Hainesville
https://www.regionalhousingsolutions.org/municipality/hainesville

**Submarkets** *(What is a submarket?)*

- **65% of Hainesville is in Submarket 7.**
  High population growth, newest housing stock

- **22% of Hainesville is in Submarket 8.**
  Suburban 1980–99 housing stock, high/middle income, suburban, aging

- **14% of Hainesville is in Submarket 2.**
  Higher density urban and suburban, large households, high foreclosure/moderate vacancy, low/moderate income

**Areas with a similar combination of these submarkets:**

<table>
<thead>
<tr>
<th>Bloomingdale</th>
<th>Lakemoor</th>
<th>Round Lake</th>
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<tbody>
<tr>
<td>Carol Stream</td>
<td>Matteson</td>
<td>Heights</td>
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<tr>
<td>Country Club</td>
<td>McHenry</td>
<td>Schaumburg</td>
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<td>Hills</td>
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<td>Crete</td>
<td>North Aurora</td>
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<td>Crystal Lake</td>
<td>Palos Heights</td>
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<td>Darien</td>
<td>Park City</td>
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<td>Elgin</td>
<td>Roselle</td>
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<tr>
<td>Glendale Heights</td>
<td>Round Lake</td>
<td>Willow Springs</td>
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<td>Hoffman Estates</td>
<td>Beach</td>
<td>Winthrop Harbor</td>
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<tr>
<td>Johnsburg</td>
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<td>Zion</td>
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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.

<table>
<thead>
<tr>
<th>Submarkets with primary focus</th>
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<tbody>
<tr>
<td><strong>Issue</strong></td>
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<tr>
<td><strong>Accessibility and visitability</strong></td>
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**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.* 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.* 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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Submarket 8

Improving accessibility and visitability can prepare communities for a growing senior population. A growing senior population raises concerns about whether submarket 8 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 8 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.

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### Submarket 7

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

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 Arspace Lofts in Waukegan and those created by Batavia, are only a few of the central elements of an age-friendly community. Read more about age-friendly policies.

**Inclusionary zoning**

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, 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**
Submarkets with primary focus

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**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.* 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.

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**Placemaking and marketing strategies**

*Communities should develop strategies to create greater neighborhood identity in order to encourage additional private sector investment.* Municipalities can make a concerted effort to enhance neighborhood character in Submarket 8 through strategic public investments such as neighborhood branding/signage, streetlights, sidewalks, etc. As noted before, adding pedestrian infrastructure to these existing neighborhoods will be particularly valuable. Public sector investment will likely signal to
Submarkets with primary focus

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**Code issues**

Submarket 2

Finding a balance between too aggressive and too lenient code enforcement can be difficult. Development pressures in some parts of submarket 2 allow the market to either rehabilitate or replace older units with code issues. In other parts of submarket 2, where the market is comparatively weaker, communities struggle to find the right balance in addressing code issues. Too aggressive enforcement can lead to vacancy and reduced neighborhood stability because building owners cannot afford to make all the repairs. Too lenient enforcement can lead to households living in unsafe or unsanitary homes. Burdensome point of sale requirements may deter new investment in the community, and challenges with staff capacity can result in long waiting periods to complete required inspections. The results of either approach compound over time and can serve as a deterrent to future market-driven rehabilitation.

**Strategies**

**Rental unit monitoring and regulation**

Effective municipal regulation, coupled with pro-active strategies and incentives, can improve rental quality and reduce problems.

Effective municipal regulation, coupled with pro-active strategies and incentives, can improve rental quality and reduce problems. With the number of rental properties in submarket 2, municipalities need to review the structure of their rental unit monitoring and regulation efforts to make sure that they are effectively maintaining the quality of the local rental stock in accordance with state law. Municipalities may want to consider implementing a performance-based rental regulation ordinance such as the one in place in the Village of Addison. Municipalities may also want to point owners of multifamily rental property to the abundance of resources at the Community Investment Corporation (CIC) for financing, energy efficiency, and property management training. Learn about best practice rental regulation strategies.

**Strategic code enforcement on vacant properties**

Code enforcement departments should create targeted intervention strategies based on certain property characteristics.
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**Utilize demolition, fast-track, and abandonment authority**

More aggressive strategies may be needed when owners become unresponsive.

**More aggressive strategies may be needed when owners become unresponsive.** When it is clear an owner of a vacant property is no longer being responsive, municipalities should consider more aggressive strategies. The Metropolitan Mayors Caucus and BPI's publication on [Vacant Building Ordinances](#) provides detailed information and step-by-step guidance on abandonment, fast track demolition, and declaration of abandonment. Some south suburban municipalities have used their abandonment authority to take control of problem properties and then partner with the [South Suburban Land Bank](#) to transfer ownership of these properties to responsible owners. The [Village of Lansing](#) has been using abandonment petitions to gain control of vacant properties, reduce strain on municipal resources, and attract investment. **Learn more about strategies to deal with vacant properties.**

**Foreclosure**

Communities struggle to determine how best to deal with foreclosures. Stakeholders raised concerns about the ongoing impact of foreclosures in submarket 2. The lingering effects depend on the proximity to other markets. Near stronger submarkets, like 3 and 7, foreclosures can be addressed more easily, with units often reoccupied, whether by owners or renters. In other areas, communities struggle to determine how best to deal with foreclosures. If not properly addressed, foreclosures can begin a neighborhood cycle of disinvestment. Prolonged disinvestment drives property abandonment, resulting in demolition in many cases. While demolition may represent an immediate benefit to surrounding residents, high rates of demolition can also create new challenges by disrupting the fabric of the built environment.

**Strategies**
### Submarkets with primary focus

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#### High priority property maintenance liens

Municipalities should utilize priority liens to recover costs incurred for securing and maintaining abandoned residential property. Illinois law allows for priority liens for securing and maintaining abandoned residential property. The law applies to any type of permanent dwelling unit that has been unoccupied for at least 90 days and for which the municipality attempted to contact the owner(s) or the owner's agent(s) but was unable to reach anyone. It covers the removal of weeds, trees, bushes, grass, garbage, debris, or graffiti, and securing or enclosing the property. Liens obtained under this law are superior to all other liens, except taxes. Under this law, municipalities recover their expenses after taxes are paid but before the mortgage is recovered. Thus, municipalities will recover even when the value of the property is less than the value of the mortgage. If municipalities are maintaining vacant property in their community, they should be sure to go through the necessary steps to file a high priority lien on the property. The Metropolitan Mayors Caucus and Business and Professional People for the Public Interest's (BPI) publication on Vacant Building Ordinances provides detailed information and step-by-step guidance on this process. Learn more about strategies to deal with vacant property.

#### Housing counseling

Communities should familiarize themselves with any HUD certified housing counseling agencies in their area and market their services to residents. Communities should familiarize themselves with any HUD certified housing counseling agencies in their area and market their services to residents. Housing Action Illinois provides information about housing counseling agencies across the region. Residents can get access to financial management and budget counseling, mortgage delinquency and default counseling, pre-purchase education, one-on-one homeownership counseling, rental information, fair housing guidance, rehabilitation programs, reverse mortgage counseling, homeless prevention support, predatory lending education, and foreclosure prevention options.

#### Land banking

Land banks can be used as a strategic tool to acquire problem vacant properties and convert them into assets. Land banks can be used as a strategic tool to acquire problem vacant properties and convert them into assets. Land banks are governmental entities or nonprofit corporations that focus on the conversion of vacant, abandoned and tax delinquent properties into productive use and have proved to be a useful tool to help reinvent and revitalize neighborhoods. Most vacant and abandoned properties have many legal and financial barriers, such as years of back taxes and clouded title that make it difficult to attract investors. Land banks have the ability to hold land tax-free and clear title and/or extinguish back taxes, which can be essential when trying to attract buyers and investment. Land banks can work in partnership with municipalities to advance community-based goals. There are two successful examples of land banks in Illinois, in both the south suburbs and Cook County, and other areas of the region struggling with issues of vacancy and blight might consider the use of land banking as a tool in their community. The Center for Community Progress is a good starting point to learning about land banking. Learn more about strategies to deal with vacant property.

#### Resource targeting

Targeting resources can increase their impact.
Targeting resources can increase their impact. Submarket 2 neighborhoods often attract funding to address local issues because of evidence of distress, like more foreclosures and high levels of cost burden. To ensure those resources maximize impact, communities, program operators, and funders should explore how to work closely in targeting those resources, as was done by Evanston with its Neighborhood Stabilization Program or Chicago with its Micro-Market Recovery Program.

Review regulations affecting real estate development
Communities may want to review Point of Sale requirements in order to determine if they are discouraging investment in the municipality. Burdensome Point of Sale requirements—the steps that a seller or purchaser must go through with a municipality to buy a sell or unit—can dampen market interest in a community. An internal audit of Point of Sale requirements that considers the time to complete the entire process may prove helpful. Communities may consider conducting a focus group of potential developers/investors to gather feedback on the requirements and how they can be improved. Municipalities want to be sure their process is efficient, and at times flexible, in order to encourage sales activity in the community.

Strategic code enforcement on vacant properties
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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. 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

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**Need for more diverse housing options**

Submarket 8

*The housing stock of communities should accommodate households of various sizes and income levels.* Housing stock that is uniform in both its size and type can result in missed opportunities for communities to attract new residents and jobs. While most of the submarket’s housing stock consists of
newer single-family homes, communities have an opportunity to increase the diversification of their housing stock through new development or retrofitting existing stock. An increase in the mix of housing types can appeal to a wider buyer pool and allow submarket 8 communities to remain competitive as market conditions change.

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**Potential for rapid neighborhood change**

Submarket 2

*Proximity of submarket 2 to submarkets 3 and 7 increase the potential for rapid change.* Submarket 2 often abuts higher income or rapidly developing areas (i.e. submarkets 3 or 7). Market specialists think that the pressure on submarket 2 to change will not abate since these areas are often close-in with good job and transit access and a form attractive to many households.

**Strategies**

**Adaptive reuse**

Reusing existing buildings can help lower development costs and create affordable options.

*Reusing existing buildings can help lower development costs and create affordable options.* The age of the buildings in submarket 2, including the presence of large older industrial or commercial buildings, lends itself adaptive reuse, such as the Karcher Artspace Lofts in Waukegan.

**Affordability through reduced parking**

Reducing parking requirements can help to keep housing costs attainable.

*Reducing parking requirements can help to keep housing costs attainable.* Providing parking costs money. Higher sales prices or rents must support those costs. The more parking required by the municipality, the more expensive the development. For communities looking to preserve affordability or help create
new housing at more 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 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.

**Community leadership**

Strong local community groups can help involve existing residents in guiding the future of their neighborhood. **Strong local community groups can help involve existing residents in guiding the future of their neighborhood.** Local institutional infrastructure also plays an important role in helping manage neighborhood change. For example, the Pilsen Land Use Committee offers neighborhood residents a forum to discuss potential new developments. Its role as a respected partner by many local non-profits, institutions, and government officials ensures that it can both represent local views and be involved in the decision-making process.

**Inclusionary zoning**

Communities can use strong markets to create affordable housing. **Communities can use strong markets to create affordable housing.** Some parts of submarket 2 are already changing rapidly. Inclusionary zoning efforts naturally work well in strong markets, leveraging new market rate units to add affordable units too. 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. By selling only the improvements, the purchaser can pay far less for a home.

**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.** Ensuring existing residents have an opportunity to remain even as a neighborhood changes requires dedicated programs to preserve low cost units. For example, Chicago passed the Single-room Occupancy Preservation Ordinance in 2014, highlighting the value of municipal intervention to preserve a targeted...
Submarkets with primary focus

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<td>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.</td>
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**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.** Since the issues of greatest concern in submarket 2 neighborhoods depends heavily on the proximity of other submarkets and the strength of the market in those areas, local housing planning, such as that done through Homes for a Changing Region, is very valuable.

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**Submarket 2**

*How much a community focuses on housing issues in submarket 2 depends on context.* Some communities focus on the housing issues in submarket 2 more than others. The emphasis likely depends on the mix of submarkets in a local community along with capacity. Municipalities with more vibrant housing markets or more distressed areas may not choose to focus on housing issues in this submarket, viewing it as stable.

**Strategies**

**Resource targeting**

Targeting resources can increase their impact.

**Targeting resources can increase their impact.** Submarket 2 neighborhoods often attract funding to address local issues because of evidence of distress, like more foreclosures and high levels of cost burden. To ensure those resources maximize impact, communities, program operators, and funders should explore how to work closely in targeting those resources, as was done by Evanston with its Neighborhood Stabilization Program or Chicago with its Micro-Market Recovery Program.

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**Rehabilitation challenges**

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**Submarket 2**

*Rehab programs may be underutilized.* In response to deferred maintenance and code issues, many organizations operate housing rehabilitation programs. Yet, these programs are not always heavily
### Submarkets with primary focus

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<td>used. The cost of bringing a unit up to code may exceed available funding, limiting the utility of the program to local residents. On the other hand, in some areas of Submarket 2, market pressures may make rehab more financially feasible.</td>
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#### Strategies

**Approach to rehabilitation**

Municipal rehab programs can help certain residents address issues of deferred property maintenance. Municipalities, counties, and non-profits have developed many different models for how to operate local rehabilitation programs. The key to success is choosing a structure that matches the size and scope of the code issues in the targeted community and matches the financial condition of building owners. Read more about the many different models of rehabilitation programs in the region.

#### Tenure changes

**Submarket 2**

Units may be changing from owner-occupied to renter-occupied. In some ways, the change in tenure is beneficial: the market is finding ways to ensure that foreclosed units do not remain vacant. Yet, the change in tenure can have many impacts. More rental units may challenge the ability of communities to effectively monitor and manage the local rental stock due to the rapid increase in the number of rental units. Such changes may also signal financing challenges, leaving potential owners as renters.

#### Strategies

**Rental unit monitoring and regulation**

Effective municipal regulation, coupled with pro-active strategies and incentives, can improve rental quality and reduce problems. Effective municipal regulation, coupled with pro-active strategies and incentives, can improve rental quality and reduce problems. With the number of rental properties in submarket 2, municipalities need to review the structure of their rental unit monitoring and regulation efforts to make sure that they are effectively maintaining the quality of the local rental stock in accordance with state law. Municipalities may want to consider implementing a performance-based rental regulation ordinance such as the one in place in the Village of Addison. Municipalities may also want to point owners of multifamily rental property to the abundance of resources at the Community Investment Corporation (CIC) for financing, energy efficiency, and property management training. Learn about best practice rental regulation strategies.

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