AGENDA
CITY OF ST. CHARLES
SPECIAL
PLANNING & DEVELOPMENT COMMITTEE
ALD. TODD BANCROFT – CHAIRMAN

TUESDAY, FEBRUARY 16, 2016 - 7:10 PM
IMMEDIATELY FOLLOWING THE GOVERNMENT OPERATIONS MEETING
CITY COUNCIL CHAMBERS – 2 EAST MAIN STREET

1. CALL TO ORDER

2. ROLL CALL

3. COMMUNITY & ECONOMIC DEVELOPMENT

a. Continued Discussion and Recommendation of a General Amendment to the Inclusionary Housing Ordinance (Ch. 17.18 of the Zoning Ordinance).

4. ADDITIONAL BUSINESS

5. EXECUTIVE SESSION

- Personnel 5 ILCS 120/2(c)(2), 5 ILCS 120/2(c)(5)
- Pending Litigation 5 ILCS 120/2(c)(4)
- Probable or Imminent Litigation 5 ILCS 120/2(c)(4)
- Property Acquisition 5 ILCS 120/2(c)(3)
- Collective Bargaining 5 ILCS 120/2(c)(1)
- Review of Minutes of Executive Sessions 5 ILCS 120/2(c)(14)

6. ADDITIONAL ITEMS FROM MAYOR, COUNCIL, STAFF OR CITIZENS.

7. ADJOURNMENT

ST. CHARLES SINCE 1834	**AGENDA ITEM EXECUTIVE SUMMARY**	
	Title:	Continued Discussion and Recommendation of a General Amendment to the Inclusionary Housing Ordinance (Ch. 17.18 of the Zoning Ordinance).
	Presenter:	Ellen Johnson

Please check appropriate box:

	Government Operations		Government Services
X	Planning & Development – (2/16/16)		City Council
	Public Hearing		

Estimated Cost:	N/A	Budgeted:	YES		NO	

If NO, please explain how item will be funded:

Executive Summary:

Amendments to the Inclusionary Housing Ordinance (IHO) were discussed at the 11/9/15 meeting and the item was tabled. At the 12/14/15 meeting staff gave an informational presentation on the IHO which covered its history, purpose, and how it functions. Based on the Committee's feedback at these meetings, staff is presenting a modified proposal for changes to the IHO:

1. Accept the following changes recommended by the Housing Commission which are meant to add flexibility to the IHO and make the requirements less onerous. These changes were discussed in detail at the November meeting:
   a. Reduce the affordable unit set-aside to a maximum of 10%.
   b. Accept fee in-lieu of providing affordable units for developments of any size.
   c. Remove limitations on applying the density bonus.

2. Remove all reference to the City's percentage of affordable housing.
   a. Remove the applicability "sliding scale" so that the affordable unit requirement is not tied to the City's affordable housing percentage.

3. Choose a fee in-lieu amount the Committee feels is appropriate.
   a. A chart of possible fee in-lieu amounts and resulting fee in-lieu contributions for different size developments is attached.
   b. The fee would be determined annually by the City Council, which will allow for adjustment based on market conditions.

4. Determine whether pending residential development projects should be subject to the IHO once the ordinance is approved by City Council.
   a. There are two residential developments for which the City has pending zoning applications: 1337 Geneva Rd. (three-unit townhome) and Hillcroft (four single-family homes)

5. Determine whether the IHO should be removed from the Zoning Ordinance and placed within a separate Title of the City Code.

Staff is seeking direction regarding #3, #4 and #5 above.

Housing Commission Chairman David Amundson has provided a note to the Committee which can be found at the end of the packet.

Attachments: *(please list)*

Staff Memos, Table of Possible Fees, Application for General Amendment, Plan Commission Resolutions

Recommendation / Suggested Action *(briefly explain)***:**

Provide the following:

1. Direction regarding #3, #4, and #5 above.
2. A recommendation to approve changes to the Inclusionary Housing Ordinance and:
   a. Keep the Inclusionary Housing Ordinance in the Zoning Ordinance (recommended by the Plan Commission); OR
   b. Move the Inclusionary Housing Ordinance to a new Title of the City Code.

For office use only:	*Agenda Item Number:* 3a

Community & Economic Development
Planning Division
Phone: (630) 377-4443
Fax: (630) 377-4062

ST. CHARLES
SINCE 1834

STAFF MEMO

TO: Chairman Todd Bancroft
And the Members of the Planning & Development Committee

FROM: Ellen Johnson, Planner

RE: Modified Proposal for Amending the Inclusionary Housing Ordinance (General Amendment to City Code Title 17, Zoning Ordinance, Ch. 17.18 "Inclusionary Housing")

DATE: February 9, 2016

Proposed amendments to the Inclusionary Housing Ordinance, Ch. 17.18 of the Zoning Ordinance, were discussed by the Planning and Development Committee at the November meeting, and the item was tabled. At the December meeting, staff gave an informational presentation on the Inclusionary Housing Ordinance (IHO) to provide information about the history of the IHO, its purpose, and how it functions.

I. PREVIOUSLY DISCUSSED AMENDMENTS

The following amendments to the IHO were discussed in detail at the November meeting. These amendments were recommended by the Housing Commission and the Plan Commission. There seemed to be support for these amendments based on the Committee's feedback.

1. Reduce the affordable unit set-aside requirement to 5% for developments of 1-15 units, and 10% for developments with more than 15 units.

2. Remove language limiting when fee in-lieu is accepted. Fee in-lieu will be accepted for all residential development, regardless of size. City Council will have the authority to accept either affordable units, fee in-lieu, or a mixture of the two for any residential development.

3. Remove limitations on applying the density bonus, including limitations on reducing the minimum lot area, reducing the minimum lot width, and increasing building coverage. If zoning setbacks and height limitations are met, the total number of units can exceed up to 120% of base density.

4. When a dwelling unit is demolished and the new dwelling unit is intended to be occupied by the same household that occupied the unit that was demolished, they will not be subject to the IHO if the demolition occurred more than one year after the date of purchase.

5. A recommendation from the Housing Commission will be required before an Alternative Affordable Housing Plan can be approved by City Council. In order for a developer to be able to provide an Alternative Plan instead of units/fee in-lieu, at least one of the specified criteria must be

met. These criteria are not proposed to change. The Housing Commission will not review developments that fully comply with the IHO.

6. The length of the deed restriction requiring for-sale affordable units created under the IHO to remain affordable will be 15 years; 7 years is the current deed restriction.

7. Regarding for-sale affordable units created under the IHO, the term "deferred payment mortgage lien" has been replaced with "promissory note", which will not bear interest and will be due when the unit is sold at market value. This change in terminology was suggested by the City Attorney.

II. NEW PROPOSED AMENDMENTS

Based on feedback from the Committee, staff is proposing the following additional changes to the IHO:

1. **Applicability "Sliding Scale" & Affordable Housing Percentage** – Remove the applicability "sliding scale", which states that the number of affordable units required is based on the City's current percentage of affordable housing. By removing the "sliding scale" and accompanying language, the affordable unit requirement is no longer connected to St. Charles' share of affordable housing.

    a. The Housing Commission had recommended specifying that the City's current percentage of affordable housing is determined by the Illinois Housing Development Authority (this is the number used by the State to determine whether the City is or is not exempt from the Affordable Housing Planning and Appeal Act).
    b. The "sliding scale" was added to the IHO in 2013 as a mechanism to adjust the requirements based on market conditions. For example, if the City's percentage of affordable housing was 22%, then only a quarter of the affordable unit requirement would apply to a particular development.
    c. In order to allow adjustment for market conditions, staff is proposing to add language stating the fee in-lieu amount shall be determined annually by the City Council (see below).

2. **Fee in-lieu Amount** – State that the per-unit fee in-lieu amount will be determined annually by the City Council.

    a. Determining the fee on an annual basis allows Council to adjust for market conditions.
    b. The Housing Commission recommended a calculation to determine the fee in-lieu. This calculation is based on the cost of providing a 25% down payment for two affordable units. The affordable unit cost is determined by the State. Based on the State's most recent determination of the affordable home price, the fee in-lieu would be calculated as follows: (affordable home price x 2 x 0.25); ($145,639 x 2 x 0.25) = $72,819.50 per unit.
    c. The IHO does not have to specify a calculation or methodology for determining the fee in-lieu per unit. City Council has the authority to set the fee. A chart of possible fee in-lieu amounts and resulting fee in-lieu contributions for different size developments is attached.
    d. If a new fee determination is not made in a given year, the fee set the previous year will continue to apply.

3. **Purpose & Intent Statement** – The current Purpose and Intent statement for the IHO specifies that the City's preference is for developers to provide on-site affordable units, rather than fee in-lieu of providing affordable units. Based on the proposed amendment to allow either

affordable units or fee in-lieu for any size development, the language stating preference for affordable units over fee in-lieu contributions has been removed.

III. FOLLOW-UP ITEMS

The following items were briefly discussed at the November meeting and require follow-up from the Committee:

1. Removal of the IHO from the Zoning Ordinance

See Staff Memo dated 11/3/15 attached for explanation.

The Plan Commission voted 7-1 to recommend denial of the proposal to remove the IHO from the Zoning Ordinance on 10/20/15. The Plan Commission's findings can be found in the Resolution attached. At the 11/9/15 Planning & Development Committee meeting, Plan Commission member Brian Doyle spoke in support of keeping the IHO in the Zoning Ordinance. Mr. Doyle's comments can be found in the minutes from that meeting.

The Housing Commission unanimously recommended approval of the proposal at its 8/20/15 meeting, prior to the Plan Commission's review.

2. Pending Development Applications

The IHO stipulates that payment of fee in-lieu is due when the first building permit for the residential development is issued. The Committee previously discussed the possibility of exempting pending residential developments from the IHO requirements, if a zoning application had been submitted before the IHO amendments are approved.

There are two residential developments with pending zoning applications on file:

a. Parkside Reserves, 1337 Geneva Rd. (three-unit townhome)
b. Hillcroft, 1147 Geneva Rd. (four single-family homes)

In January, the Committee reviewed a Concept Plan for Prairie Center. No formal zoning applications have been filed for the development. Therefore, Prairie Center would be subject to the IHO requirements in effect at the time zoning applications are filed.

IV. ATTACHMENTS

- Table of Possible Fees
- Application for General Amendment
- Plan Commission Resolutions

Possible Fee In-Lieu amounts and resulting fee in-lieu contributions:

		1-unit development	100-unit development	300-unit development	600-unit development
Current Fee In-Lieu *(currently suspended)*	**$104,500**	$ 5,225	$ 1,045,000	$ 3,135,000	$6,270,000
Housing Commission's Proposed Fee In-Lieu	**$72,819.50**	$ 3,641	$ 728,195	$ 2,184,585	$ 4,369,170
Possible Fee In-Lieu					
	$70,000	$ 3,500	$ 700,000	$ 2,100,000	$ 4,200,000
	$60,000	$ 3,000	$ 600,000	$ 1,800,000	$ 3,600,000
	$50,000	$ 2,500	$ 500,000	$ 1,500,000	$ 3,000,000
	$40,000	$ 2,000	$ 400,000	$ 1,200,000	$ 2,400,000
	$30,000	$ 1,500	$ 300,000	$ 900,000	$ 1,800,000
	$20,000	$ 1,000	$ 200,000	$ 600,000	$ 1,200,000
	$10,000	$ 500	$ 100,000	$ 300,000	$ 600,000
	$5,000	$ 250	$ 50,000	$ 150,000	$ 300,000
	$1,000	$ 50	$ 10,000	$ 30,000	$ 60,000

Affordable Unit Requirement:

	1-unit development	100-unit development	300-unit development	600-unit development
Affordable Units Required	0.05 unit	10 units	30 units	60 units

For comparison, the amount of cash contribution in lieu of providing park or school land, based on City Code Ch. 16.10 "Dedications":

		1-unit development	100-unit development	300-unit development	600-unit development
School Contribution	Single-family	$7,075	$702,325	$2,098,555	$4,213,950
	Multi-family	N/A	$460,093	$1,380,280	$2,760,560
Park Contribution	Single-family	$6,972	$697,210	$2,091,629	$4,183,257
	Multi-family	N/A	$734,247	$2,202,740	$4,405,479

**School & Park contributions calculated based on 3-bedroom units*

Community & Economic Development
Planning Division
Phone: (630) 377-4443
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ST. CHARLES
SINCE 1834

Staff Memo

TO: Chairman Todd Bancroft
And the Members of the Planning & Development Committee

FROM: Ellen Johnson, Planner

RE: Proposal to remove the Inclusionary Housing Chapter from the Zoning Ordinance and relocate the provisions to another Title of the City Code

DATE: November 3, 2015

In addition to the proposed amendments to Ch. 17.18 "Inclusionary Housing" (the Inclusionary Housing Ordinance), also proposed is removing the Inclusionary Housing Ordinance from the Zoning Ordinance for the purpose of placing the Inclusionary Housing provisions in a stand-alone title of the City Code.

The basis for removing the IHO from the Zoning Ordinance is as follows:

- City Council provided direction at the Council Retreat in June stating preference for the Inclusionary Housing Ordinance to function similarly to the School and Park District land/cash ordinance, in that City Council would like flexibility in determining how the Inclusionary Housing requirements may be met for a given development. The location of the IHO outside of the Zoning Ordinance would provide more flexibility for doing so.

- The Zoning Ordinance governs the physical form of development. The IHO does not relate to the configuration of development, only to the cost of units.

- Due to the fact that the IHO is located within the Zoning Ordinance, the Plan Commission must review developments for compliance with the IHO as part of the development review process, adding complexity to the development approval process. Also, the Plan Commission's charge is to review the physical development of property, regardless of the residential unit cost of a particular development.

- Similarly, because the IHO is located within the Zoning Ordinance, in order to amend the IHO, a General Amendment application must be filed. As such, the Plan Commission is required to hold a public hearing and provide a recommendation to City Council regarding amendments to the IHO. The Housing Commission also provides a recommendation to both the Plan Commission and City Council regarding amendments to the IHO.

  However, it is the duty of the Housing Commission, as stated in Title2, Ch. 2.25, to provide advice to the City Council on affordable housing and programs and policies, including the IHO. The Housing Commission is made up of community members who have background, knowledge,

and/or advocacy experience related to affordable housing and/or the housing market. They are well-positioned to advise City Council on these matters. However, due to the IHO's location in the Zoning Ordinance, both the Housing Commission and the Plan Commission must advise Council on the IHO. This double citizen advisory committee review process is not particularly efficient.

Planning Advisory Service Response

Staff submitted a Planning Advisory Service (PAS) inquiry to the American Planning Association regarding the location of IHOs in the municipal codes of other communities around the country. The PAS response indicated that, while relatively few communities have inclusionary housing requirements, for those that do, there is not a consistent location of these provisions within municipal codes. Many IHOs are located within zoning ordinances; however others are located within separate housing chapters, or in stand-alone municipal code titles.

Legal Opinion

The City Attorney has provided staff with a legal opinion stating it would be permissible for the IHO to be removed from the Zoning Ordinance and placed in a separate title within the City Code.

Plan Commission Recommendation

At its 10/20/15 meeting, the Plan Commission voted 7-1 to recommend denial of the proposal to remove the IHO from the Zoning Ordinance. Commissioners stated the following concerns:

- The public will not have an opportunity to speak at a public hearing when changes to the IHO are discussed, since the Plan Commission would not be involved in the review of changes to the IHO if it is located outside of the Zoning Ordinance; the Housing Commission would discuss amendments to the IHO and provide their recommendation directly to City Council.
  Staff Response:
  - Staff conferred with the City Attorney about whether the public has the right to speak at a Housing Commission meeting if it is not a public hearing. The City Attorney confirmed that, under the Open Meetings Act, any public in attendance at any public meeting has the right to speak. Although the Housing Commission does not hold public hearings, anyone in attendance has the right to speak because they are public meetings.
- The purpose and intent of the Zoning Ordinance includes issues beyond physical aspects of development, which are related to affordable housing.
- Per the Affordable Housing Planning & Appeal Act, if the City falls below 10% affordable, it must submit an Affordable Housing Plan to the state that identifies land appropriate for construction of affordable housing. Land use is the Plan Commission's purview.
  Staff Response:
  - Note that there is no procedure laid out in the Zoning Ordinance, or City Code, stating how an Affordable Housing Plan would be developed by the City. Removal of the IHO from the Zoning Ordinance would not necessarily mean that the Plan Commission would not be involved in recommending locations for affordable housing.
- Having both the Housing Commission and Plan Commission involved in administration of the IHO provides City Council with two bodies that are well informed about housing policy.

Housing Commission Recommendation

At its August meeting prior to the Plan Commission review, the Housing Commission unanimously recommended approval of the proposal to remove the IHO from the Zoning Ordinance. The Housing Commission discussed the Plan Commission's concerns regarding public comment at its October

meeting. The Commission suggested adding a provision to the IHO stating that if an amendment to the IHO is proposed, City Council must hold a public hearing on the amendment.

CITY OF ST. CHARLES

TWO EAST MAIN STREET
ST. CHARLES, ILLINOIS 60174-1984

ST. CHARLES
SINCE 1834

COMMUNITY & ECONOMIC DEV./PLANNING DIVISION PHONE: (630) 377-4443 FAX: (630) 377-4062

GENERAL AMENDMENT APPLICATION

CITYVIEW	
Project Name:	GA - Inclusionary Housing
Project Number:	2015 -PR- 020
Application Number:	2015 -AP- 032

Received Date
RECEIVED
St. Charles, IL
SEP 01 2015
CDD
Planning Division

Instructions:

To request an amendment to the text of the St. Charles Zoning Ordinance (City Code Title 17), complete this application and submit it with all required attachments to the Planning Division.

City staff will review submittals for completeness and for compliance with applicable requirements prior to establishing a meeting or public hearing date for an application.

The information you provide must be complete and accurate. If you have a question please call the Planning Division and we will be happy to assist you.

Applicant:	Name	City of St. Charles	Phone 630-377-4443
	Address	2 E. Main St. St. Charles, IL 60174	Fax 630-377-4062
			Email ejohnson@stcharlesil.gov

Attachment Checklist

If multiple zoning or subdivision applications are being submitted concurrently, do not submit duplicate checklist items or plans. Fee must be paid for each application.

- ❑ **APPLICATION FEE:** Application fee in accordance with Appendix B of the Zoning Ordinance ($500)
- ❑ **REIMBURSEMENT OF FEES AGREEMENT:**

  An original, executed Reimbursement of Fees Agreement and deposit of funds in escrow with the City, as provided by Appendix B of the Zoning Ordinance.
- ❑ **REIMBURSEMENT OF FEES INITIAL DEPOSIT:**

  Deposit of funds in escrow with the City. (For a General Amendment application only: $1,000 deposit.)
- ❑ **FINDINGS:** Fill out the attached form or submit responses on a separate sheet.

- **WORDING OF THE REQUESTED TEXT AMENDMENT**

What is the amendment regarding?

Changes to Ch. 17.18 Inclusionary Housing, including relocation of Ch. 17.18 from the Zoning Ordinance to a stand-alone Title of the City Code.

What sections are proposed for amendment?

Chapters(s): 17.18; 17.04; Appendix A

Section(s): Sections 17.18.010-17.18.140; Section 17.04.400.C; Sections 1, 5, 6, 7

The wording of the proposed amendment: Insert below or attached wording on a separate page.

See attached.

I (we) certify that this application and the documents submitted with it are true and correct to the best of my (our) knowledge and belief.

Ellen Johnson — 9-1-15

Applicant — Date

FINDINGS OF FACT – GENERAL AMENDMENT

The St. Charles Zoning Ordinance requires the Plan Commission to consider factors listed below in making a recommendation to the City Council.

As an applicant, the "burden of proof" is on you to show why the proposed amendment is appropriate. Therefore, you need to "make your case" by explaining how the following factors support your proposal. If a factor does not apply to the amendment in question, indicate "not applicable" and explain why it does not apply.

See attached.

_____ _____

Amendment Description/Ordinance Section Number *Date*

From the Charles Zoning Ordinance, Section 17.04.320.C:
In making its recommendation to grant or deny an application for a Zoning Text Amendment, the Plan Commission shall consider:

1. The consistency of the proposed amendment with the City's Comprehensive Plan.

_____
_____
_____
_____
_____

2. The consistency of the proposed amendment with the intent and general regulations of this Title.

_____
_____
_____
_____
_____

3. Whether the proposed amendment corrects an error or omission, adds clarification to existing requirements, is more workable than the existing text, or reflects a change in policy.

_____
_____
_____
_____
_____

4. The extent to which the proposed amendment would be in the public interest and would not serve solely the interest of the applicant.

_____
_____
_____
_____
_____

5. The extent to which the proposed amendment creates nonconformities.

_____
_____
_____
_____
_____

6. The implications of the proposed amendment on all similarly zoned property in the City.

_____
_____
_____
_____
_____

Ch. 17.18 Inclusionary Housing

1. See attached for proposed revisions to Ch. 17.18 (revisions are proposed to Sections 17.18.020, 17.18.030, 17.18.040, 17.18.050, 17.18.060, 17.18.065, and 17.18.090)
2. Remove entire chapter from the Zoning Ordinance, Title 17 of City Code in order to place all Inclusionary Housing provisions in a stand-alone title of the City Code.

Ch. 17.04, Section 17.04.400.C

Remove this section, which states:

Limitations to Relief from the Minimum Requirements of the Zoning Ordinance. The provisions and requirements established in Chapter 17.18, entitled "Inclusionary Housing" are not eligible deviations through a proposed PUD.

Appendix A, Sections 1, 5, 6, 7

Under the Inclusionary Housing Summary checklist item, delete reference to "Ch. 17.18, Inclusionary Housing" and "section 17.18.050". The appropriate chapter/section will be referenced once established.

Findings of Fact – General Amendment

1. **The consistency of the proposed amendment with the City's Comprehensive Plan.**

   The Comprehensive Plan states the following as a Residential Land Use Policy: "Maintain a diverse and affordable mix of housing types to allow St. Charles to continue to attract and retain facilities and residents." The Inclusionary Housing Ordinance (IHO) is referenced as a means to "ensure that an adequate stock of affordable housing is, and remains, available in the City of St. Charles." The Inclusionary Housing Ordinance will continue to require developers to provide a proportionate share of affordable housing or fee in-lieu thereof.

2. **The consistency of the proposed amendment with the intent and general regulations of this title.**

   The proposed amendment will result in reinstatement of the Inclusionary Housing Ordinance, thereby helping to further affordable housing in the community. The provision of affordable housing is consistent with the intent of the Zoning Ordinance.

   The purpose and intent of the IHO, as stated in Section 17.18.010, will remain the same when the provisions are relocated to a separate title in the City Code. Developers will continue to be required to provide a proportionate share of affordable housing in new residential developments, or pay a fee in-lieu of providing units.

3. **Whether the proposed amendment corrects an error or omission, adds clarification to existing requirements, is more workable than the existing text, or reflects a change in policy.**

   The proposed amendment to the Inclusionary Housing Ordinance is both more workable than the existing text, as it will reduce the financial burden imposed on housing developers, and adds clarification to existing requirements.

   The proposal regarding removal of the IHO from Title 17 will result in a more streamlined process for future changes to the IHO and reviewing Alternative Affordable Housing Plans. The Plan Commission will continue to advise Council on matters related to physical development, while the Housing Commission will be the only citizen advisory commission that makes a recommendation to Council regarding Alternative Affordable Housing Plans and changes to the IHO.

4. **The extent to which the proposed amendment would be in the public interest and would not serve the interest of the applicant.**

   The proposed amendment will result in reinstatement of the IHO, meaning that either affordable units or fee in-lieu thereof must be provided for all new residential developments. The affordable units created as a result of the IHO will serve income-eligible households who may otherwise have difficulty obtaining housing in St. Charles. The fee in-lieu collected will be deposited into the Housing Trust Fund and will be used for eligible activities aimed at furthering housing affordability for residents.

   Regarding removal of the IHO from the Zoning Ordinance, the Housing Commission is comprised of citizens that have expertise and familiarity in housing related issues. The Commission will continue to serve the public interest by working to maintain and increase the availability of affordable housing in the community and advising City Council in efforts to do so. Members of the public in attendance at

Housing Commission meetings are granted the right to address the Commission under the Open Meetings Act.

5. **The extent to which the proposed amendment creates nonconformities.**

   The amendment will not create nonconformities. The IHO, no matter its location within the City Code, does not impact existing development and does not regulate the physical development of property.

6. **The implications of the proposed amendment on all similarly zoned property in the City.**

   The IHO provisions will continue to apply to all new residential development regardless of the zoning district in which the development is located.

Title & Chapter TBD

INCLUSIONARY HOUSING

Part One: Purpose and Administration
Sections:

17.18.010 Purpose and Intent
17.18.020 Implementation
17.18.030 Enforcement
17.18.040 Definitions
17.18.050 Applicability

Part Two: Affordable Unit and Fee In-Lieu Requirements
Sections:

17.18.060 Affordable Units and Fee In-Lieu Required
17.18.070 Alternative Affordable Housing Plan

Part Three: Developments that Provide Affordable Units
Sections:

17.18.080 Density Bonus
17.18.090 Development Cost Offsets
17.18.100 Location, Phasing and Design
17.18.110 Maximum Price of Affordable Housing Units
17.18.120 Ownership and Occupancy of Affordable Units
17.18.130 Development Applications that Include Affordable Units
17.18.140 Affordable Housing Agreement and Documents

Part One: Purpose and Administration

17.18.010 Purpose and Intent

To provide opportunities within the City for affordable housing, either within new residential developments by requiring Developers to provide a proportionate share of affordable housing, or fees in lieu thereof, to ensure that an adequate stock of affordable housing is, and remains, available in the City of St. Charles.

17.18.020 Implementation

The Director of Community and Economic Development or Director's designee shall promulgate regulations and forms as may be necessary for the implementation of this Chapter. Said regulations shall be reported to the Housing Commission and City Council.

17.18.030 Enforcement

A. The provisions of this Chapter shall apply to all agents, successors and assignees of an Applicant.

B. The City of St. Charles may institute injunction, mandamus, or any other appropriate legal actions or proceedings for the enforcement of this Chapter. In addition, any person, firm, or entity, whether as principal, agent, employee or otherwise, violating or causing the violation of any of the provisions of this Chapter, shall be guilty of a misdemeanor, and upon conviction thereof shall be punishable for each offense by the payment of a fine of not more than $750.00 dollars per day. Such person, firm, or entity shall be deemed to be guilty of a separate offense for each and every day during any portion of which any violation of this Chapter is commenced, continued, or permitted by such person, firm, or entity, and shall be punishable as herein provided.

DRAFT

17.18.040 Definitions

The following words and phrases shall have the meanings set forth in this Section. Words and phrases not defined in this Section, but defined elsewhere in the St. Charles Municipal Code, shall have the meanings set forth therein. In the event that a word or phrase is not defined, it shall have the common and ordinary meaning ascribed thereto. In interpreting the provisions of this Chapter, in the event there is a conflict between a definition in this Section and one found elsewhere, the definition in this Section shall apply.

A. Affordable Housing: Housing that has a sales price or rental amount that is within the means of an "Eligible Household" as defined herein. In the case of Dwelling Units for sale, housing that is affordable means housing in which mortgage, amortization, taxes, insurance, and condominium or association fees, if any, constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit. In the case of Dwelling Units for rent, housing that is affordable means housing for which the rent and utilities constitute no more than 30% of the gross annual household income for a household of the size that may occupy the unit.

B. Affordable Unit: A Dwelling Unit of Affordable Housing that satisfies the requirements of this Chapter.

C. Affordable Housing Agreement: Any agreement between the City and an Applicant as required by Section 17.18.140 of this Chapter.

D. Applicant: Any Developer who applies to the City to receive approval of a Residential Development pursuant to this Chapter.

E. Area Median Income (AMI): The median income level for the Chicago Primary Metropolitan Statistical area, as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, and adjusted for household size.

F. Base Density: The number of Dwelling Units permitted to be constructed on a parcel in conformance with the requirements of the Zoning District in which it is located, prior to applying any applicable density bonus.

G. Developer: Any person, firm, corporation, partnership, limited liability company, association, joint venture, or any entity or combination of entities that develops a dwelling or units, not including any governmental entity or a Housing Provider as defined herein.

H. Director: The Director of the Community and Economic Development Department, or his or her designee.

I. Dwelling Unit: A Dwelling Unit as defined in Chapter 17.30, "Definitions", of the St. Charles Zoning Ordinance. For purposes of this Chapter, the term Dwelling Unit includes Affordable Units and Market Rate Units.

J. Eligible Household: A household with an income at or below eighty percent (80%) of the Area Median Income (AMI) for for-sale units and at or below sixty percent (60%) of the AMI for rental units, based on the size of the household.

K. Housing Provider: An entity approved by the City of St. Charles to develop, manage or own Affordable Dwelling Units.

L. Market Rate Units: All Dwelling Units in a Residential Development that are not Affordable Units as defined herein.

M. Residential Development: The establishment of one or more Dwelling Units in any of the following instances:

1. Construction of one or more Dwelling Units pursuant to a Final Plat of Subdivision, where the Preliminary Plat is approved by the City Council after February 15, 2008.
2. Construction of one or more Dwelling Units within a Planned Unit Development, where the Preliminary PUD Plan is approved by the City Council after February 15, 2008.
3. Construction of one or more Dwelling Units on a lot created after February 15, 2008 by means other than a Plat of Subdivision or Planned Unit Development, including but not limited to a division conforming to the Statutory Plat Act Exemptions.
4. Issuance of a building permit for a new Dwelling Unit following demolition of a Dwelling Unit on the lot, when the last sale price prior to demolition of the Dwelling Unit was at or below the price of an Affordable Unit with the same number of bedrooms; if the last sale occurred more

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than two years prior to demolition, then the equalized market value assigned by the Township Assessor as of the date of demolition shall be used.

5. Issuance of a building permit for alteration of an existing building, in whole or in part, that increases the number of Dwelling Units from the number that existed prior to its alteration.

17.18.050 Applicability

A. The provisions of this Chapter shall apply to any Residential Development, as defined herein. Residential Developments undertaken in phases, stages, or otherwise constructed in distinct parts by one or more developers, but which are located within the same Planned Unit Development or Subdivision, or which are otherwise approved as a whole, shall be considered a single Residential Development.

C. The requirements of this Chapter shall not apply in the following instances:

1. Moving a building containing one or more Dwelling Units from one location to another within the City.
2. Construction of a single Dwelling Unit on a lot that was of record prior to February 15, 2008 and upon which no Dwelling Unit or part thereof has existed for a period of ten years or more prior to issuance of a building permit.
3. Upon issuance of a building permit for a new Dwelling Unit following demolition of a Dwelling Unit on the lot, when the new Dwelling Unit is intended to be occupied by the same household or individual that occupied the Dwelling Unit that was demolished, and the demolition occurred more than one (1) year after the date of purchase by said household or individual.
4. When a Dwelling Unit is destroyed by fire or other casualty or act of God, by any means not within the control of the property owner or tenant.

Part Two: Affordable Unit and Fee In-Lieu Requirements

17.18.060 Affordable Units and Fee In-Lieu Required

A. General requirement. Affordable Units, and/or a fee in lieu thereof, shall be required for every Residential Development. The City Council may permit the Applicant to provide Affordable Units or pay a fee in lieu of constructing some or all of the required Affordable Units within a Residential Development.

B. Number of Affordable Units Required:

1. Calculation. The number of Affordable Units required for a Residential Development shall be a percentage of the total number of Dwelling Units to be constructed within the Residential Development, but not including any bonus Market Rate Units permitted by Section 17.18.080. The minimum requirement shall be calculated as follows:

- 1 to 15 Dwelling Units: 5 percent
- More than 15 Dwelling Units: 10 percent

2. Fractions. In the event that the calculation of the number of required Affordable Units results in a fraction, the following rules shall apply: For that portion of the requirement that is to be satisfied by the construction of Affordable Units, the fraction shall be rounded to the nearest whole number; a fraction of exactly ½ shall not be counted as a required Affordable Unit. For that portion of the requirement that is to be satisfied by payment of a fee in-lieu, any fraction shall be used in calculating the total fee in lieu to be paid by the Developer.

C. Amount of Fee In-Lieu Per Unit. The amount of the per-unit fee in-lieu of Affordable Units shall be determined annually by the City Council. If no fee has been determined by the City Council for the current year, the fee most recently determined by the City Council shall apply.

D. Calculation of Total Fee In-Lieu. For purposes of determining the total fee in-lieu payment amount, the per unit fee in-lieu shall be multiplied by the required number of Affordable Units, including any fractional units.

E. Payment of Fee In-Lieu. Unless otherwise approved by the City Council in the Affordable Housing Agreement, for Residential Developments constructed in multiple phases the fee in-lieu payments due

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under the provisions of this Chapter shall be paid for the entire phase to be developed prior to issuance of the first building permit for the applicable phase. For Residential Developments constructed in a single phase the fee in-lieu payment shall be paid for the entire Residential Development prior to issuance of the first building permit.

17.18.070 Alternative Affordable Housing Plan

A. Alternative Affordable Housing Plan Criteria

As an alternative to compliance with the provisions of Section 17.18.060, the Developer may request the City Council to approve, concurrent with the approval of the overall development and after receiving a recommendation from the Housing Commission, one or more of the alternatives listed in this Section. The City Council shall not approve an Alternative Affordable Housing Plan unless the Developer demonstrates and the City Council finds in the affirmative that the Alternate Affordable Housing Plan is justified based on one or more of the following criteria:

1. A demonstrated financial hardship exists that is not of the developer's own making. Items to be considered shall include but shall not be limited to:
    a. The financial hardship must be equal to or greater than 10% of the total project cost and purchase price, but cannot include any costs incurred as part of the normal and orderly development of the property.
    b. Environmentally sensitive or natural areas to be protected are equal to or greater than 20% of the total development site area (not including stormwater retention/detention facilities or park sites related to the construction of the project).
2. The development site does not allow for the density bonus as stated in Section 17.18.080 due to limitations on development capacity. Items to be considered shall include but shall not be limited to:
    a. Insufficient water or sewer utility capacities.
    b. Unique parcel configurations, which shall include but shall not be limited to steep slopes above an 8% grade or irregular shaped parcels that create unbuildable areas equal to or greater than 20% of the development site.
3. The development will fulfill an alternative City Policy or goal such as redevelopment of a vacant, underutilized, or blighted parcel that cannot otherwise be readily redeveloped and comply with all other applicable requirements.
4. The creation of the Alternative Affordable Housing Plan represents an equal or greater opportunity to create Affordable Housing in the City. Examples of these greater opportunities shall include but shall not be limited to:
    a. Providing units below the maximum affordability thresholds established by Illinois Housing Development Authority for rental or owner-occupied units. (Example: Pricing rental units at or below 50% of area median income)
    b. Providing offsite affordable units in vacant or foreclosed homes.
    c. Providing affordable units for a period of time longer than the fifteen year minimum affordable period stated in Section 17.18.110 Maximum Price of Affordable Units.

B. Alternative Affordable Housing Plan

For instances in which the Developer is requesting to utilize an Alternative Affordable Housing Plan, the Developer shall submit the proposed Alternative Affordable Housing Plan. This plan shall detail the Developer's course of action chosen to create Affordable Housing opportunities in St. Charles. This plan is required to be submitted in writing and must detail how the Alternative Affordable Housing Plan fulfills the criteria listed in Section 17.18.070.A.

One or more of the following options shall be utilized by the Developer:

1. External Funding Sources – The Developer will apply for grants, tax credits, and/or any other applicable funding mechanism each year that the project is under construction. These funds will be used to subsidize the costs associated with the construction of onsite or offsite Affordable Housing Units.
2. Purchase Offsite Units – The Developer shall purchase for-sale or foreclosure properties and then sell or rent them at the established Affordable Housing price.

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3. Construction of a portion of the required Affordable Units onsite and/or payment of a portion of the required fee in-lieu, and any combination of the two options listed above.

(Ord. 2013-Z-3 § 4.)

Part Three: Developments that Provide Affordable Units

17.18.080 Density Bonus

A. A density bonus shall be permitted when Affordable Units are constructed within the Residential Development in accordance with Section 17.18.060 (B). One bonus Dwelling Unit shall be permitted for each Affordable Unit constructed within the Residential Development; however, in no event shall the total number of Dwelling Units constructed within the Residential Development exceed one hundred twenty percent (120%) of the Base Density.

B. In implementing this density bonus, the following requirements of the Zoning Ordinance may be varied without additional justification:
   1. Lot area.
   2. Lot width.
   3. Building coverage.

17.18.090 Development Cost Offsets.

An Applicant that fully complies with the requirements of this Chapter, including any rules or regulations promulgated thereunder, shall, upon written request to the City, receive a waiver of all building permit, demolition, and plan review fees required by Title 15 of the St. Charles Municipal Code, sewer and water connection fees required by Title 13 of the St. Charles Municipal Code, and cash contributions (when required in lieu of park and school land dedications) as required by Title 16 of the St. Charles Municipal Code, but only relative to the required Affordable Units constructed within the Residential Development.

17.18.100 Location, Phasing and Design.

Affordable Units shall be integrated into the Residential Development by location, construction phasing, and design as described below. Waivers or variances as to the location, construction phasing, or appearance of Affordable Units may be granted by the City Council following a review and recommendation by the Housing Commission, based on supporting evidence that demonstrates that said waiver(s) or variance(s) will further affordable housing opportunities to an equal or greater extent than compliance with otherwise applicable requirements, or that integrating the Affordable Units will create a hardship.

A. Location of Affordable Units. Affordable Units shall be dispersed among the Market-Rate Dwelling Units throughout the Residential Development

B. Phasing of Permits. The Affordable Units shall be constructed concurrently with the Market-Rate Units within the Residential Development. Building and occupancy permits for Market-Rate Units shall be issued only if building and occupancy permits, respectively, for the required Affordable Units have been issued in accordance with the following schedule:

Market-Rate Units (%)	**Affordable Units (%)**
Up to 50%	At least 30%
Up to 75%	At least 60%
100%	100%

C. Exterior Appearance. The exterior appearance of the Affordable Units in any Residential Development shall be visually compatible with the Market-Rate Units in the development. External

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building materials and finishes shall be substantially the same in type and quality for Affordable Units as for Market-Rate Units.

D. Interior Appearance and Finishes. Affordable Units may differ from Market-Rate Units with regard to interior finishes and gross floor area, provided that:

1. Bedroom Mix. The number of bedrooms per Dwelling Unit in the Affordable Units within the Residential Development shall be in equal proportion to the number of bedrooms per Dwelling Unit in the Market-Rate Units within the Residential Development. This provision is not intended to require the same floor area in Affordable Units as compared to Market-Rate Units.
2. Energy Efficient Improvements. Affordable Units and Market-Rate Units shall have the same type and quality of improvements related to energy efficiency, including plumbing, insulation, windows, and heating and cooling systems.

17.18.110 Maximum Price of Affordable Units

A. Affordability Controls; Waivers. All Affordable Units developed in accordance with this Chapter shall be subject to restrictions as provided in this section.

B. For-Sale Affordable Units. Affordable Units shall be offered for sale in conformance with the following principles:

1. The sale of Affordable Units to the first purchaser shall be governed by the following:
   a. Affordable Units shall be offered for sale at no more than the maximum price that is affordable to an Eligible Household based on household size in accordance with paragraph D of this Section, using the limits established annually by the Illinois Housing Development Authority (IHDA).
   b. The property shall be subject to a deed restriction or other suitable instrument limiting the maximum sale price of the property for a period of fifteen years, and specifying the conditions under which title to the property may be transferred to an entity other than an Eligible Household, including but not limited to transfer of title to heirs.
   c. The purchaser shall execute a promissory note in favor of the City in an amount equal to the difference between the purchase price for the Affordable Unit and its fair market value as determined by a licensed appraiser. Said promissory note shall be non-interest bearing and shall be secured by a Mortgage on the property. The City shall subordinate the Mortgage to that of the primary lender. (Said promissory note shall be due upon sale of the Affordable Unit after the initial fifteen-year period if the property is sold at market value in accordance with Section 17.18.110.B.3.b.)
2. Subsequent sales of Affordable Units during the first fifteen years following the initial sale shall be governed by following, unless the property owner is granted a waiver by the City Council based upon supporting market-related evidence of undue hardship on the owner of the Affordable Unit:
   a. The maximum sale price shall be the initial sale price plus 1) appreciation in the property's value, but not to exceed any increases in the IHDA affordability limit since the last sale of the property; 2) an allowance for the cost of repair and/or replacement of heating, electrical, plumbing, roofs, and structural elements necessary to address safety of the occupants or integrity of the structure.
   b. The seller shall receive any of the Affordable Unit's appreciation in value based on the sale price as determined in Section 17.18.110.B.2.a.
   c. The purchaser shall execute a promissory note in favor of the City in an amount equal to the difference between the purchase price for the Affordable Unit and its fair market value as determined by a licensed appraiser. Said promissory note shall be non-interest bearing and shall be secured by a Mortgage on the property. The City shall subordinate the Mortgage to that of the primary lender. (Said promissory note shall be due upon sale of the Affordable Unit after the initial fifteen-year period if the property is sold at market value in accordance with Section 17.18.110.B.3.b.)

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3. Subsequent sales of Affordable Units after the initial fifteen-year period shall be governed by either (a) or (b) as follows:
   a. Resale as an Affordable Unit. If the sale price does not exceed the initial sale price plus 1) appreciation in the property's value, but not to exceed any increase in the IHDA affordability limit since the last sale of the property; and 2) an allowance for the cost of repair and/or replacement of heating, electrical, plumbing, roofs, and structural elements necessary to address safety of the occupants or integrity of the structure, then the property shall be sold as an Affordable Unit in accordance with Section 17.18.110.B.2.
   b. Resale at market value. The full amount of the promissory note shall be payable to the City and shall be deposited into the Housing Trust Fund or other fund devoted to providing affordable housing. In the event the amount of the promissory note is in excess of the difference between market value and the purchase price paid by the seller, with allowances granted to the seller for any increase in the IHDA affordability limit since the last sale of the property and for the cost of repair and/or replacement of heating, electrical, plumbing, roofs and structural elements necessary to address safety of the occupants or integrity of the structure, then the excess amount shall be forgiven by the City. Once the promissory note is paid and/or forgiven in accordance with this Section, all restrictions of this Chapter applicable to the Affordable Unit, including its designation as such, shall cease.

C. For-Rent Affordable Units. The maximum gross rent (including a utility allowance for utilities not provided with the rent) for Affordable Units offered for rent shall be calculated using the gross rent limits established annually by the Illinois Housing Development Authority on the basis of thirty percent (30%) of gross monthly income at fifty percent (50%) to sixty percent (60%) of AMI, based on household size in accordance with paragraph D of this Section. The net rent charged by the owner shall not exceed the maximum gross rent minus a utility allowance for any utilities to be paid separately by the tenant. All Affordable Units shall be offered at not more than the maximum rent calculated in accordance with this paragraph in perpetuity or as long as permissible by law.

D. Household Size. In calculating the maximum sale and rental prices of Affordable Units, the following relationship between the number of bedrooms per unit and household size shall apply:

Size of units:	Affordable for:
Efficiency units:	1-person household
One-bedroom units:	2-person household
Two-bedroom units:	3-person household
Three-bedroom units:	4-person household
Four-bedroom and larger units:	5-person households and larger

E. Sale or Rental to Housing Providers. Every Affordable Unit required by this Chapter shall be offered for sale or rental to an Eligible Household as a primary resident, except for units purchased by Housing Providers. Housing Providers designated by the City of St. Charles shall have the right, but not the obligation, to purchase any for-sale Affordable Units, but only for the purpose of reselling to an Eligible Household.

17.18.120 Ownership and Occupancy of Affordable Units.

Owner-occupied Affordable Units shall only be sold to and occupied by Eligible Households. Affordable Units that are rented shall only be rented to and occupied by Eligible Households. Subletting of Affordable Units shall not be permitted. Priority will be given to Eligible Households where one or more members live or work in St. Charles, and to employees of the City of St. Charles, the St. Charles Park District, and Community Unit School District No. 303, regardless of their initial place of residence, to the extent permitted by law.

1. Increase in Annual Income for Owner-Occupied Affordable Units. If a Household's gross income increases above the maximum Eligible Household income level for a household of its

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size, the Household may continue to own and occupy the Affordable Unit, and the Affordable Unit shall otherwise remain subject to the limitations set forth in Section 17.18.110.

2. Increase in Annual Income for Renter-Occupied Affordable Units. If a Household's gross income increases above the maximum Eligible Household income level for a household of its size, the Household may continue to lease and occupy the Affordable Unit, and renew said lease, and the Affordable Unit shall otherwise remain subject to the limitations set forth in Section 17.18.110.

17.18.130 Development Applications that Include Affordable Units.

As part of the application for approval of a Residential Development, the Applicant shall submit information describing how the Residential Development will comply with the requirements of this Chapter. The Director of Community and Economic Development may require any or all of the following to be submitted for review:

1. The number and rental/for sale status of Market-Rate Units and Affordable Units to be constructed including type of dwelling, number of bedrooms per unit, proposed pricing, and construction schedule, including anticipated timing of issuance of building permits and occupancy certificates.
2. Documentation and plans regarding locations of Affordable Units and Market-Rate Units, and their exterior appearance, materials, and finishes.
3. A description of the marketing plan that the Applicant proposes to utilize and implement to promote the sale or rental of the Affordable Units within the development; and,
4. Any proposal to pay fees in lieu of providing the required Affordable Unit, per Section 17.18.060.
5. Alternative Affordable Housing Plan Submittal Requirements
    a. The Applicant shall submit a financial statement or pro-forma including the following:
        i. Purchase price of the property.
        ii. Identification of the financial hardship and cost estimates associated with absorbing and/or remediating the identified hardship.
        iii. All non-hardship development costs and expected profits.
    b. Where the Applicant will apply for external funding sources, the following is required:
        i. An action plan clearly identifying the external funding sources that will be applied for during the construction phase and frequency of application to each funding source. The Action Plan shall clearly demonstrate that the project is eligible for the funding source that will be utilized.
        ii. Commitment to providing a copy of all grant applications at the same time the application is submitted to the funding authority.
        iii. Statement of the number of Affordable Units targeted to be affordable.
        iv. Documentation and plans regarding locations of Affordable Units and Market-Rate Units onsite or offsite, and their exterior appearance, materials, and finishes should external funding be awarded.
    c. Where the Applicant will purchase offsite units, the following is required:
        i. An action plan or market study identifying the number of offsite units planned for purchase, the location of available offsite units, and purchase price of these units.
        ii. Any supplemental information necessary to support the proposed plan such as, anticipated cost of renovations for offsite properties.
        iii. The expected timing for the purchase of offsite units.
        iv. Commitment to submitting a copy of the home inspection report to the City for review. This report shall include the following:
            - Identification of the age and condition of all major systems (plumbing, HVAC, electrical, and structural)
            - Identification and condition of all major appliances
            - A list of all necessary repairs that the Developer proposes to perform before the offsite unit is resold to an Eligible Household.

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The Developer shall provide a copy of this inspection report to the affordable household who has signed a contract to purchase the unit.

(Ord. 2013-Z-3 § 5.)

17.18.140 Affordable Housing Agreement and Documents

Prior to issuance of a building permit for any Residential Development in which Affordable Units are to be provided, the Applicant shall have entered into an Affordable Housing Agreement with the City. Said agreement shall set forth the commitments and obligations of the Applicant, including but not limited to the number, timing and location of the required Affordable Units, and/or the amount and payment schedule for any fee in lieu thereof, to ensure that the provisions of this Chapter are met. The Applicant shall execute any and all documents deemed necessary by the City, including without limitation, restrictive covenants and other related instruments, to ensure the continued affordability of the Affordable Units in accordance with this Chapter.

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City of St. Charles, Illinois
Plan Commission Resolution No. 18-2015

A Resolution Recommending Approval of a General Amendment to Chapter 17.18 "Inclusionary Housing", Sections 17.18.020, 17.18.030, 17.18.040, 17.18.050, 17.18.060, 17.18.065, and 17.18.090 (Changes to the Inclusionary Housing Ordinance)

Passed by Plan Commission on October 20, 2015

WHEREAS, it is the responsibility of the St. Charles Plan Commission to hold public hearings and review requests for amendments to Title 17, "Zoning"; and

WHEREAS, the Plan Commission held a public hearing and has reviewed the petition for a General Amendment to Chapter 17.18 "Inclusionary Housing", Sections 17.18.020, 17.18.030, 17.18.040, 17.18.050, 17.18.060, 17.18.065, and 17.18.090 (changes to the Inclusionary Housing Ordinance); and

WHEREAS, in accordance with Section 17.04.320.C, the Plan Commission has considered the following criteria for General Amendment:

1. The consistency of the proposed amendment with the City's Comprehensive Plan

The Comprehensive Plan states the following as a Residential Land Use Policy: "Maintain a diverse and affordable mix of housing types to allow St. Charles to continue to attract and retain facilities and residents." The Inclusionary Housing Ordinance (IHO) is referenced as a means to "ensure that an adequate stock of affordable housing is, and remains, available in the City of St. Charles." The Inclusionary Housing Ordinance will continue to require developers to provide a proportionate share of affordable housing or fee in-lieu thereof.

2. The consistency of the proposed amendment with the intent and general regulations of this Title.

The proposed amendment will result in reinstatement of the Inclusionary Housing Ordinance, thereby helping to further affordable housing in the community. The provision of affordable housing is consistent with the intent of the Zoning Ordinance.

The purpose and intent of the IHO, as stated in Section 17.18.010, will remain the same when the provisions are relocated to a separate title in the City Code. Developers will continue to be required to provide a proportionate share of affordable housing in new residential developments, or pay a fee in-lieu of providing units.

3. Whether the proposed amendment corrects an error or omission, adds clarification to existing requirements, is more workable than the existing text, or reflects a change of policy.

The proposed amendment to the Inclusionary Housing Ordinance is both more workable than the existing text, as it will reduce the financial burden imposed on housing developers, and adds clarification to existing requirements.

4. The extent to which the proposed amendment would be in the public interest and would not serve solely the interest of the applicant.

The proposed amendment will result in reinstatement of the IHO, meaning that either affordable units or fee in-lieu thereof must be provided for all new residential developments. The affordable units created as a result of the IHO will serve income-eligible households who may otherwise have difficulty obtaining housing in St. Charles. The fee in-lieu collected will be deposited into the Housing Trust Fund and will be used for eligible activities aimed at furthering housing affordability for residents.

5. The extent to which the proposed amendment creates non-conformities.

The amendment will not create nonconformities. The IHO does not impact existing development and does not regulate the physical development of property.

6. The implications of the proposed amendment on all similarly zoned property in the City.

The IHO provisions will continue to apply to all new residential development regardless of the zoning district in which the development is located.

NOW, THEREFORE, be it resolved by the St. Charles Plan Commission to recommend to City Council approval of a General Amendment to Chapter 17.18 “Inclusionary Housing”, Sections 17.18.020, 17.18.030, 17.18.040, 17.18.050, 17.18.060, 17.18.065, and 17.18.090 (changes to the Inclusionary Housing Ordinance), with the condition that “Director” be replaced with “Director of Community and Economic Development” in Section 17.18.130.

Roll Call Vote:
Ayes: Wallace, Kessler, Doyle, Holderfield, Spruth, Schuetz, Macklin-Purdy
Nays: Pretz
Absent: Frio
Motion Carried: 7-1

PASSED**,** this 20th day of October 2015.

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Chairman
St. Charles Plan Commission

City of St. Charles, Illinois
Plan Commission Resolution No. 19-2015

A Resolution Recommending Denial of a General Amendment to Chapter 17.18 "Inclusionary Housing", Chapter 17.04 "Administration", Section 17.04.400 "Planned Unit Developments – Purpose and Requirements" and Appendix A "Application Checklists" (Removal of Ch. 17.18 "Inclusionary Housing" from the Zoning Ordinance for the purpose of placing the provisions in a stand-alone Title of the Municipal Code)

Passed by Plan Commission on October 20, 2015

WHEREAS, it is the responsibility of the St. Charles Plan Commission to hold public hearings and review requests for amendments to Title 17, "Zoning"; and

WHEREAS, the Plan Commission held a public hearing and has reviewed the petition for a General Amendment to Chapter 17.18 "Inclusionary Housing", Chapter 17.04 "Administration", Section 17.04.400 "Planned Unit Developments – Purpose and Requirements" and Appendix A "Application Checklists" (Removal of Ch. 17.18 "Inclusionary Housing" from the Zoning Ordinance for the purpose of placing the provisions in a stand-alone Title of the Municipal Code); and

WHEREAS, in accordance with Section 17.04.320.C, the Plan Commission has considered the following criteria for General Amendment:

1. The consistency of the proposed amendment with the City's Comprehensive Plan

N/A.

2. The consistency of the proposed amendment with the intent and general regulations of this Title.

The proposed amendment is not consistent with the stated Purpose and Intent of Title 17, the Zoning Ordinance. The Purpose and Intent of the Zoning Ordinance includes issues pertaining to the provision of affordable housing, such as: "Promoting the public health, safety, comfort, convenience and general welfare"; "Preserving and enhancing the quality of life for residents"; and "Implementing the goals of the St. Charles Comprehensive Plan".

3. Whether the proposed amendment corrects an error or omission, adds clarification to existing requirements, is more workable than the existing text, or reflects a change of policy.

The Plan Commission does not support the proposed change in policy to remove the Inclusionary Housing Ordinance from the Zoning Ordinance for the reasons stated in the responses to these criteria. In addition, because land use is under the purview of the Plan Commission, the Plan Commission should be involved in creation of an Affordable Housing Plan to assist in identifying locations for construction of affordable housing, if the City is required to submit such a plan to the Illinois Housing Development Authority in the future.

4. The extent to which the proposed amendment would be in the public interest and would not serve solely the interest of the applicant.

The proposed amendment would not be in the public interest, because a public hearing would no longer be required for making changes to the Inclusionary Housing Ordinance. The Plan Commission would no longer provide input related to affordable housing considerations, which would eliminate the involvement of a second City commission that could advocate for affordable housing.

5. The extent to which the proposed amendment creates non-conformities.

N/A.

6. The implications of the proposed amendment on all similarly zoned property in the City.

N/A.

NOW, THEREFORE, be it resolved by the St. Charles Plan Commission to recommend to City Council denial of a General Amendment to Chapter 17.18 “Inclusionary Housing”, Chapter 17.04 “Administration”, Section 17.04.400 “Planned Unit Developments – Purpose and Requirements” and Appendix A “Application Checklists” (Removal of Ch. 17.18 “Inclusionary Housing” from the Zoning Ordinance for the purpose of placing the provisions in a stand-alone Title of the Municipal Code).

Roll Call Vote:
Ayes: Wallace, Kessler, Doyle, Pretz, Spruth, Schuetz, Macklin-Purdy
Nays: Holderfield
Absent: Frio
Motion Carried: 7-1

PASSED**,** this 20th day of October 2015.

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Chairman
St. Charles Plan Commission

Johnson, Ellen

From: David Amundson
Sent: Monday, February 08, 2016 9:16 PM
To: Johnson, Ellen
Subject: Letter to P&D Committee

February 8, 2016

Ald. Todd Bancroft
Chair, Planning and Development Committee

Dear Ald. Bancroft -

I am writing to you about the proposed changes to the City's Inclusionary Housing Ordinance that will be on the agenda for discussion by your committee on the 16th of this month. I was in attendance at two prior meetings late last year where this ordinance was discussed and thus know that, at that time, there were some serious reservations on the part of some committee members about the language in the ordinance as it was presented. In the months that have passed since then, the staff has worked very hard on this issue and has received quite a lot of input from the Housing Commission as to how we, as a City, might proceed to best address the issue of inclusionary housing. The result of this work is what will be on the table for discussion this coming week. I hope and trust that all the members of the Planning and Development Committee will find the changes to the proposed ordinance to be highly responsive to the concerns they raised when this issue was last in front of them. I urge the members of the committee to not only give this proposed ordinance a full and fair hearing, but to also forward this proposed ordinance to the full Council for their approval.

I would appreciate it greatly if you would share this communication with the members of your committee. Thank you for your time and consideration -

David Amundson
Chair, Housing Commission

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david.amundson@att.net

CITY OF ST CHARLES, ILLINOIS