



AGENDA ITEM # 6

**AGENDA ITEM EXECUTIVE SUMMARY
Committee of the Whole Meeting
June 10, 2019**

Item Title: E. Irving Park Tax Increment Financing Study: Housing Impact Study and Update

Staff Contact: Patrick N. Watkins, Community Development Director

COMMITTEE OF THE WHOLE ACTION

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| <ul style="list-style-type: none">1.) Provide Direction to Staff regarding Housing Impact Study2.) Update on E. Irving Park Tax Increment Financing Eligibility Study and Redevelopment Plan. |
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Executive Summary:

Staff is recommending that the Village direct SB Freidman and Associates to complete a Housing Impact Study as part of the TIF Eligibility Study and Redevelopment Plan. The State Statute is ambiguous concerning what “triggers” the Housing Study requirements. A Housing Impact Study is required if the plan results in the displacement of 10 or more inhabited residential units, or if the area contains 75 or more inhabited residential units and the Village **does not** certify that residential displacement will not occur. Determination of what constitutes “displacement” varies by legal opinion. Addressing it with the approval of the plan upfront takes the legal ambiguity out of any future action that the Village undertakes. Staff thus believes it is best to complete it now to avoid an onerous TIF amendment and notification process in the future.

There is also an efficiency gained by combining the notification with the formation of the Tax Increment Finance District. The notification involves 200 certified letters and 1600 regular mailings. Since notification for the formation of a TIF District and an amendment for a Housing Study affects the same properties, combining those saves time and costs.

Background

Per the direction of the Village Board in January 2019, staff has been working with SB Friedman and Associates to complete an Eligibility Study for the proposed East Irving Park Road TIF District. The consultant has completed the first phase of the study and has determined that the proposed area meets the TIF eligibility requirements. The recommendation to do a Housing Impact Study will involve the following steps:

1. Identify all residential units in the Study Area and categorize by type (single family, multi-family, etc.)
2. Estimate the income and demographic characteristics of the households residing in the housing units.
3. Estimate the number and types of households that could be displaced.
4. Identify potential replacement housing for potentially displaced households
5. Draft the study.

The proposed boundaries include the following residential properties

- 46 senior apartments at Rose Glen,
- 92 condominiums at Chateau Roselle,
- 2 single-family and one duplex on Hattendorf,
- 9 second-story apartments above businesses,
- 25 single family lots on Park, Howard, Spring and Maple,
- 6 single-family lots on the north side of Irving Park Road between Park and Lawrence.

The Eligibility portion of the TIF Study is complete and the consultant has a rough draft of the Redevelopment Plan. If the Housing Plan is included, it will be a part of the redevelopment plan. Staff anticipates that the TIF could be approved as early as September or October 2019.

Implications:

Is this item budgeted? The budget accounts for the TIF District Eligibility Study and Redevelopment Plan. The S.B. Friedman contract included a Housing Impact Study provision (if utilized) of not to exceed \$7,000. Thus, the Housing Study is within the budget line item.

Any other implications to be considered? Any future consideration of acquiring residential property still requires Village Board action...thus the Housing Study is not making the determination that residential properties will be acquired.

Attachments:

TIF Study Area Map

TIF STUDY AREA – RESIDENCES

