



Village of Oak Park

123 Madison Street
Oak Park, Illinois 60302
www.oak-park.us

Meeting Minutes

President and Board of Trustees

Monday, September 25, 2017

7:00 PM

Village Hall

I. Call to Order

Village President Pro Tem Boutet called the Meeting to order at 7:00 P.M.

II. Roll Call

Present: 6 - Village Trustee Button, Village Trustee Taglia, Village Trustee Tucker, Village Trustee Moroney, Village Trustee Boutet, and Village Trustee Andrews

Absent: 1 - Village President Abu-Taleb

III. Agenda Approval

It was moved by Village Trustee Tucker, seconded by Village Trustee Andrews, to approve the Agenda. A voice vote was taken and the motion was approved.

IV. Public Comment

There was no Non-Agenda Public Comment.

VI. Regular Agenda

A. [ID 17-630](#) Review of Village's Affordable Housing Activities and Obtain Direction for Future Activities and Funding Strategy

Village Manager Pavlcek commented that this is a follow up to a conversation held by the previous Board in July 2016. The Village has accumulated funds designated for affordable housing activities. At that time, the Board directed staff to do some additional research, which will be presented tonight.

Pat Anderson. Ms. Anderson spoke about a friend of hers who is homeless.

Linda Marek, representing Progress Center for Independent Living. Ms. Marek asked if units in the new development at South and Harlem will be accessible to persons with disabilities.

Village Manager Pavlcek replied that all new construction is designed to be ADA accessible.

Chris Donovan. Mr. Donovan stated that the Village has been unsuccessful in providing sufficient affordable housing.

Director of Development Customer Services Tammie Grossman spoke about her work experience in affordable housing issues. In terms of affordability, she stated that anyone

at any income level can be cost burdened in their housing. It is about how much of one's income is going towards housing costs. The national standard is no more than one third of household income. She gave a Powerpoint presentation. The first topic was current conditions regarding affordable renter occupied housing at various income levels and the ratio of units available per income level, as well as the percentage of income paid for rent. The Illinois Affordable Housing Planning and Appeals Act requires that any community with less than 10% affordable housing must develop an affordable housing plan, among other things. According to a 2013 analysis by the Illinois Housing Development Authority, the Village has 3,991 units of affordable housing, i.e. 18.4% of all housing is affordable to homebuyers at 80% regional median household income and to renters at 60% of the regional median household income.

Village Trustee Button asked when this analysis would be done again and if the new developments are going to affect this percentage. Ms. Grossman stated she would try to get this information.

Ms. Grossman showed a chart of comparison to other communities. She commented that Oak Park is unique in that they have their own Housing Authority. She discussed their voucher program and other programs offered by the Village and a breakdown of funds given to the Village's Housing Program partners.

The current Affordable Housing Fund balance is approximately \$1 million. The previous Board did not want to use that for funding to partner agencies or any current Village programs. They asked staff to look into a down payment assistance program and a rental housing subsidy program as well as future funding options.

Ms. Grossman discussed the down payment assistance plan. If the Board was interested in this option, staff can come back with some recommendations. She described another option, the rental housing subsidy program, which would be similar to the Housing Authority's voucher program. The last option she discussed is a condo support program, in which the association would have to pay back the Village.

Ms. Grossman discussed possible approaches to keep the fund replenished. These include continuing to negotiate that into agreements with developers; adopt an inclusionary zoning ordinance that would require developers to include a certain percentage of affordable units for a determined income group or pay a fee that would go into a fund; create a demolition tax; increase fees for the Village's multi-family licensing program or increase the real estate transfer tax, although that would require a referendum.

Ms. Grossman does not recommend inclusionary zoning, as she does not anticipate a lot of larger developments to benefit the program and smaller developments will not be able to afford it. If the Board was interested in looking into this further, she recommends sitting down with developers in that mid-range and talk about concerns they may have. However, this would work better in a community with vacant land versus one that is built out like Oak Park. She stated that negotiating funding into redevelopment agreements has been going well thus far.

There was a discussion regarding inclusionary zoning.

Village Trustee Tucker discussed using the funds for one large project. Village Trustee Andrews agreed. He asked how Oak Park compares to other communities. Ms. Grossman stated that Oak Park does have affordable options with smaller condos, but acknowledged that there is a need for units at the very low end. Village Trustee Button

also agreed with Village Trustee Tucker, but asked if it would be better to spread this money out. Ms. Grossman spoke of the programs already available for low income residents. She stated that staff could issue an RFP to attract developers for low income housing. Village Trustee Taglia was interested in investing in development, given the difficulty in replenishing the funds. Village Trustee Moroney commented that a successful low income development could help fund existing programs. He was opposed to raising the transfer tax as well as raising fees on existing multi-units.

Ms. Grossman stated that staff would like direction on how to use the \$1 million. Village Manager Pavlicek added that how to keep continuing the funding can be a continued conversation.

Linda Schueler, Executive Director of Housing Forward, spoke on behalf of the Homelessness Coalition. She discussed the housing work group within the organization and their recommendation for the funds, which are to be targeted towards households of less than 50% of the area median income. She discussed the Rapid Rehousing and Homeless Prevention Programs; both receive annual ESG funding, which has already been depleted this year. They are not recommending assistance for those programs, but rather a new temporary rental assistance program, the creation of a landlord indemnification fund (security deposit fund) and creation of a long-term rental assistance program. Ms. Schueler answered questions from the Board.

Rob Breyemeier, Executive Director of the Oak Park Regional Housing Center, made the recommendation of purchasing units to make them perpetually affordable, which would be the scope of the Village's RFP. This option would maximize the available funds. He discussed supply and demand.

David Pope, Executive Director of the Oak Park Housing Authority, described their properties and programs and the goals of the Residence Corporation. He discussed the housing stock in Oak Park and the multi-family housing in each area. He commented that Oak Park is successfully diverse because of their investments in housing programs. Mr. Pope stated that a mixed income building may be a better investment and suggested the Harrison Street District as a good location. He suggested that some of the larger scale real estate transfer tax revenue be put in the Affordable Housing Fund instead of the General Fund. He discussed the tax burden in Oak Park. He noted that there are several small condo buildings in the Village that are in disrepair due to some owners not paying their association fees. The Village needs a mechanism to help protect the responsible condo owners from those who are not paying. The Residence Corporation may be in a position to buy those buildings and turn them into affordable rental housing, eventually sell them and turn the revenue around into another project.

Village Trustee Button commented that she is not comfortable rushing a decision. Village Trustee Boutet commented that there have been some good ideas and it's hard to choose. She has grouped them into types of uses; options that would create new units, options that would increase affordability, options that improve the existing housing stock and the option to prevent loss of housing to those most at risk.

Mr. Pope discussed the Analysis of Impediments to Fair Housing. He believes there is an opportunity for the Village to partner with the Housing Authority and Residence Corporation in order to come up with a clear plan of what success would look like in the community. He answered questions from the Board.

Village Trustee asked if the Board was comfortable making a decision tonight. Village Trustee Tucker stated that there is a lot to absorb; he doesn't feel they have to decide

right now. Village Trustee Boutet asked Ms. Grossman if only certain programs can be targeted with the funding. Ms. Grossman stated that they could target any income group that they choose and suggested putting out an RFP stating that they have \$1 million for affordable housing and ask developers what they could do with that. Proposals can be brought back to the Board. Village Trustee Button was not in favor of spending it all in one place and reiterated that she was not ready to decide. She asked that this be brought back to the Board, sooner rather than later. Village Trustee Boutet was in favor of an inclusionary zoning ordinance to continue the funding. She does not believe it would detract developers. Village Trustee Andrews stated that he would like to get other opinions. Village Trustee Boutet asked Ms. Grossman for her input. Ms. Grossman stated that getting other opinions would not help. The Board basically needs to decide whether they want to use existing stock or create new affordable units, long term or short term and whether the money be used for one investment or dividing it up. There was further discussion. Ms. Grossman suggested that an RFP be put out for both \$500,000 and \$1 million and bring back any proposals to the Board so they can see how much can be done with each amount. She also discussed low income tax credits and other possible funding sources. There was additional discussion from the Board.

The Board directed staff to put out an RFP for both \$500,000 and \$1 million and to come back with the proposals in early 2018. At that time, they will also discuss long term funding sources. Village Trustee Boutet also asked for a comparative analysis from Ms. Grossman.

B. [ID 17-634](#)

Review the Recommended Five Year Capital Improvement Plan (2018-2022) and Direct Staff to Prepare the Necessary Actions for Approval of the Plan in October 2017.

Village Manager Pavlicek stated that the Finance Committee has held three meetings to discuss the Capital Improvement Plan (CIP) for 2018-2022. She noted that this is a planning document; once the Board accepts this, it will be entered into the 2018 proposed budget.

Chief Financial Officer Steve Drazner provided an overview of CIP revenues and expenditures with net surplus or deficit.

Village Trustee Andrews asked for clarification regarding bond revenue. He would like to see numbers for income without borrowed income and what amount the Village has to borrow to do what is decided. Village Trustee Boutet agreed.

Mr. Drazner reviewed the tax levy spreadsheet. Village Manager Pavlicek commented that staff will be recommending to the Board in November bond rates to secure for 2018 and 2019.

There was a discussion regarding the streets and alleys programs. Village Trustee Tucker pointed out that the Board should at least give staff direction regarding those kinds of projects as there is a monetary advantage to getting the bids out early.

Village Engineer Bill McKenna clarified that streets are done in-house and alleys are done on a worst first basis. He discussed the streets programs and answered questions from the Board. The Board had no objections to putting those projects out for bid prior to budget approval.

Village Trustee Button exited the meeting (9:56 P.M.)

Mr. Drazner gave a presentation regarding the Village's debt.

Village Trustee Boutet was not sure if she would support doing too many large projects at one time. She also asked for clarification regarding amounts budgeted for elevators this year and next year.

Director of Public Works John Wielebnicki stated that this year's amount was a rough estimate for a new elevator in an existing building. The lift going to council chambers is unreliable and cannot hold more than a couple of people. He noted that some CDBG funding may be available. All options that they looked at were between \$600,000 and \$700,000. Mr. Wielebnicki also answered questions related to equipment replacement.

The Divvy Bike Program was discussed. Village Trustee Andrews asked that this be revisited.

Mr. McKenna answered questions from the Board pertaining to streetscaping for Oak Park Avenue, Lake Street and Madison Street. Village Manager Pavlicek clarified what streetscaping entails.

Village Trustee Boutet discussed trees and landscape containers and the cost of signs for Village Hall.

Village Trustee Moroney stated that everyone is doing a great job, but this requires give and take and it is important that they be fiscally responsible. Village Trustee Boutet agreed. Village Trustee Andrews commented that they need to lead by example, as well as not miss important deadlines. Village Trustee Tucker stated that they have to trust staff and challenge them to lower the budget by \$1 million. Village Trustee Taglia suggested that projects be ranked to help the Board make decisions. Village Trustee Boutet agreed.

Village Trustee Pavlicek stated that she would categorize projects rather than rank them. She added that many of the projects are there by direction of the previous Board.

VII. Adjourn

It was moved by Village Trustee Tucker, seconded by Village Trustee Andrews, to adjourn. A voice vote was taken and the motion was approved. Meeting adjourned at 10:35 P.M., Monday, September 25, 2017.

Respectfully Submitted,

**MaryAnn Schoenneman
Deputy Village Clerk**