

ONE VIEWS

A new housing ordinance



by **Diversity Oak Park**

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Diversity Oak Park (DivOP) believes it is time to revise and strengthen Oak Park's Inclusionary Housing Ordinance (IHO). The current ordinance is outdated, limited in its scope, and has failed to significantly increase affordable housing in Oak Park. To fully recognize the full potential benefits of the ordinance, it must be updated to reflect Oak Park's present realities of declining racial and economic diversity in housing.

Consider some alarming data. Between 2000 and 2007 the village lost 3,317 affordable housing units (Analysis of Impediments to Fair Housing, 2010). According to the U.S. Census Bureau, half of Oak Park tenants are also "cost burdened," meaning they spending 30% or more of their income on housing. One quarter of Oak Park renters are "severely cost burdened," meaning they spend 50% or more of their income on housing

With respect to home ownership, the financial collapse of 2008 was disastrous for Oak Park mortgage holders. The Institute for Housing Studies at DePaul University reports that over 1,300 home and condominium owners' had their mortgages foreclosed from 2009-13. If we can infer from national foreclosure data during this same period, it is likely that Oak Park foreclosures had a disparate impact on our Black homeowners. Contributing to this unexamined financial devastation in Oak Park is the fact that nearly 30 percent of village's mortgage-holding households were "cost burdened," and 18 percent were "severely cost burdened," according to the Chicago Metropolitan Agency for Planning Analysis, 2010-14.

The alarming metrics on affordability and mortgage foreclosures sadly correlate with our diminishing Black population. Our community has lost nearly 1,500 Black neighbors since 2016 and the percentage of Blacks living in Oak Park has declined from a high of 23.5% in 2009 to 18.2% in 2020, according to American Community Survey estimates, from the U.S. Census Bureau. A stronger IHO that includes strong affirmative marketing requirements can help reverse this trend in racial diversity.

A stronger IHO will also make it easier for households of modest incomes like teachers, nurses, small

business owners, librarians, village staff, retired seniors, and others who work here to actually live here. A stronger IHO will provide housing they can afford — housing that costs less than 30 percent of their monthly income.

The opportunity to strengthen the IHO is now before us. With community input, the village is crafting a new Oak Park Housing Plan. It is a plan that consultants from the Metropolitan Mayors Caucus say will bring all innovative possibilities forward for consideration. Strengthening the IHO offers a policy option that reinforces our community's vision of economic and racial integration as emphasized by participants in the community housing survey conducted by the village this fall (<https://engageoakpark.com/search?query=housing+survry+results>)

A more effective IHO should:

- Require 20% of all new units to be affordable. Developers should be required to include at least half of those affordable units onsite, only opting out with fees in lieu for no more than half of the required units.
- Cover all residential development of 5 units or more. The current ordinance applies to development of 24 or more, which severely limits its impact.
- Apply to the entire village. Affordable housing set-asides should be required everywhere, because we can't predict where the next development boom will happen.
- Require approximate market-rate fees in lieu for affordable units. The current \$100,000 fees in lieu do not cover the actual cost of building new units. The current opt-out fee should be substantially increased to approach the actual market rate of building units in Oak Park.
- Establish density bonuses. The formula for affordable units should be set to allow a developer to build more market-rate units than otherwise permitted in exchange for including the required affordable units in the building.

Today Oak Park is at an inflection point, similar to where it was in the late '60s and early '70s. Oak Park must again act intentionally. Revising and strengthening the IHO today is fundamental to living up to Oak Park's commitment to the racial and economic diversity we hold as a core value and have worked so hard to preserve.

That is a legacy we must continue today with major revisions of the Inclusionary Housing Ordinance.

The Steering Committee of Diversity Oak Park includes Rob Breymaier, John Duffy, Henry Fulkerson, Burcy Hines, Ralph Lee, and Paul Sakol.

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