodate for the changing population of young professionals, younger seniors, and empty nesters. It also noted a need for seniors who want to age in place. Multi-family housing and transit-oriented developments would also help to support the downtown. Given the lack of diversity in housing stock it was also noted that individuals outside of the upper income limits may struggle to find appropriate housing that does not overly financially burden them. By increasing the variety of housing price points in the community this could attract younger families and seniors.

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The plan calls for key planning principles to implement planning, regulatory and funding mechanisms that advance and promote attainable housing opportunities.

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Slide 12

It further encourages attainable, for sale housing that will provide opportunities for working professionals and families.

Slide 13

It was also found that more than half the comprehensive plan workshop attendees expressed support for encouraging attainable housing options within residential developments.

Slide 14

The comprehensive planning process also specifically addressed policy guidelines for increasing attainable housing opportunities. They included: adopting a formal framework identifying attainable housing goals, monitoring the Village's attainable housing stock and exploring requirements for inclusionary housing within the zoning code.

Slide 15

Finally, the plan identified policies and strategies that can be implemented to promote a diverse housing stock. We will highlight a few of these. Locating sites in the community for diverse housing near employment areas and public transportation, provide fee waivers for developers, prioritizing the locations of attainable housing in the community and adopting an inclusionary housing ordinance.

Slide 16

As mentioned earlier, the HRC held numerous meetings over the last several years to develop a draft ordinance to recommend to the Plan Commission. In May of 2021 a draft of the ordinance was voted on by the HRC to move forward. Subsequently several workshops were held amongst the HRC, Plan Commission and Village Board. Finally in January of this year two additional meetings were held to review certain parts of the draft ordinance that was previously voted on in May of 2021. Specifically

- The language was reviewed and amended to allow for the developer to select whether the units will be built on-site or they may choose to pay a fee in lieu of building the units. The developer may also select a combination of ways to comply with the requirements.
- The number of units which triggers the Ordinance was increased to 10 to encourage smaller developments in the Village. This was done in an effort to reduce the likelihood of it being a financial deterrent to smaller developments.
- An amendment was also made to allow for developments located in the C-1, C-2 or C-3 zoning district who build on-site units to have **both** increased floor area ratio and a density bonus as an incentive.
- Finally, a development that includes the conversion of rental property to condominium property was required to comply with the ordinance in the original draft but was removed as a covered development in the draft before the plan commission this evening.

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The elements of the ordinance that were discussed in January were ultimately voted on 6-1 to recommend to the Plan Commission. We will now provide an overview of the components of the draft ordinance. The ordinance will be mandatory for all new residential developments that contain **ten** or more units. Covered developments will include:

- A development consisting of new residential construction or new mixed-use construction with a residential component
- A development consisting of the renovation or reconstruction of over 50% of the total square footage of an existing multi family residential structure and that increases the number of residential units from the number of units in the original structure
- A development that will change the use of an existing building in whole or in part from non-residential to residential
- The development of senior citizen homes without nursing care
- Finally, the Ordinance does not apply to nursing homes or assisted living facilities

Slide 18

At least 15% of the total number of units must be Attainable Housing Units. The total number of proposed units is multiplied by 15% to determine the number of units.

- If 15% of the number of proposed units results in a fraction, a fraction of 0.5 or more will be rounded up, and a fraction of less than 0.5 will be rounded down
- Attainable Housing Units must be integrated within the market rate units
- Attainable Housing Units must be constructed concurrently with the development of market rate units
- The exterior appearance of all the Attainable Units must be visually compatible with the market rate units
- The interior finishes and square footage may differ from the market rate units, however the aggregate gross square footage of the Attainable Housing Units must be roughly proportionate to the aggregate square footage of the market rate units

Slide 19

Prior to the approval of any Covered Development Project by the Village the Village Board must approve an attainable housing plan that outlines and specifies the Covered Development Project's compliance with each of the requirements within the Ordinance.

Slide 20

As an incentive to the developer, they may request a waiver of all applicable application fees, building permit fees, plan review fees, inspection fees, sewer and water tap-on fees, demolition permit fees, impact fees, and other development fees and costs for only the Attainable Housing Units.

In addition, they will be eligible for a density bonus equal to one Market Rate Unit for each Attainable Housing Unit that is required and is constructed on the site of the Covered Development Project, the maximum number of dwelling units in a Covered Development Project cannot exceed 115% of the total number of dwelling units.

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Finally, for all projects located in the C-1, C-2, or C-3 zoning districts, the maximum floor area ratio for the development may be increased an additional 0.25 in floor area ratio if all required Attainable Housing Units are constructed on the site of the Covered Development Project

Slide 21

As an alternative to constructing Attainable Housing on the site of the project, a developer may choose to comply with the ordinance by selecting an alternative to constructing some or all of the Attainable Housing Units. Options include:

- *Cash Payment In Lieu*- A cash payment in lieu of constructing some or all of the required Attainable Housing Units on-site. The cash payment due for each unit for which cash may be paid in lieu of providing an Attainable Housing Unit will be established by the Village Board and included in the Annual Fee Ordinance adopted by the Village Board
- *Offsite Units*- The developer may provide an equivalent number of Attainable Housing Units at another site within the Village
- *Land Donation*- The developer may dedicate land of a size and location appropriate for the development of Attainable Housing Units and consistent with administrative guidelines approved by the Village Board

The developer may choose one or a combination of the alternative options.

Slide 22

Once the attainable housing units are built there will be a process to determine who is eligible to own or rent the units. It is the Village's intention to contract with Community Partners for Affordable Housing or CPAH, located in Libertyville to assist with this process. CPAH works with communities throughout Lake County to support their attainable housing needs. The ordinance includes a tiered system for determining eligibility for owners/renters of the Attainable Housing Units. (Summarize below)

For-Sale Units

Proportion of Included Units	Eligible Income Tier	Maximum Purchase Price for Eligible Income Tiers
At least one and no less than 50%	Tier 1 - Households with gross income less than 80% of AMI	Attainable to households with income equal to 65% AMI
Any remaining units	Tier 2 - Households with gross income equal to or greater than 80% of AMI but less than 120% of AMI	Attainable to households with income equal to 100% AMI

Rental Units

Proportion of Included Units	Eligible Income Tier	Maximum Rental Price for Eligible Income Tiers
No less than 33%	Tier 1 -Households with gross income less than 50% of AMI	Attainable to households with income equal to 45% AMI
No less than 33%	Tier 2 -Households with gross income equal to or greater than 50% of AMI but less than 80% AMI	Attainable to households with income equal to 65% AMI
No more than 33%	Tier 3 -Households with gross income equal to or greater than 80% of AMI but less than 120% AMI	Attainable to households with income equal to 100% AMI

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Slide 23

Provided on the screen are the 2023 inclusionary income limits for attainable housing. These numbers are updated annually. These are the income levels at each category to be considered.

Slide 24

This slide provides examples of the maximum purchase price by income tier. For example, a 3-bedroom house, with 4 occupants at an income level of 65% AMI (\$5,975 monthly income) would pay \$164,000 for the home. In the same example, if the family had an income level of 100% AMI (\$9,192) monthly income) they would pay \$320,000 for the home.

Slide 25

As previously mentioned, it is the Village's intention to utilize CPAH to assist with managing the Village's attainable housing program implementation. As part of this the Period of Affordability or how long the units will be required to remain "affordable" will need to be monitored. The ordinance outlines for sale units be resold to eligible individuals in perpetuity, meaning the unit will remain an affordable unit as long as permissible by law.

For rental units they will be rented to eligible income households in perpetuity, or as long as permissible by law. The unit will stay affordable in perpetuity for the designated income level, but tenants need to re-qualify annually.

Slide 26

The ordinance also outlines the roles and responsibilities of the Commissions who will play a role in the program. The HRC will act as the "Housing Board" which reviews the attainable housing plan for covered developments to ensure compliance with the Attainable Housing Ordinance. They will then make a recommendation to the Plan Commission regarding the attainable housing plan.

The Plan Commission will receive a recommendation from the Housing Board regarding the attainable housing plan for covered developments and will make a final recommendation to the Village Board to include the development agreement along with the attainable housing plan.

Slide 27 -hidden slide

This slide provides an overview of the development review process and the various commissions that the application must go through. Once an application is received it will go through Appearance Review Commission/Historic Preservation Commission, if necessary as well as the Human Relations Commission to review the attainable housing plan which will then be submitted to the Plan Commission. The Plan Commission will in turn submit the development agreement along with the housing plan to the Village Board for final approval.

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Slide 28

The next few slides provide development application scenarios to provide an understanding of how the housing plan would become a part of the development review process.

The first is a Residential Development for a ten (10) unit apartment building that does **NOT** require a Special Use Permit, Variations, or a Planned Development. It also completely complies with the New Zoning Code for Attainable Housing.

October 6- Application Submittal (will summarize the dates)

October 16- Appearance Review Commission Meeting

ARC reviews application materials for building architecture, landscaping, lighting and signage and forwards recommendation to the Plan Commission

November 1- Housing Commission Meeting

HC reviews application materials for compliance with the Zoning Code and forwards recommendation to the Plan Commission

November 27-Plan Commission meeting

PC reviews the Housing Commission's recommendation and forwards a recommendation to the Village Board

December 12- Village Board Meeting

VB reviews the ARC, HRC and PC recommendations

Roughly a two-month process.

Slide 29 & Slide 30 (will summarize the dates)

Finally, the next two slides provide an overview of a more complex application process.

This scenario would include a Residential Development proposal for **50 townhome dwelling units** and **would require** a Special Use Permit for a Planned Development. It still must comply with New Zoning Code for Attainable Housing.

October 6- Application Submittal

October 16- Appearance Review Commission Meeting

ARC reviews application materials for building architecture, landscaping, lighting and signage and forwards recommendation to the **Plan Commission**

November 1- Housing Commission Meeting

HC reviews application materials for compliance with Zoning Code Article 18 and forward a recommendation to the **Plan Commission**

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November 27- Plan Commission Public Hearing

PC reviews recommendations from ARC and HC in addition to making a recommendation to the **Village Board** regarding the request for a Special Use Permit for Planned Development

December 12- Village Board Meeting

VB considers the Plan Commission recommendation for the Special Use Permit for the Planned Development and Planned Development Concept Plan

January 9- Village Board Meeting

VB to adopt the Ordinance(s) for granting approval for the Special Use Permit for the Planned Development and Planned Development Concept Plan

February 2- Application Submittal for a Planned Development Final Plan

The petitioner must submit the final plan materials for the residential development proposal

February 19- Appearance Review Commission Meeting

ARC reviews the final plan application materials for building architecture, landscaping, lighting and signage and forwards a recommendation to the Plan Commission

March 25- Plan Commission Public Hearing

PC reviews recommendations from ARC in addition to making a recommendation to the **Village Board** regarding the request for a Planned Development final plan

April 9- Village Board Meeting

Village Board to act on the Plan Commission recommendation for the Planned Development final plan

April 23- Village Board Meeting

Village Board to adopt the Ordinance for granting approval for the Planned Development final plan

This process is approximately six months.

Mr. Jennifer Rich, 1320 Oxford Court, stated that she served on the Human Relations Commission and helped to shape the original language of the draft ordinance. She stated supports the original language of the draft ordinance is asking that the Plan Commission restore the original language into the draft ordinance that was completed by the Human Relations Commission in May of 2021 specifically the preference for hard attainable units and the need to cover condo conversions. She stated that she has worked as a consultant in other communities across the country similar to the Village of Libertyville. She stated that these other communities recognized the scarcity of attainable housing. She stated that in Palm Desert, California, they cannot get nurses in hospitals or pharmacists for the local Walgreens due to the lack of attainable housing in that area. She stated that the wait time to get medical screenings and procedures is taking longer and longer. She stated that the medical and pharmaceutical industries are struggling to recruit employees due to the cost

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of housing in their respective local areas. She stated that the various local Chamber of Commerce's are quite concerned about the labor shortage due to the shortage of attainable housing.

Ms. Rich stated that an affluent suburb of Boston, Massachusetts has one of the best education systems in the country and is struggling to get teachers. She stated that a suburb of Atlanta, Georgia, their hospital volunteers, substitute teachers, day care and child care workers, seniors, and philanthropists are disappearing because there is no place to downsize to. She stated that there is another community in Massachusetts where she spoke to a police officer where they do community engagement to address problems before they escalate out of control. She stated that his biggest concern is the challenges to police recruitment due to the lack of affordable housing in the community.

Ms. Rich stated that it is more important to add actual attainable housing units to the Village's housing stock as stipulated in the original language in the draft ordinance.

Mr. Greg Handrich, 320 Hyatt Drive, stated that he has been a Libertyville resident for over 25 years. He stated that he owns and develops apartments in Libertyville and in other communities. He stated that his office is in downtown Libertyville. He stated that they own an apartment building in downtown Libertyville that has 34 units and five of them are rented at attainable rental rates. He stated that he has been following the genesis of the draft ordinance over the past few years and he applauds the Village boards and commissions for taking on the task of developing the draft attainable housing ordinance. He stated that an ordinance like this is sorely needed in the Libertyville community. He stated that this can help teachers, first responders, young families, seniors, recent college graduates, and other households that really need this help.

Mr. Handrich stated that he is strongly encouraging the decision makers to NOT give developers the right to a Fee-in-Lieu as an alternative to providing the actual attainable dwelling units. He stated that the fee-in-lieu collected becomes a pot of money and it often times takes too long to put that money into action. He stated that providing attainable units versus the pay-in-lieu works. He stated that his five (5) attainable apartments in Libertyville stay fully occupied. He stated that the tenants comprise an accounting assistant, an orthodontic assistant, a data entry clerk, and a recent college graduate. He stated that they are glad that these tenants are part of the Libertyville community.

Mr. Handrich stated that the density bonus provided for in the draft ordinance will offset the costs from a developer standpoint. He stated that the density bonus gives the developer the ability to take the fixed costs such as the land, site costs, architectural fees, etc. and spread them over the increase of the number of units provided for by the density bonus. He stated that in the end it is a "win-win" scenario. He stated that the pay-in-lieu should not be given as a right to the developer but that they should be made to provide the actual attainable units in a development.

Ms. Alejandra Dominguez, 932 South Fourth Avenue, stated that according to the Midwest Real Estate Data, in August of 2019 the average price for a single family detached dwelling unit in the Village of Libertyville was \$442,000. She stated that in August of 2023 the price rose to \$640,000. She stated that there is nothing that anyone can do to control the market. She stated that we can control the opportunity for those households who would otherwise not be able to afford a market

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rate priced home. She stated that the original draft language in Section 18-8 required the developer to obtain Village Board approval for any of the alternatives to constructing actual attaining housing units. She stated that the revised edited version provides an out for developers to not providing the actual units such as a pay-in-lieu alternative. She stated that she would like to request that the ordinance keeps the original language in Section 18-8 of the draft ordinance.

Ms. Kristin Marsden, 1102 Claridge Drive, stated that she is requesting that the original language be restored in the draft ordinance. She stated that she moved to Libertyville 26 years ago. She stated that Libertyville was geographically desirable. She stated that she and her husband became involved in the community. She stated that her children attended the Libertyville school system. She stated that they now have one child in college and one that is a recent college graduate. She stated that she now considers she and her husband empty nesters. She stated that she loves her home, but at some point it will not make sense for them to stay in their 3,000 square foot single family house. It does not matter what they can afford if it does not make sense if they have to pay more to downsize. She stated that there are many people in the Village of Libertyville like her and her husband and affordable housing makes sense for Libertyville. She stated that the Village of Libertyville values a diverse population. She stated that the draft ordinance should be restored to its original draft language.

Ms. Laura Guiard, 1042 Regency, read a written statement from Brenda O'Connell. The statement was read as follows:

My name is Brenda O'Connell and I live at 408 Drake Street. I served on the Human Relations Commission from July of 2020 to May of 2023. I contributed to the draft of the inclusionary housing ordinance. I am currently at a conference in Salt Lake City learning about community development and affordable housing. I am in support of the original ordinance. There are two aspects of the ordinance that have been weakened. In the original ordinance the conversion from apartments to condos was covered. The removal of this section is harmful because there have been a number of these conversions in the past and will continue to be. This type of development can potentially displace households who can no longer afford to live in the unit that is converted from an apartment rental to an owner-occupied condominium. Including the condo conversion section in the ordinance can allow some of the units to be attainable. Secondly, the amended draft ordinance does not give preference to on-site attainable units but instead it gives the developer alternatives that are equally weighted. On site attainable units are critical to Libertyville having a community where attainable housing exists. Having fee-in-lieu funds make it more difficult to provide actual attainable housing units due to the lack of available land. On-site units should be an incentivized preference and it was in the original draft ordinance. I would like to address the concern that this ordinance will impede development in the Village of Libertyville. The draft ordinance provides incentives for the developer to provide attainable housing in residential developments such as density bonuses and fee waivers. These incentives are designed to off-set the reduced income from the attainable housing units. Research has shown that inclusionary zoning does not impede development. This is evident in Highland Park, Lake Forest and Evanston. We know that this can be a win-win for both the developer and the community. I believe that the original draft ordinance is the best approach for a thriving and diverse community.

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Ms. Amy Becker-Perez, 1413 Castleton Road, stated that she is grateful for the proposed ordinance. She stated that it is important to have diversity in the Village including economic diversity. She stated that she wants her children to understand that people will have different backgrounds and life experiences. She stated that she supports the ordinance because she has been that person that could not afford to live in the community where she worked. She stated that she ended up buying a small condo located 20 minutes outside of the community where she worked. She stated that living so far away outside of the community made her feel not as invested in her community. She stated that an ordinance like this will help to serve seniors, social workers, college graduates, single parents with children who would like to put down roots in our area but cannot afford to. She supports the restoration of the ordinance with its original language.

Ms. Sue Kalman, 15835 West Cherrywood Lane, Libertyville, IL., stated that she owns a condo in Libertyville. She stated that she supports the original draft ordinance because it has a better chance of getting actual attainable units in Libertyville. She stated that getting a stronger ordinance in place can improve the chances of getting actual affordable units in Libertyville. She stated that she is concerned about how the lack of attainable housing is affecting the businesses in Libertyville and all over Lake County. She stated that she currently serves on the steering committee for Lake County United. She stated that the lack of attainable housing in the Village of Libertyville is posing a threat to the economic health of the Village of Libertyville. She stated that the area's largest employers have already expressed a concern for the lack of attainable housing. She stated that when companies are looking in our area to relocate here, the Village is knocked out of the running due to the lack of affordable housing. She stated that having a strong ordinance is the first step, but not the only step. She stated that the Village should look at any available land in the Village and talk to developers about attainable housing development opportunities.

Ms. Elyse Danckers, 15397 West Rockland Lane, stated that she has had conversations with the workers at Condell Hospital. She stated that she learned from some of the workers about the commute challenges they have because they live so far away from work and cannot afford to live closer. She stated that we need a hospital that can deliver excellent health care service and the hospital workers need an affordable place to live close to their place of work. She stated that she supports the draft ordinance with the original language.

Mr. Mark Alexander, 21 Montauk Lane, Vernon Hills resident, stated that he is a member of Lake County United and his wife works at Condell Hospital. He stated that he supports keeping the original language of the draft ordinance. He stated that the hospital has difficulty filling the lower paying jobs at Condell and this will have a negative economic impact on the area.

Mr. Andy Danckers, 15397 West Rockland Lane, read a statement drafted by Sharon Starr to the Plan Commission. The statement was read as follows:

My name is Sharon Starr. I am a 33 year resident of the Village of Libertyville living at 201 N. Stewart Avenue. I was appointed to the Human Relations Commission by then Mayor Weppeler in 2019 and served as chair from July 2020 until June of 2023. It was an honor to serve with an experienced and knowledgeable team who were also appointed by Mayor Weppeler for their expertise in housing, government, information technology, business and other areas. David Young was a community development commissioner for

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the city of Syracuse, New York, which included oversight of housing rehabilitation and construction. He was also the Economic Development Director for the second largest investor owned utility in New York State. After moving to Libertyville, he became the founder and first CEO of Lake County Partners, a driver of economic development. Brenda O'Connell has worked much of her career in housing development and is considered a leader that field nationally. Jennifer Rich has spent fifteen years working at the highest levels in Federal Government working on housing policy. The Human Relations Commission primary task was to draft an attainable housing ordinance that reflected the needs of the community and best practices. Our collective experience and expertise aligned with that goal. The three and one half years began with gathering data and community insights of the needs and concerns. We conducted a survey of a representative sample of the Libertyville population as well as conducted focus groups. I personally assured the validity of that work. Our other HRC members and Village Staff also contributed to the work behind the development of the draft attainable housing ordinance. With the assistance of Deputy Village Administrator Ashley Engelmann, we were able to collect ordinances from other communities to further support the work and development of our draft attainable housing ordinance. We were able to seek feedback from other communities to learn what worked and didn't work in those cases. We also sought guidance from Rob Anthony the director of Community Partners for Affordable Housing who helped us to fine tune the draft ordinance. The HRC voted to accept the final draft of the ordinance in mid 2022. We were confident that that draft was the right approach for the Village of Libertyville and I encourage the Plan Commission to restore the original language of the draft ordinance.

Mr. Charles Nozicka, 1685 Saddle Hill Road, Libertyville, stated that he is a retired emergency physician. He stated that during the course of his practice he learned that many patients could not afford both medicine and housing. He stated that he supports going back to the original draft language of the ordinance.

Mr. Bill Powers, 321 Lake Street, stated that owns and manages over 300 dwelling units in Lake County. He stated that he has bought distressed properties and fixed them up. He stated that much of the existing affordable housing currently in Libertyville is in very poor condition. He stated that he owns about 1.3 acres on Park Avenue and he would love to develop that land. He stated that he supports the original language in the draft ordinance and supports the preference for actual attainable units instead of a fee-in-lieu.

Mr. David Giza, 811 Sandstone Drive, stated that he supports the ordinance for attainable housing. He stated that consideration should be given to the provision of attainable housing for individuals with disability. He stated that consideration could be given to the alternative to providing attainable units to include a combination of fee in lieu and actual units, but not allow the option of fee in lieu only. He stated that the Village should be leaders and not followers on this issue.

Mr. Bill Burnett, 323 East Church Street, stated that when he moved to Libertyville approximately 40 years ago he surveyed the various local residential neighborhoods. He stated that he realized that Libertyville has many great amenities and a broad economic base and it was affordable to him. He stated that Libertyville is no longer affordable to him. He stated that he supports the original

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language of the draft ordinance. He asked if there is a minimum number of attainable housing units that would reflect the goal of the ordinance.

Chairman Steffe asked if there has been an analysis done to determine the minimum needed number of attainable housing units that is economically viable. Mr. Spoden stated that that analysis has not been done as of yet.

Mr. Burnett asked if there has been an analysis done regarding what the potential impact on the Village would be between the implementation of the original draft language of the ordinance versus the revised ordinance, in other words require attainable units versus allowing a pay in lieu option. Mr. Spoden stated that that analysis has not been done, but the exercise might include looking at available developable land versus apartment to condo conversions.

Mr. Burnett stated that we don't know what the impact would be from either requiring actual attainable units versus allowing a pay fee in lieu option.

Chairman Steffe asked if data from other communities can be obtained that might shed more light on the potential impacts on a community from both requiring actual attainable units versus allowing the developer the option to pay a fee in lieu. Ms. Engelmann stated that the Village can reach out to other communities in order to ascertain the data and the interpretation of the data results. She stated that Highland Park has had the attainable housing regulations for several years and they might be a good community to look at. She stated that Arlington Heights, Deerfield, Geneva, Northbrook and St. Charles are all communities that have implemented their own version of attainable housing regulations that Village staff can reach out to. She stated that each community may have their own combination of alternatives to providing actual attainable units, but others may just out right not provide alternatives and simply require the units only.

Commissioner Rankin stated that the Staff report indicated that new residential development projects that do not provide attainable housing cause both direct and indirect cost to the Village. Commissioner Rankin asked for clarification of that statement. Mr. Spoden stated that this will be an item that we can further analyze and come back with an update to the Plan Commission.

Commissioner Rankin asked for further clarification as to how the attainable housing fund will be utilized. Mr. Spoden stated that the existing fund is currently held and the Village has not taken any action with the current fund. He stated that the Village negotiated a pay in lieu with the Parkside townhome development. He stated that we do not have direction as of yet as to how to use those funds collected.

Commissioner Rankin asked if there has been any consideration to utilizing those funds in house. Mr. Spoden stated that the thought process at this point in time would be to contract with CPAH to administer those funds.

Commissioner Rankin asked if a third party is in control of administrating those funds then what controls are in place to monitor the administration of those funds. Mr. Spoden stated that an agreement has not been executed with CPAH, but the Village would collaborate with the Village Attorney as part of the agreement process.

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Commissioner Rankin stated that he is concerned about allowing a third party to administer those funds and not hold them accountable to the elected officials of the Village.

Ms. Engelmann stated that a specific agreement would be made for a specific amount of money for a specific task.

Mr. Hart Passman, Village Attorney, stated that the pay in lieu funds option that is indicated in the draft ordinance is not described by the ordinance as to how those funds are utilized. He stated that communities who utilize the pay in lieu option often will contract with an agency like CPAH to utilize the funds to further the goals of attainable housing in that community. He stated that what often happens with a third party like CPAH is that they will manage wait lists for qualifying households that are requesting occupancy in an attainable dwelling unit and will screen households to determine that they qualify by verifying their household income and other similar aspects.

Commissioner Rankin asked for clarification of the draft ordinance section 18-14 regarding implementation. Ms. Engelmann stated that there would be a period of time before the ordinance would go into effect. She stated that during the interim period between ordinance adoption and the point where the ordinance would go into effect would be to develop Administrative Guidelines that will be used to implement the ordinance and to act as a guidebook for developers.

Commissioner Rankin asked if the implementation of the ordinance will cause the necessity to hire additional Village Staff. Ms. Engelmann stated that at this point in time she cannot confirm for certain if the Village will need to hire additional staff or not, but the intent is to utilize CPAH to assist with the administration of the ordinance and administrative guidelines.

Commissioner Oakley concurred that the ordinance seems to be missing information relative to attainable housing for the disability. Commissioner Oakley stated that one of his concerns is that the Village seems to be working with out of state developers and not enough of the local developers. He stated that in response to the earlier comment about the substandard conditions of the existing attainable housing stock in Libertyville that it may be a misrepresentation if the proper measuring tool isn't used to determine what substandard means.

Commissioner Flores stated that she is in support of the ordinance. She stated that her daughter works at Condell, but she cannot afford to live here. She stated that she has seen many changes over the years and that it would be nice to be able to bring back those people who used to live in Libertyville. She stated that in the prior HRC and Plan Commission joint meetings that there were some straw poll votes to make certain changes to the draft ordinance but now it sounds like there are those who do not want to see those changes being made. She stated that she wants a better understanding as to the reasons for the changes such as the increase of the minimum number of units from five (5) to ten (10) for a covered development. She stated that she would rather see the attainable units be built instead of allowing the fee in lieu payment.

Commissioner Wheeler stated in reference to the meeting minutes from March 8, 2023, that there was a reference to the mechanism in which attainable housing is required is due to compliance with State legislation. He asked what has the Village been doing up to this point without an ordinance. Mr. Spoden stated that the Village has been negotiating with developers to provide

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attainable housing within the stipulations supported by planned developments with some level of success and some not.

Commissioner Wheeler asked how the funds collected by the fee in lieu be turned into attainable dwelling units. Ms. Engelmann stated that as an example Highland Park identified dwelling units in the community that may have had some challenges with code enforcement. She stated that the city might then enter into an agreement CPAH who would then convert a percentage of the units into attainable units. She stated that CPAH would then leverage certain tax credits to spread that money a little further to help in the establishment of attainable units on the subject property. She stated that in another case if there is an owner occupied dwelling the homeowner would own the residence, but CPAH owns the land under the home and that land would be deemed affordable in perpetuity.

Commissioner Wheeler asked how this ordinance compares to other successful ordinances from other communities, but acknowledged that Staff will come back with that data for the next meeting.

Commissioner Wheeler asked how the developer fee waivers get covered. Mr. Spoden stated that it is absorbed by the Village.

Commissioner Wheeler asked if the pay in lieu funds be used to cover the developer fee waivers. Mr. Spoden stated that it is not the intent.

Mr. Passman stated that the offsets given to the developer is only used when they provide actual attainable units. He stated that the offsets are not provided if the developer is choosing the pay in lieu option.

Commissioner Wheeler stated that he would like to know how we measure success. He asked what data is used to determine success. He stated that if a pay in lieu option is implemented then the cost of the pay in lieu option be passed on to the purchasers of the market rate units which only exasperates the market rate unit price points making housing even more unaffordable. He stated that the ordinance should be drafted in such a way so that the pay in lieu option is not the default option that a developer will always go to. He stated that in general he is supportive of the ordinance and looks forward to the discussions to be had as these hearings proceed.

Chairman Steffe thanked the public for their attendance and thanked the HRC for their work on the draft ordinance. He asked how the fee in lieu is determined and looks forward to discussing that at the next hearing.

In the matter of PC 23-12, Commissioner Wheeler moved, seconded by Commissioner Flores, to continue this item to the October 23, 2023, Plan Commission meeting.

Motion carried 6 - 0.

Ayes: Steffe, Flores, Oakley, Rankin, Wheeler, Zych
Nays: None
Absent: Pyter

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STAFF COMMUNICATIONS AND DISCUSSION:

Mr. John Spoden, Director of Community Development, thanked Commissioner Zych and Commissioner Rankin for their attendance at the State American Planning Association Conference held in Naperville for plan commissioner training.

Commissioner Rankin moved, seconded by Commissioner Flores, to adjourn the Plan Commission meeting.

Motion carried 6 - 0.

Meeting adjourned at 8:35 p.m.