

# VILLAGE OF HINSDALE AFFORDABLE HOUSING PLAN

## I. AUTHORITY AND BACKGROUND

In 2003, the Illinois General Assembly adopted Public Act 093-0595, the Affordable Housing Planning and Appeals Act, which became effective January 1, 2004. Amendments to Public Act 093-0595 were approved on June 28, 2004. Public Act 093-0595 and its amendments are codified at 310 ILCS 67/1 *et seq.* (the "Act"). According to the Act, its purpose is to encourage counties and municipalities to incorporate affordable housing within their housing stock sufficient to meet the needs of their county or community. In addition, the Act provides a forum for affordable housing developers who believe they have been unfairly treated to seek relief from local ordinances and regulations. 310 ILCS 67/10.

The Act contains three major provisions: (1) the Illinois Housing Development Authority (the "IHDA") has been charged with determining which local governments must prepare an affordable housing plan and which are exempt, and (2) the Act requires all non-exempt local governments to prepare affordable housing plans and adopt those plans prior to April 1, 2005, and (3) the Act provides an appeal procedure for aggrieved developers of affordable housing.

On August 10, 2004, the IHDA sent a letter to the Village of Hinsdale informing the Village that the Village is a non-exempt community pursuant to Section 20(b) of the Act. On November 3, 2004, the Village of Hinsdale presented the IHDA with calculations, in full conformance with the Act, establishing that the Village is exempt pursuant to the provisions of the Act. Nevertheless, the Village of Hinsdale has prepared this plan, without releasing or waiving its status as an exempt community, as an indication of the Village's commitment to the goals reflected in the Act.

The Village of Hinsdale has always had a strong, diverse housing stock and population and the Village seeks to maintain that diversity. However, maintaining diversity has become increasingly difficult as market forces have forced housing and land values upward in Hinsdale and throughout the region and as land for new development in Hinsdale has become virtually nonexistent.

## II. INTENT

In identifying lands and structures that are most appropriate for affordable housing and incentives that may be available to attract affordable housing developments in the Village, the Village of Hinsdale has carefully considered the character and environment of the Village, as has been set forth in various statements by the Village of Hinsdale including its Statement of Objectives and Policies, the Hinsdale Zoning Code, the Village Code of Hinsdale, and other ordinances and regulations of the Village. The Village of Hinsdale desires to establish a plan that will encourage and attract affordable housing developments in the Village of Hinsdale and that are consistent with the public health and safety capabilities of the Village and that will protect and preserve the character and environment of the Village. Therefore, while the Village of Hinsdale recognizes the importance of providing affordable housing throughout the State of Illinois, affordable housing must be provided in a way that does not compromise the public health or safety or destroy the environment and character that defines the Village of Hinsdale.

The Village of Hinsdale currently has more than 1,500 affordable housing units within its boundaries. The challenge in increasing this supply of affordable housing is significant without

substantial subsidization because of the existing character and environment of the Village, as described in the Statement of Objectives and Policies, the Zoning Code, and the Village Code. Specifically, the environment of Hinsdale is that of a well-forested, fully built-out community overwhelmingly predominated by detached single-family residences. In addition, expanses of open space, parks, and recreational lands comprise a critical element of the Village whose preservation define and enhance the Village's character and environment. Beyond the single-family and open space elements of Hinsdale's character and environment, there are limited areas of multi-family housing development located predominantly in the area of the Village south of 55<sup>th</sup> Street, as well as a modest, small-scale downtown business district that is centrally located in the Village. The developed portions of the Village are low-profile buildings. A substantial element of the Village's environment and character is defined by how the low-profile buildings compare to the existing tree canopy throughout most of the Village.

The Village's infrastructure has historically developed in a manner consistent with the character and environment of the Village to protect the health and safety of its residents. In particular, streets, water lines, sanitary sewers, and storm water management facilities have been designed and maintained to accommodate the relatively low-density development in the Village. Similarly, the Village's public works and public safety services and equipment have been developed, acquired, and maintained to address the public health and safety needs that have arisen from the aforementioned character and environment of Hinsdale. Establishing affordable housing in any manner inconsistent with such character will be detrimental to the Village's environment and put at risk the public health and safety.

It is within this context that the Village has prepared this plan in accordance with the Act, even though the Village is exempt from the provisions of the Act. The overall objective of the Village and this Plan is to identify locations for, and to undertake steps to promote, affordable housing in a manner that preserves the character and environment of Hinsdale and protects the public health and safety.

### **III. AFFORDABLE HOUSING PLAN**

#### **A. 10% AFFORDABLE HOUSING**

According to the Multiple Listing Service of Northern Illinois (MLSNI), the average sales price of a single-family home (attached and detached) in Hinsdale 2004 (Jan. 1 – December 31) was \$948,735. The average sales price was based on 416 properties ranging from \$173,500 to \$2,000,000. The above figures indicate that most of the existing housing stock does not include affordable housing as defined by the Affordable Housing Planning and Appeals Act. In 2004, 105 building permits were issued in the Village for new homes replacing razed homes. There were also 114 permits for additions to existing residences.

The Act seeks a goal of 10% of all housing units being affordable. The Village of Hinsdale has determined that out of 6,270 total households, 358 for-sale units and 613 rental units qualify as affordable. Accordingly, more than 15% of the housing stock in the Village is affordable as that term is defined pursuant to the provisions of the Act. Nonetheless, as opportunities present and allow, the Village will endeavor to increase the supply of affordable housing units in the manner provided in this Plan.

## **B. IDENTIFICATION OF LANDS AND STRUCTURES MOST APPROPRIATE FOR AFFORDABLE HOUSING**

In identifying properties and structures that are most appropriate for affordable housing, it is important to note that “appropriate” does not simply or automatically translate to all properties or structures that are vacant and undeveloped. The character and environment of the Village of Hinsdale is defined by its well-established single-family residential development patterns and its public and private open space with minimal amounts of developable land remaining. In light of the existing character and environment of the community, the Village of Hinsdale identified that the areas most appropriate for affordable housing developments are:<sup>1</sup>

Land currently classified in the Village’s multiple-family residential district (the R-5 Multiple Family Residential District as defined and regulated by the Hinsdale Zoning Code).

Even within this area, any sites that are used for new construction or adaptation of existing units must:

- \* Provide compatibility with established land-use patterns, surrounding land uses, and the Village’s Comprehensive Plan; and
- \* If possible, be in mixed-use developments (for multiple-unit structures); and
- \* Not concentrate the affordable housing units in any particular, narrowly defined geographic area; and
- \* Be located where there is adequate infrastructure to support such housing developments.

## **C. AFFORDABLE HOUSING POLICIES AND INCENTIVES**

The Village of Hinsdale, after a careful review to ensure that the public safety and health and the character and environment of the Village will be protected and preserved, may consider adopting and implementing, or otherwise facilitating, the following policies and incentives to encourage the development of affordable housing by both for-profit and non-profit developers in the Village:<sup>2</sup>

- \* Expedited or reduced costs of permitting fees for affordable units; or
- \* Reduced rates for water billing;<sup>3</sup> or
- \* Cooperation with a developer attempting to use IHDA Housing Trust Funds (matching funds); or

---

<sup>1</sup> The Village’s identification of properties or structures most appropriate for affordable housing development does not ensure that these properties will be developed with affordable housing, nor does it create any entitlement therefor. Conversely, such identification is not intended to affect the existing development rights currently vested in such properties.

<sup>2</sup> Unless and until the General Assembly acts to provide statutory authority to non-home rule municipalities to adopt and implement inclusionary housing requirements, the Village of Hinsdale is not authorized to adopt or implement such policies.

<sup>3</sup> This may be impacted by any bond covenants, water supply contracts, or other obligations related to its water supply that the Village may have in place from time-to-time.

- \* Preparation of development bonus policy; or
- \* Employer-assisted housing.

#### **D. GOALS**

The Village of Hinsdale has identified the following targets for the development of affordable housing in the Village:<sup>4</sup>

- 15% of all new development or redevelopment in the Village will be affordable; or
- 3% increase in affordable housing units in the Village.

In furtherance of reaching these targets, the Village of Hinsdale establishes the following goals for its affordable housing plan: (1) Within one year after approval of the affordable housing plan the Village shall assign to a standing committee of its Board of Trustees the task of studying affordable housing issues, (2) within two years after the approval of the affordable housing plan the Board of Trustees shall request that the Village Manager compile information and prepare a report regarding existing federal and State financial programs, including grants and other sources of funding that may be available to the Village and potential developers in developing affordable housing in the Village, (3) within three years after the approval of the affordable housing plan the Board of Trustees shall request that its standing committee meet with non-profit affordable housing agencies and group to discuss issues relating to affordable housing, including potential incentives, and (4) not less often than every three years after approval of the affordable housing plan the Board of Trustees shall review and, if appropriate, update the plan.

---

<sup>4</sup> These targets have been established in accordance with the Act and the assumptions set forth in this Plan. As the number of total units in the Village changes, so too would the target for affordable units. Additionally, through market forces outside of the influence or control of the Village of Hinsdale, changes in occupancy of current affordable units could transform them to units that do not qualify as “affordable housing” without any intervention of the Village. Because it is impossible to predict how housing will be developed in the Village in the future and how market forces may affect existing affordable units, for purposes of complying with the Act the Village has set as its goal based on the assumption that existing affordable units will continue to serve as “affordable housing” as defined in the Act.