

VILLAGE OF SKOKIE

Skokie's Commitment to Affordable Housing



Community Development Department

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SKOKIE'S COMMITMENT TO AFFORDABLE HOUSING

The Village of Skokie has a long tradition of inclusive housing policies that support affordable housing and have driven the Village to achieve 19.9% affordable housing, which is one of the top rates in the North Shore area. To supplement this approach, the Village has also developed several programs that support low income renters and homeowners with a focus on investing in their homes and neighborhoods. Lastly, Village staff is participating in regional initiatives that support affordable housing.

Housing is considered affordable when housing costs are no greater than 30% of household income, particularly for low income households, which is 80% of median household gross income. Affordable housing is out of reach in many parts of the Chicagoland area. For suburban growth areas, this is largely due to a lack of older housing stock and overall housing diversity, favoring single family homes over multi-family developments. Inner ring suburbs like Skokie are well-positioned to provide affordable housing opportunities due to the age of our existing housing stock and supply of multi-family buildings. Provided the Village continues to support inclusive land use policies and protect existing housing stock, the Village's higher percentage of affordable housing should continue.

This document is intended to provide an overview of Skokie's current affordable housing position and insights into policies that have enabled the Village to achieve and maintain one of the highest affordable housing rates in the North Shore area.

Affordable Housing Profile

According to data from the 2016 American Community Survey (ACS), 19.9% of the Village of Skokie's housing stock is affordable in accordance with HUD's definition. With over 22,446 households in the village, 4,467 units are affordable.

As shown in Table 1, Skokie outpaces all North Shore communities except Niles, which registers over 30%. Evanston is closest, just two percentage points below, while Morton Grove is over six points behind. The remaining cities are below 10% which is the threshold enacted by the Illinois' Affordable Housing Planning and Appeals Act (AHPAA).

Another data point to consider is the level of owner-occupied properties. A greater availability of rental units typically correlates with greater affordability and ease of entry into the market. As per 2019 US Census estimates, shown in Table 2, just over 70% of homes in the Village are owner-occupied. In Evanston, 56.3% of homes are owner-occupied and has a high percentage of rental due to its university population. Morton Grove has the highest rate of owner-occupancy at 91.3%.

The type of housing is also a key indicator that correlates with affordable housing. Places that have more multi-family housing typically have a higher percentage of affordable housing. Just under 60% of housing is within single family detached or attached structures. The remaining 40% are within multi-family buildings with a shared entrance, and of that percentage, 20% is within buildings with 10 or more units. Niles is very similar to Skokie with 62% single family and 38% multi-family. The difference is the Niles has more buildings with 10 or more units. Morton Grove has nearly 82% single family and just 8%

multi-family. Home to a major university, Evanston has a much higher rate of multi-family at 63% of which over 37% are within buildings with more than 10 units.

Table 1: Percentage of Affordable Housing Units in Relation to Overall Housing Supply

<i>Municipality</i>	<i>2011</i>	<i>2016</i>
<i>Niles</i>	20.2%	30.4%
<i>Skokie</i>	14.7%	19.9%
<i>Evanston</i>	15.4%	17.5%
<i>Morton Grove</i>	7.9%	13.1%
<i>Glenview</i>	7.4%	7.3%
<i>Lincolnwood</i>	4.6%	5.5%
<i>Wilmette</i>	4.1%	4.5%
<i>Golf</i>	0.8%	2.8%
<i>Winnetka</i>	2.5%	2.7%
<i>Glencoe</i>	1.4%	2.5%
<i>Kenilworth</i>	0.5%	2.2%

Table 1 Source: American Community Survey 2011 and 2016.

Table 2: Home Occupancy & Median Monthly Housing Costs

<i>Municipality</i>	<i>Owner Occupied</i>	<i>Median Owner Mort. Costs 2014-2018</i>	<i>Renter Occupied</i>	<i>Median Gross Rent 2014-2018</i>
<i>Niles</i>	73.4%	\$1,819	22.7%	\$1,117
<i>Skokie</i>	70.5%	\$2,154	24.9%	\$1,226
<i>Evanston</i>	56.3%	\$2,470	40.7%	\$1,366
<i>Morton Grove</i>	91.3%	\$2,144	7.8%	\$1,817
<i>Park Ridge</i>	82.4%	\$2,763	16.4%	\$1,412
<i>Glenview</i>	82.8%	\$2,755	17.6%	\$1,761
<i>Northbrook</i>	85.8%	\$2,980	11.7%	\$2,046
<i>Lincolnwood</i>	84.8%	\$2,640	12.3%	\$1,868
<i>Wilmette</i>	86.8%	\$3,724	13.9%	\$1,639
<i>Northfield</i>	89.6%	\$3,070	11%	\$1,585
<i>Golf</i>	94.7%	\$3,766	0.65%	N/A
<i>Winnetka</i>	89.0%	\$4,000+	8.6%	\$1,810
<i>Kenilworth</i>	82.4%	\$4,000+	8.2%	\$2,000+

Table 2 Sources: Census Quick Facts (census.gov/quickfacts) and American Community Survey 2010 to 2014

According to “Regional Housing Solutions” website, which categorizes affordability within housing sub-markets, Skokie’s housing stock was primarily built in two eras - the years after World War II and in the 1960’s-70’s – as shown in Table 3. This housing stock has remained intact with 84% considered between moderate to lower cost and remains affordable. Only 6% of Skokie’s stock is considered high cost, low density suburban which is out of reach for low to moderate income families.

Niles which has by far the most affordable housing has 94% in the lower cost range and 6% in the high cost range. Evanston also has little mid-range diversity with 24% lower cost and 76% higher cost.

Morton Grove is 71% lower cost, 29% in the middle, and 1% high cost. The farther north, housing is less affordable.

**Table 3: Percentage of Housing by Submarket
Ordered by Percentage of Affordable Housing**

Submarkets	1	2	3	4	5	6	7	8
Niles	-	-	-	41	53	6	-	-
Skokie	-	-	-	68	16	6	-	-
Evanston	-	-	29	13	-	47	-	-
Morton Grove	-	-	-	64	7	-	-	29
Park Ridge	-	-	-	8	-	73	-	17
Glenview	-	-	-	-	-	68	13	11
Northbrook	-	-	-	-	1	98	7	-
Lincolnwood	-	-	-	32	-	29	-	38
Wilmette	-	-	-	-	-	100	-	-
Northfield	-	-	-	-	-	100	-	-
Golf	-	-	-	-	-	100	-	-
Winnetka	-	-	-	-	-	100	-	-
Glencoe	-	-	-	-	-	100	-	-
Kenilworth	-	-	-	-	-	100	-	-

Submarket Characteristics

- Submarket 1: Higher density urban, high foreclosure and vacancy, low income.
- Submarket 2: Higher density urban and suburban, large households, high foreclosure/moderate vacancy, low/moderate income.
- Submarket 3: Higher density urban, high income, young, high home prices and rents.
- Submarket 4: Suburban post-war housing stock, moderate- and middle-income, lower cost stock.
- Submarket 5: Suburban 1960-79 housing stock, moderate but declining incomes, lower cost stock.
- Submarket 6: High cost suburban housing stock, low density, high income, aging population.
- Submarket 7: High population growth, newest housing stock.
- Submarket 8: Suburban 1980-99 housing stock, high/middle income, suburban, aging population.

Table 3 and Submarket Characteristics Source: regionalhousingsolutions.org.

Skokie’s Affordable Housing Priorities

The Village of Skokie’s historic commitment to diversity is the main driver for its affordable housing success. This includes a diverse economy, diverse housing types, and a diverse community. The commitment is primarily demonstrated by a long history of planning and zoning decisions that allowed higher density housing developments.

Skokie is also committed to a high standard of living for affordable housing. The Village has developed the Neighborhood Enhancement and Home Improvement programs, which are funded through CDBG, to help maintain structures occupied by low income residents. The Village is also providing direct rental assistance to low income families through the Housing Financial Assistance and Emergency Financial Assistance programs. In addition, the Neighborhood Integrity Initiative, which includes the Rental Registration and Landlord Training programs, requires landlords to conduct regular maintenance to their buildings and to ensure a safe and livable environment for their tenants.

Village staff also participates in Chicago Regional Assessment of Fair Housing. This initiative is helping a partnership of Cook County municipalities coordinate affordable housing efforts through a regional approach instead of beyond their municipal boundaries.

Housing Development Policies

The starting point for the Village's housing affordability involves housing development policies that were instituted during Skokie's post-WWII growth period and have continued through today. During the postwar era through the 1970's, Village leaders elected to allow the construction of multi-family structures on smaller lots. As a result, 40% of households are within multi-family buildings, and 84% of our housing stock is within Submarket 4 and 5, which are lower cost and serves diverse household incomes. If you fast forward 70 years, these buildings have become the cornerstone of affordable housing in the Village and created development patterns and a housing stock that sets Skokie aside as one of the most affordable communities in the North Shore.

Neighborhood Enhancement & Home Improvement Programs

In addition, the Village has developed two direct investment programs to fund improvements to structures owned by low income residents and/or within low income areas. The Neighborhood Enhancement program was added to the CDBG Annual Action Plan this year and is currently being rolled-out. The program provides funding for improvements to low income, multi-family structures. The initial focus is on low income homeowners, but depending on the demand, assistance may be provided to rental buildings in low income areas. The list of qualified improvements includes exterior door and window replacement, accessibility improvements, tuckpointing, painting, roof replacement, landscaping and hardscaping, lighting, and safety improvement. The Neighborhood Enhancement Program is budgeted for a total of \$180,976 this year.

The Home Improvement Program is also funded through CDBG and has been a long-standing program with nearly 400 units improved. The program provides up to \$12,000 to cover the cost of exterior improvements that are similar to the list of improvement for the Neighborhood Enhancement program. The difference between the two program is the Neighborhood Enhancement program has a focus on multi-family buildings while the Home Improvement Program assists low income homeowners of one and two-family homes. The Home Improvement Program is typically budgeted for \$70,000 each year.

Housing Financial Assistance & Emergency Assistance Programs

The Village also provides direct assistance to low income homeowner and renters through two programs that have arisen from the COVID-19 Pandemic. The Housing Financial Assistance program is funded through CDBG-CV supplemental funding through the CARES Act. The Village is providing \$200,000 to provide rent, mortgages, and/or utility assistance to low to moderate income households. The Emergency Assistance Program, which is funded by donation from the Skokie Community Foundation, provides grants up to \$500 for rent and utility assistance. According to reports from the Human Services Departments, through the end of July, 84 households benefitted from the program during the pandemic.

Neighborhood Integrity Initiative

The primary component of the Neighborhood Integrity Initiative, which was created in 2014, is the Rental Unit Registration ordinance, Chapter 22 of the Village's Code of Ordinances. The code requires the registration and inspection of every residential rental unit prior to being offered for rent or being sold. The purpose of the program is to ensure landlords are providing safe and livable environment for their tenants. While there is added cost to the property owner, this step ensures units are well-maintained, which is a priority. Skokie's approach to affordable housing not only provides opportunities to low income resident but also takes steps to ensure their homes are safe and livable.

The Rental Unit Registration ordinance also requires the owner or operator of a rental unit to successfully complete the Village's Landlord Seminar within three months from the date of registration. The seminars consist of 3 four-hour information/ training seminars, which are held throughout the year. The seminars are held at the Skokie Police Department on weekdays, evenings and Saturday mornings. Landlords are only required to attend one seminar; however, if a property is found to have numerous nuisance complaints or issues, the landlord maybe required to attend an additional seminar. Overall, the seminar informs landlord about the Rental Unit Registration program, building and property maintenance codes, tenant rights and responsibilities, and the duties of the Neighborhood Standards Police Officer.

The crime free provisions are another important aspect of the ordinance. Owners are required to have tenants sign a crime free addendum as part of the lease. The addendum makes it a violation of the lease for any tenant or guest of the tenant to engage in violent or drug related crimes or to use the leased premises for such purposes. In conjunction with landlord training and the crime free elements of the code, the Village also provide Landlord Certification if the owner/operator agrees to a security inspection and a neighborhood social event offered by the Police Department.

Regional Efforts

The Village is also taking part in the Regional Assessment of Fair Housing, which is a regional effort to address fair housing issues. Although the assessment is focused on fair housing, affordability is a primary component of the assessment.

The Regional Assessment of Fair Housing is led by Cook County with technical assistance initially provided by the Chicago Metropolitan Agency for Planning (CMAP) and Enterprise Community Partners as the lead consultant. The assessment is a collaboration of over 17 local communities in Cook County, which has been coined the Chicago Area Fair Housing Alliance. If not for this partnership, the Village would have had to undertake the assessment on its own to fulfill CDBG requirements. The Village's participation in the assessment is \$12,000, which is covered by CDBG funds.

The assessment is an ongoing project. To date, broader regional objectives and best practices have emerged, and the group is currently working on local recommendations.