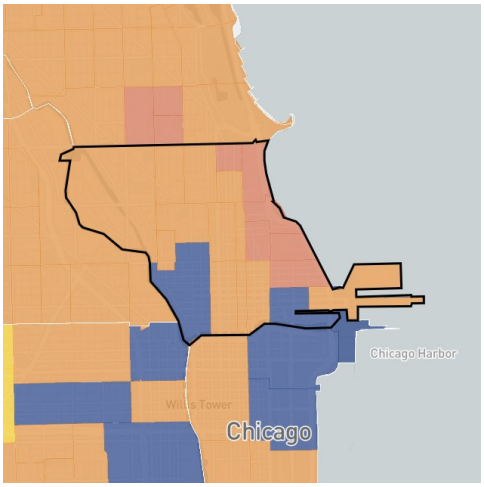
REGIONAL HOUSING SOLUTIONS

# Near North Side

https://www.regionalhousingsolutions.org/community/near-north-side

## Submarkets (What is a submarket?)




**66% of Near North Side is in Submarket 3.**
Higher density urban, high income, young, high home prices and rents

**18% of Near North Side is in Submarket 6.**
High cost suburban housing stock, low density, high income, aging

**16% of Near North Side is in Submarket 7.**
High population growth, newest housing stock

Areas with a similar combination of these submarkets:

Edgewater
Evanston
Hyde Park
Lake View
Lincoln Park
Lincoln Square
Logan Square
Loop
Near West Side
North Center
Oak Park
Uptown
West Town

*Want to find housing data for your community? Download U.S. Census housing data and use the Homes for a Changing Region data guide to analyze it.*

## Issues + strategies

Most communities have multiple submarkets within their boundaries. The issues facing each submarket as well as strategies tailored to address them are outlined below.

| | Submarkets with primary focus | | |
|---|---|---|---|
| **Issue** | **3** | **6** | **7** |
| Accessibility and visitability | | | ✓ |

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |

## Submarket 7

*Improving accessibility and visitability can prepare communities for a growing senior population.* A growing senior population raises concerns about whether submarket 7 communities are prepared as accessible and visitable places to live. As new housing is built or current housing is rehabilitated, attention should be given to make sure that housing will address the present and future needs of this population. Some submarket 7 exurban neighborhoods were built without important pedestrian infrastructure, like sidewalks and crosswalks. Figuring out how to retrofit such infrastructure into existing neighborhoods would also improve accessibility, as well as position communities to remain attractive as market preferences change.

### Strategies

#### Age-friendly neighborhoods

Communities should create local amenities that will appeal to people of all ages, from young families to seniors.

*Communities should create local amenities that will appeal to people of all ages, from young families to seniors.* A community can best meet its social and economic demands by having a healthy balance of people from all age groups. Nevertheless, municipalities need to plan for amenities that can attract and retain residents. Neighborhood parks, public spaces and community art spaces such as Karcher Artspace Lofts in Waukegan and those created by Batavia, are only a few of the central elements of an age-friendly community. For seniors that want to live independently in the community, having access to services is vital. Municipalities should think about the development of senior housing/services complexes strategically, and ideally should locate them near transit stations and commercial areas. Such developments can be helped by specific transit oriented development ordinances like Chicago's, which allow increased residential density and reduced parking requirements. Sunset Woods in Highland Park and Thomas Place in Glenview are great examples of developments that came to fruition because of strong collaboration between developers and municipalities. The Northwest Suburban Housing Collaborative's Handyman Program is an innovative senior service program that connects seniors to low-cost maintenance services and helps them to live independently in their homes. Read more about age-friendly policies.

#### Value of housing planning

Municipalities should invest in long-term planning to identify policies and tools that prepare its housing stock for the future.

*Municipalities should invest in long-term planning to identify policies and tools that prepare its housing stock for the future.* Via planning tools like the Homes for a Changing Region Toolkit, municipalities can better understand current and future housing needs in their communities and develop strategies to move toward a more "balanced" housing stock. Around the region, communities have been drawing on the principles of accessibility and sustainability to create healthier and safer housing.

| | | | |
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| Attracting younger families | | | ✓ |

## Submarket 7

*Exurban communities have an opportunity to attract younger families by striking the right balance between*

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |

*affordable homes and amenities.* Younger families generally need affordable starter home price points in order to become new homebuyers. Additionally, providing amenities such as walkable neighborhoods, parks, and open spaces can help to meet the preferences of younger generations, such as increased interest in biking and walking and more compact home environments.

### Strategies

#### Age-friendly neighborhoods

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#### Inclusionary zoning

Communities can use strong markets to create affordable housing.

*Communities can use strong markets to create affordable housing.* Inclusionary zoning efforts naturally work well in strong markets, leveraging the construction of new market rate units to add affordable units. Many communities in the region have adopted inclusionary zoning ordinances, including Chicago (ARO), Evanston, Highland Park, and Lake Forest.

**Affordable requirements ordinance (ARO):** Chicago adopted a new inclusionary housing ordinance in 2015. A number of stakeholders identified potential positives and negatives in the ARO. Yet, because the ordinance is so new, it remains to be seen how market rate developers will comply. Monitoring its implementation will help other communities understand whether it will serve as a model.

#### Land trusts

Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.

*Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.* Land trusts, like those operating in Chicago and the North Shore, are often an effective tool in helping preserve currently affordable units due to a land trust's unique ownership structure. When a land trust sells a unit to an owner, they only sell the improvements (i.e. the home), but not the land underneath. As a result, a household can purchase a home for substantially less than what it would ordinarily cost.

#### Repurpose and redevelop property

Communities should evaluate existing zoning and take stock of existing infrastructure when making decisions about redevelopment.

*Communities should evaluate existing zoning and take stock of existing infrastructure when making decisions about redevelopment.* Overdeveloped and vacant retail areas can be rezoned for mixed-use developments or housing. When adding multi-family units near transit, municipalities should consider lower parking requirements to relieve congestion and encourage walkability. Mundelein's Downtown

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |
| Design Guidelines, Glenview's Downtown Development Code, and Libertyville's payment in lieu of required parking policy are all great examples of how to create a more efficient built environment.<br><br>**Rethink unfinished planned unit developments**<br>The time is right to explore the future of stalled developments.<br>*The time is right to explore the future of stalled developments.* As stalled planned unit developments come back online, more diverse housing options should be included. Now that the market is recovering in many exurban areas of this submarket, municipalities should put some thought into planned unit developments that were never completed due to the housing downturn. Municipalities should consider supporting more diverse housing types to be built in these developments, including small-lot single family housing as well as multi-generational housing. HomeTown Aurora and Georgetown in Batavia are examples of developments that offer varied housing options. | | | |
| Community resistance | ✓ | ✓ | |

## Submarket 3

*Community resistance can stymy new housing options.* Despite the higher incomes for some submarket 3 households, developers do not report frequent community resistance issues relative to other submarkets. Some believe this is because of the greater mix of ages and incomes present in submarket 3. Others feel this is because many submarket 3 communities have a natural constituency of non-profits, community organizations, and residents who will support new development, including for low- and moderate-income households. A few mentioned the value of strong political leadership in setting the tone for a desire for balanced housing types and acceptance of people from across the income spectrum. That said, resistance in submarket 3 is less than in other areas, but not absent. Some projects do run into resistance due to concerns about parking, traffic, density, height, and income of occupants.

### Strategies

#### Community education

Targeted efforts to build support for diversity of housing stock and people can help address community resistance.

*Targeted efforts to build support for diversity of housing stock and people can help address community resistance.* Many groups, including elected officials, government staff, non-profits, and citizens, have explored ways to build community support for new housing types and greater local diversity. Utilizing these models in submarket 3 can help address community resistance issues. Read more about the many different best practices.

#### Value of housing planning

Using tools like Homes for a Changing Region can be valuable.

*Using tools like Homes for a Changing Region can be valuable.* In the midst of a strong market, it can be hard to find space to step back and think about over-arching issues. Yet, communities that undertake local housing planning, such as that done through Homes for a Changing Region, benefit from a clear vision of the types of housing needed by the community and can be less reactive to new proposals.

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |
| | ## Submarket 6<br>*Community resistance to change often stymies new housing options.* Local opposition to new housing options beyond the traditional large single-family home is strong. Submarket 6 communities and can make it difficult to attract a diversity of housing options to the area. A few mentioned the value of strong political leadership in setting the tone for a desire of balanced housing types and acceptance of people from across the income spectrum.<br>**Strategies**<br>**Community education**<br>Targeted efforts to build support for diversity of housing stock and people can help address community resistance.<br>*Targeted efforts to build support for diversity of housing stock and people can help address community resistance.* Many groups, including elected officials, government staff, non-profits, and citizens, have explored ways to build community support for new housing types and greater local diversity. Utilizing these models in submarket 6 can help address community resistance issues. Read more about the many different best practices.<br>**Encourage partnerships with place-based CDCs**<br>Developers that propose more dense housing options or affordable housing may be more likely to receive support if they can partner with a nonprofit community development corporation (CDC).<br>*Developers that propose more dense housing options or affordable housing may be more likely to receive support if they can partner with a nonprofit community development corporation (CDC).* CDCs are more likely to have a long-standing and trusted relationship with the local municipality. Elected officials and CDCs should consider meeting on a regular basis to discuss how they can work collaboratively to address local housing challenges and further develop a strong relationship and level of trust. Some areas of the region may lack a strong CDC network. Municipalities in these areas may want to evaluate if they should encourage the development of a local nonprofit partner that can help meet local housing goals. When new proposals are developed, it will be helpful to reference the messaging guide developed through the Housing Illinois campaign. Learn more about community acceptance strategies.<br>**Establish a housing commission**<br>Having a local body dedicated to housing issues helps a community craft policies that specifically respond to area housing needs.<br>*Having a local body dedicated to housing issues helps a community craft policies that specifically respond to area housing needs.* The Housing Commission can spend time better understanding the community's housing challenges and vetting potential solutions before they are brought to a Village Board. Both Highland Park and Lake Forest are examples of communities that have utilized housing commissions. | | |
| Economic development implications | | ✓ | |
| | ## Submarket 6<br>*The lack of housing options and low density in Submarket 6 may limit economic development opportunities.* | | |

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |
| Municipalities goals' around increasing retail options and fostering a vibrant business community in downtown areas may be limited by the lack of density in the submarket. Economic development may be further limited when area employers find it hard to attract and retain workers who demand different housing options beyond the traditional large, single-family home.<br><br>**Strategies**<br><br>**Value of housing planning**<br>Housing planning can be used as a tool to address or prevent a serious mismatch between housing supply and demand for people at every stage of the life cycle.<br>*Housing planning can be used as a tool to address or prevent a serious mismatch between housing supply and demand for people at every stage of the life cycle.* In the midst of a strong market, it can be hard to find space to step back and think about overarching issues. Yet, communities that undertake local housing planning, such as that done through Homes for a Changing Region, benefit from a clear vision of the types of housing needed by the community, and can be less reactive to new proposals. | | | |
| Growing senior population | | ✓ | |

## Submarket 6

*Older adults will demand new housing options and readily available access to transportation and services.* Submarket 6 communities will need to think creatively about how to address the needs of a growing senior population given that this area has the highest increase in residents over the age of 60. The lack of housing stock diversity may pose problems for seniors who wish to downsize and stay in the community. Communities will also need to consider how to address the needs of seniors who can no longer drive and will need access to new transportation options. Seniors are more likely to desire walkable neighborhoods that provide easy access to amenities and services.

### Strategies

#### Accessory dwelling units (ADUs)

ADUs may be ideal for seniors who want to downsize and be close to family members, or have caregivers live on the property.

*ADUs may be ideal for seniors who want to downsize and be close to family members, or have caregivers live on the property.* ADUs are independent housing units created within single-family homes or on their lots. These units can be a valuable addition to a community's housing stock, particularly in an area that has limited opportunities for infill. ADUs have the potential to assist older homeowners in maintaining their independence by providing additional income to offset property taxes and the costs of home maintenance and repair. Communities considering ADUs can reference the Atlanta Regional Commission's model ordinance language. Partners for Livable Communities' *A Blueprint for Action* also provides specific strategies for creating a successful ADU program and discusses senior-friendly housing ordinances, as well universal design and visitability. Learn more about senior housing strategies.

#### Age-friendly neighborhoods

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Age-friendly neighborhoods are walkable, offer housing and transportation choices, as well as access to basic needs and amenities.

*Age-friendly neighborhoods are walkable, offer housing and transportation choices, as well as access to basic needs and amenities.* CMAP's Aging in Place whitepaper has a variety of helpful strategies and notes that municipalities should focus on creating age-friendly land use and zoning policies that promote mixed use and allow a diversity of residential districts and housing types, such as allowing for multigenerational homes, cohousing, shared housing, and senior congregate housing. Communities should also accommodate diverse living arrangements, including: "Families of choice" (groups of individuals who are not biologically related but live together and share a kitchen) and allow child and elder care in residential settings by allowing older adults and caregivers to reside together. The Illinois Association of Realtors also has a useful webpage with additional Senior Housing Resources for local municipalities. Learn more about age-friendly community strategies.

**Home modifications and maintenance**

Implementing programs to help seniors with minor home repairs and safety modifications can help residents that want to age in place.

*Implementing programs to help seniors with minor home repairs and safety modifications can help residents that want to age in place.* Home modifications and maintenance are fundamental to keeping seniors safe in their homes. They can also be an effective way of reducing housing costs, and increasing affordability. There are a variety of assistance programs that a community can implement, which are outlined in Partners for Livable Communities' A *Blueprint for Action*. Many communities in our region such as those in the Northwest suburbs operate handyman programs to help seniors with small home repairs. Learn more about senior housing strategies.

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| Growth creates opportunities | | | ✓ |

## Submarket 7

*Growth creates an opportunity to create a more "balanced" housing stock, which can better accommodate households of various sizes and income levels.* Whether in the core of the region or at the edges, submarket 7 is growing. That growth creates opportunities. In newly developed communities, new construction creates the chance to create complete communities from the start, with a balanced housing supply that will be resilient to changing housing demand. At the core, this means understanding whether the housing that is being added creates opportunities from across the income spectrum. A more "balanced" housing stock can better accommodate households of various sizes and income levels. While most of the housing stock in the exurban areas of this submarket consists of newer single-family homes, communities can take a new approach that encourages a greater mix of housing types. In Chicago's downtown core, the City can evaluate the opportunities that new development has created for households across the income spectrum in order to forge a path forward that increases housing equity.

**Strategies**

**Community education**

Targeted efforts to build support for diversity of housing stock and people can help address community resistance.

| | Submarkets with primary focus | | |
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| **Issue** | **3** | **6** | **7** |

*Targeted efforts to build support for diversity of housing stock and people can help address community resistance.* Many groups, including elected officials, government staff, non-profits, and citizens, have explored ways to build community support for new housing types and greater local diversity. Utilizing these models in submarket 7 can help address community resistance issues. Read more about the many different best practices.

### Inclusionary zoning

Communities can use strong markets to create affordable housing.

*Communities can use strong markets to create affordable housing.* Inclusionary zoning efforts naturally work well in strong markets, leveraging the construction of new market rate units to add affordable units. Many communities in the region have adopted inclusionary zoning ordinances, including Chicago (ARO), Evanston, Highland Park, and Lake Forest.

**Affordable requirements ordinance (ARO):** Chicago adopted a new inclusionary housing ordinance in 2015. A number of stakeholders identified potential positives and negatives in the ARO. Yet, because the ordinance is so new, it remains to be seen how market rate developers will comply. Monitoring its implementation will help other communities understand whether it will serve as a model.

### Land trusts

Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.

*Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.* Land trusts, like those operating in Chicago and the North Shore, are often an effective tool in helping preserve currently affordable units due to a land trust's unique ownership structure. When a land trust sells a unit to an owner, they only sell the improvements (i.e. the home), but not the land underneath. As a result, a household can purchase a home for substantially less than what it would ordinarily cost.

### Repurpose and redevelop property

Communities should evaluate existing zoning and take stock of existing infrastructure when making decisions about redevelopment.

*Communities should evaluate existing zoning and take stock of existing infrastructure when making decisions about redevelopment.* Overdeveloped and vacant retail areas can be rezoned for mixed-use developments or housing. When adding multi-family units near transit, municipalities should consider lower parking requirements to relieve congestion and encourage walkability. Mundelein's Downtown Design Guidelines, Glenview's Downtown Development Code, and Libertyville's payment in lieu of required parking policy are all great examples of how to create a more efficient built environment.

### Rethink unfinished planned unit developments

The time is right to explore the future of stalled developments.

*The time is right to explore the future of stalled developments.* As stalled planned unit developments come back online, more diverse housing options should be included. Now that the market is recovering in many exurban areas of this submarket, municipalities should put some thought into planned unit developments that were never completed due to the housing downturn. Municipalities should consider supporting more diverse housing types to be built in these developments, including small-lot

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| **Issue** | **3** | **6** | **7** |
| single family housing as well as multi-generational housing. HomeTown Aurora and Georgetown in Batavia are examples of developments that offer varied housing options.<br><br>**Value of housing planning**<br>Municipalities should invest in long-term planning to identify policies and tools that prepare its housing stock for the future.<br>*Municipalities should invest in long-term planning to identify policies and tools that prepare its housing stock for the future.* Via planning tools like the Homes for a Changing Region Toolkit, municipalities can better understand current and future housing needs in their communities and develop strategies to move toward a more "balanced" housing stock. Around the region, communities have been drawing on the principles of accessibility and sustainability to create healthier and safer housing. | | | |
| Need for more diverse housing options | | ✓ | |

## Submarket 6

*Attracting new population segments and serving the needs of existing residents may prove challenging given the limited housing stock diversity in the submarket.* High housing values and incomes in Submarket 6 have resulted in stability in the housing market. However, municipalities in this Submarket may need to consider how to accommodate changing demand for housing options when trying to attract new segments of the population including young families and millennials, seniors who want to stay in the community, and local employers who want their employees to live near work. Municipalities will need to consider how to accommodate demand for a variety of housing options from these population groups, including smaller single-family homes, more compact development and multifamily housing. Interviewees also expressed concerns about Submarket 6 communities' ability to accommodate the needs of segments of the local workforce that may be housing cost burdened. Local opposition to new housing options, as well as more attainable housing from a cost perspective, is often strong and will present challenges to municipal officials. In addition, competition for, and cost of, land often make development of new housing options all the more challenging in Submarket 6.

### Strategies

#### Affordability through reduced parking

Reducing parking requirements can help to keep housing costs attainable.

*Reducing parking requirements can help to keep housing costs attainable.* In residential developments, higher sales prices or rents must support every additional parking space required by a municipality. The more parking required, the more expensive the development. If communities in submarket 6 are considering building new multifamily housing at affordable prices, reducing or eliminating parking requirements can help. In Chicago, the Transit-Oriented Development Ordinance (TOD) reduces or eliminates parking requirements near transit while providing density bonuses for developers who take advantage of the provisions. Many believe that this has helped amplify the rental development boom in strong markets like Logan Square and the West Loop, opening up previously undevelopable parcels for action. In Libertyville, developers can cash-out their parking requirements, paying the village a fee in lieu of parking not provided on-site.

| | Submarkets with primary focus | | |
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### Affordable housing trust fund

An affordable housing trust fund can help to increase the production or preservation of affordable units within a community.

*An affordable housing trust fund can help to increase the production or preservation of affordable units within a community.* Municipal governments can establish dedicated sources of funding for affordable housing construction, acquisition and/or preservation, such as the fund created in Highland Park.

### Demolition tax

Revenue raised from a demolition tax can be used to create a fund for the creation, preservation, maintenance and improvement of affordable housing within a municipality.

*Revenue raised from a demolition tax can be used to create a fund for the creation, preservation, maintenance and improvement of affordable housing within a municipality.* In strong market areas experiencing a loss of affordability or starter homes, a demolition tax can help to create a dedicated source of revenue to fund affordable housing initiatives within a municipality. Evanston, Highland Park, and Lake Forest all have implemented a demolition tax policy.

### Establish a housing commission

Having a local body dedicated to housing issues helps a community craft policies that specifically respond to area housing needs.

*Having a local body dedicated to housing issues helps a community craft policies that specifically respond to area housing needs.* The Housing Commission can spend time better understanding the community's housing challenges and vetting potential solutions before they are brought to a Village Board. Both Highland Park and Lake Forest are examples of communities that have utilized housing commissions.

### Inclusionary zoning

Linking the production of market-rate housing and affordable housing can help address the issue of housing cost burden.

*Linking the production of market-rate housing and affordable housing can help address the issue of housing cost burden.* Inclusionary zoning efforts naturally work well in strong markets. These policies either require or encourage new residential developments to make a certain percentage of the housing units affordable to residents at target income ranges. Many communities in the region have adopted inclusionary zoning ordinances, including Evanston, Highland Park, and Lake Forest.

### Land trusts

Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.

*Land trusts can provide affordable housing in perpetuity by owning land and leasing it to those who live in houses built on that land.* Land trusts, like those operating in Chicago and the North Shore, are often an effective tool in helping preserve currently affordable units due to a land trust's unique ownership structure. When a land trust sells a unit to an owner, they only sell the improvements (i.e. the home), but not the land underneath.

### Preservation and expansion of affordable housing

Preserving housing units that are already affordable is especially important in strong markets.

*Preserving housing units that are already affordable is especially important in strong markets.* Any existing affordable housing already in Submarket 6 should be prioritized for preservation. Submarket 6

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| communities should explore strategies to ensure existing units remain in the long-term, in order to preserve residents' access to opportunities such as good schools and jobs. Land trusts have proven to be a useful preservation strategy. Similarly, the work in Albany Park highlights the value of targeted work by local non-profits to preserve units in areas with rising prices.<br><br>**Value of housing planning**<br>Housing planning can be used as a tool to address or prevent a serious mismatch between housing supply and demand for people at every stage of the life cycle.<br>*Housing planning can be used as a tool to address or prevent a serious mismatch between housing supply and demand for people at every stage of the life cycle.* In the midst of a strong market, it can be hard to find space to step back and think about overarching issues. Yet, communities that undertake local housing planning, such as that done through Homes for a Changing Region, benefit from a clear vision of the types of housing needed by the community, and can be less reactive to new proposals. | | | |
| Very strong market | ✓ | | |

## Submarket 3

*Strong markets come with benefits and issues.* Submarket 3 neighborhoods are among the strongest housing markets in the region. Such strength allows the market to address housing issues that many other areas struggle with, including an older housing stock. Yet, that strong demand makes it challenging to preserve housing opportunities for current residents. Price and rent increases can drive out existing residents. Demand for smaller rental units is strong enough relative to sales prices that developers are de-converting condominiums into apartments. Demand for single-family homes is so much stronger than rentals that developers tear down multiple rental units to build a smaller number of single-family homes. Market specialists think that demand will not abate in the near future since these areas are often close-in with good job and transit access and a form attractive to many households.

### Strategies

#### Affordability through reduced parking

Reducing parking requirements can help to keep housing costs attainable.

*Reducing parking requirements can help to keep housing costs attainable.* For communities looking to preserve affordability or help create new housing at more affordable prices, reducing or eliminating parking requirements can help. Higher sales prices or rents must support every additional parking space required by a municipality. The more parking required, the more expensive the development. In Chicago, the Transit-Oriented Development Ordinance (TOD) reduces or eliminates parking requirements near transit while density bonuses for developers who take advantage of the provisions. Many believe that this requirement has helped amplify the rental development boom in strong markets like Logan Square and the West Loop, opening up previously undevelopable parcels for action. In Libertyville, developers can cash-out their parking requirements, paying the village a fee in lieu of parking not provided on-site.

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### Preservation and expansion of affordable housing

Preserving affordable housing options can help existing residents stay in changing neighborhoods.

*Preserving affordable housing options can help existing residents stay in changing neighborhoods.* Dedicated programs designed to preserve lower cost units can help ensure that even as a neighborhood changes, existing residents have an opportunity to remain. For example, Chicago passed the Single-room Occupancy Preservation Ordinance in 2014, which helps non-profits compete with private firms to preserve a targeted unit type. Similarly, the work in Albany Park highlights the value of targeted work by local non-profits to preserve units in areas on the cusp of rapid change.

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